DETERMINATION OF SIGNIFICANCE
AND REQUEST FOR COMMENTS ON SCOPE OF ENVIRONMENTAL IMPACT STATEMENT FOR IMPERIUM BULK LIQUID FACILITY PROJECT

Description of proposal: Imperium Renewables proposes to expand its existing bulk liquid storage terminal to allow for: the receipt, storage, and shipment of biofuels such as ethanol, biodiesel and additional feedstocks for biofuel production such as used cooking oil/waste vegetable oil and animal fat; petroleum products including naphtha, gasoline, vacuum gas oil, jet fuel, no. 2 fuel oil, no. 6 fuel and kerosene; crude oil; and renewable fuels such as renewable diesel and renewable jet fuel. Imperium is also applying for permits to store the following additional bulk liquids in the existing tanks: used cooking oil, waste vegetable oil, animal fats, naphtha, gasoline, vacuum gas oil, jet fuel, no. 2 fuel oil, no. 6 fuel oil, kerosene, crude oil, renewable diesel, and renewable jet fuel. The bulk liquids could be shipped by rail, trucks, ships, or barges to and from the facility from the Port of Grays Harbor Terminal 1.

Up to nine (9) storage tanks would be constructed on the site to the north/northwest of Imperium's existing bulk storage tanks. The new tanks would each have a capacity of 80,000 barrels for a project total storage capacity of up to 720,000 barrels. The annual maximum throughput for the entire Imperium facility, including the expansion, would be 30,000,000 barrels per year. The tanks would be surrounded by a concrete containment wall with the capacity to contain the total volume of a single tank plus an allowance for precipitation.

The existing rail facility would be expanded. Approximately 6,100 feet of track in multiple new rail spurs would be constructed on site in connection with the existing rail line and the existing rail yard would be expanded. The rail car containment area would have the capacity to contain the total volume of a single rail car plus an allowance for precipitation.

Pipelines would be installed connecting Terminal 1 with the tank area. One 24-inch-diameter pipe and one 16-inch-diameter pipe would be constructed from the tank area and routed across an existing pipe bridge over the existing rail line. The two pipes would be routed to Terminal 1 following a similar route as the existing Imperium tank farm piping.

A marine vapor combustion unit would be installed west of the existing Imperium tank area and would be used to incinerate displaced vapors during vessel loading. A new building or buildings would be constructed on the site to replace the existing mobile trailers. The new buildings would provide offices and laboratory, maintenance, and warehouse facilities.

No in-water work is proposed.

The company estimates that the terminal operations would handle a maximum of 730 unit trains a year (loaded and empty) or two (2) unit trains per day. The company estimates that the terminal operations would handle up to 200 ships or barges a year (400 entry and departure transits).

Proponent: Imperium Terminal Services, LLC, a wholly owned subsidiary of Imperium Renewables Inc.

Location of proposal: The project would be located on leased property owned by the Port of Grays Harbor. The site is located adjacent to the Chehalis River at Section 7, Township 17 North, Range 9 West W.M., tax parcel number 056402300000. The majority of the Project, including the tanks and most of the rail facility improvements, will be in the City of Hoquiam. The new office building and a segment of the rail facility improvements will be on the portion of the site in neighboring Aberdeen.

Co-Lead Agencies: City of Hoquiam and Washington Department of Ecology. The City of Hoquiam is the nominal lead for the SEPA review process.

EIS Required. The Co-Lead Agencies have determined this proposal is likely to have a significant adverse impact on the environment. An Environmental Impact Statement (EIS) is required under RCW 43.21C.030 (2)(c) and will be prepared. The Co-Lead Agencies will make notifications related to the environmental review process, including public meetings and hearings, in accordance with adopted City and State procedures.

The Co-Lead Agencies have identified the following areas for discussion in the EIS. Additional areas of study will be identified and considered during the scoping period.

Earth
- Geology and Soils
- Seismic Events
- Tsunami Preparedness

Air
- Emissions (including Greenhouse Gases)

Water
- Water Quality
- Runoff

Plants

Animals
- Marine Life

Energy and Natural Resources

Environmental Health
- Oil Spill Prevention, Preparedness, Response
- Noise
- Risk of Fire or Explosion
- Releases or Potential Releases of Toxic or Hazardous Materials

Land and Shoreline Use

Aesthetics

Light and Glare

Recreation

Historic and Cultural Preservation

Transportation
- Vehicle Traffic
- Rail traffic, including a rail transportation impact analysis for the rail line from Centralia to Grays Harbor
- Rail Safety
- Vessel Traffic, including vessel transportation impact analysis for vessel traffic in Grays Harbor
- Vessel Safety

Public Services

The No Action Alternative will also be evaluated.

Scoping. Agencies, affected tribes, and members of the public are invited to comment on the scope of the EIS within a 47-day expanded scoping comment period beginning on April 10, 2014 and closing May 27, 2014. You may comment on alternatives, mitigation measures, probable significant adverse impacts, and licenses or other approvals that may be required.

Scoping comments will be accepted in three ways:

Oral Comments: Oral comments will be accepted during two public scoping meetings:

1. Hoquiam: April 24, 2014 at Hoquiam High School Commons, 501 W. Emerson Avenue, Hoquiam WA. The meeting will start at 5 p.m. and end at 9 p.m. The public comment period will start at 6 p.m. and end at 9 p.m.

2. Centralia: April 29, 2014, Centralia High School Commons, 813 Eshom Road, Centralia WA. The meeting will start at 5 p.m. and end at 9 p.m. The public comment period will start at 6 p.m. and end at 9 p.m.

Electronic Written Comments: Electronic written comments will be accepted through 5 p.m. Pacific Daylight time until May 27, 2014 via a web form at https://public.commentworks.com/cwx/westwayimperiumcommentform.

Other Written Comments: Other written comments will be accepted through May 27, 2014 via US Mail at the following address:

Imperium and Westway EISs
c/o ICF International,
710 Second Avenue, Suite 550
Seattle, WA 98104

Written scoping comments will also be accepted at scoping meetings listed above.

Documents Available: An environmental checklist or other materials indicating likely environmental impacts can be reviewed at the City of Hoquiam Office, 609 8th Street, Hoquiam WA, or at the Ecology website at http://www.ecy.wa.gov/geographic/graysharbor/imperiumterminal.html.

Responsible Officials:
Brian Shay
City Administrator, City of Hoquiam

Date: 4/4/2014 **Signature:** Brian J. Shay

Sally Toteff
Southwest Regional Office Director, Washington State Department of Ecology

Date: 4/3/2014 **Signature:** Sally Toteff