

**BEFORE THE STATE OF WASHINGTON  
ENERGY FACILITY SITE EVALUATION COUNCIL**

In the Matter of the Petition of

COLUMBIA RIVERKEEPER

For a Declaratory Order Re: Jurisdiction Over

KALAMA METHANOL  
MANUFACTURING AND EXPORT  
FACILITY

DOCKET NO. \_\_\_\_\_

**DECLARATION OF MURRAY V.  
(VEE) GODLEY III IN SUPPORT OF  
NORTHWEST INNOVATION WORKS'  
OBJECTION TO COLUMBIA  
RIVERKEEPER'S PETITION FOR  
DECLARATORY ORDER**

Comes now, MURRAY V. (Vee) GODLEY III and, pursuant to RCW 9A.72.085, states and declares under the penalty of perjury in the State of Washington as follows:

1. I am over 18 years of age, have personal knowledge of the matters herein, and am competent to testify regarding all matters set forth herein. I am the President of Northwest Innovation Works, LLC ("NWIW"). In that capacity, I serve as the Northwest-based executive for NWIW. I have more than 30 years of project development and project management experience, and am chiefly responsible for leading the permitting efforts for the Kalama Methanol Manufacturing and Export Facility (the "Project"). I am submitting this Declaration in support of NWIW's objection to the Petition for Declaratory Order filed by Columbia Riverkeeper ("CRK").

2. NWIW is a multi-national partnership committed to meeting a global need – a cleaner source for methanol production. NWIW is managed by a team of executives with years of experience in project development, engineering, finance, and manufacturing.

3. NWIW is proposing to construct manufacturing facilities in Washington and Oregon that will use natural gas instead of coal to produce methanol. The methanol produced by NWIW will be shipped to Asia for use in the manufacture of olefins – a component in items most of us use every day. NWIW is committed to bringing manufacturing jobs back to the U.S. with innovative technology that also is good for the planet. NWIW’s proposed facilities will include investment of more than \$3.6 billion to build industry-leading, ultra-low-emissions technology in manufacturing plants that will provide hundreds of new jobs in Northwest communities while producing methanol in a cleaner, more environmentally responsible way.

4. I have reviewed the Declaration of Tabitha Reeder, submitted by the Port of Kalama, in support of the Port’s objection to the CRK petition. As stated in her Declaration, the Port and NWIW executed a lease and related agreements for the Project on April 9, 2014. NWIW is working closely with the Port of Kalama, City of Kalama, Cowlitz County, and Cowlitz County Fire District 5 to consider the unique site needs at the Port of Kalama. We (NWIW) have committed to working with the community to address questions about the proposed facility, including a proposed (FERC jurisdictional) pipeline needed to provide natural gas to the plant. We are addressing a host of concerns that have been identified during permitting and design, such as traffic, noise, air and other questions about the Project. In particular, we are working diligently with the local, state and federal agencies to address questions and issues raised during public processes that commenced in 2015, including all public comments made during the SEPA process, which is nearly completed.

5. Ms. Reeder serves as the Environmental Manager of the Port of Kalama. I concur with her summary of the existing permitting processes underway for the Project. As described in Ms. Reeder’s Declaration, the SEPA scoping process was initiated on October 31, 2014, and the permitting process for the Project has been underway since that time. NWIW has been extremely active and diligent in pursuing all local, state and federal approvals, and in all aspects of public engagement. NWIW has initiated and participated in multiple public educational

forums for the Project, outside of and in addition to the public process for seeking permits. These include presentations at community events, schools, and civic clubs and organizations; presentations to elected officials; and open houses.

6. The Port has taken primary responsibility for seeking permits related to the infrastructure owned and controlled by the Port (e.g., all dock/wharf structures, utilities, and related and supporting facilities). NWIW is separately seeking permits for its own facilities, which will not be owned by the Port. Attached hereto as **Exhibit A** is a list of all permit applications and processes underway for the Project, including those initiated by NWIW and the Port.

7. In addition to local and state permitting, NEPA processes are underway with the U.S. Army Corps of Engineers and FERC.

8. The local, state and federal permitting processes that have been underway since 2014 include extensive public forums and agency meetings and consultations, with significant permit applications and public processes commenced and filed in 2015. As is noted in Ms. Reeder's Declaration, CRK has actively participated in the permitting processes since December 4, 2014, when CRK provided comments on the SEPA scoping notice. The SEPA Responsible Officials issued the DEIS for the Project on March 3, 2016; conducted a public hearing on March 22, 2016; and also accepted public comments in writing. On April 18, 2016, CRK submitted comments on the DEIS. NWIW understands that the Port and the County are currently working on responses to comments on the DEIS and anticipate issuing the Final EIS very soon.

9. As noted previously, NWIW initiated the permitting process more than two years ago. Prior to making our investments in the state of Washington, it was extremely important to us that we have very clear concurrence from state agencies concerning the appropriate jurisdictional venue where we should submit permit applications. For this reason, on August 26, 2014, on behalf of NWIW, I submitted a letter to EFSEC Manager Stephen Posner, seeking confirmation that EFSEC has no jurisdiction over the Project. (CRK Petition, Ex. 5.) On

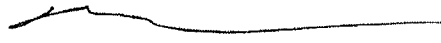
September 3, 2014, Mr. Posner responded to my letter, confirming that the Project is not within the list of “energy facilities” as defined by RCW 80.50.020, where EFSEC jurisdiction is mandatory. Consequently, Mr. Posner concluded as follows:

*After consideration of the information in your letter and relevant statutory requirements, we have determined the proposed facility is not subject to Energy Facility Site Evaluation Council jurisdiction. This determination applies to the proposed facility described in your August 26 letter.*

(CRK Petition, Ex. 6.) Mr. Posner’s letter caused us to be confident in seeking permits and other authorizations from local and state agencies with jurisdiction over the Project. Hence, in our view, EFSEC fully and finally resolved this issue nearly two years prior to CRK’s Petition for Declaratory Order. Since that time, we have expended substantial time, and millions of dollars in public engagement, in natural resource and engineering consulting work, and in submitting applications for local, state and federal permits.

10. I wish to be very clear: (1) **NWIW will be substantially prejudiced if EFSEC considers this petition;** and (2) **NWIW does not consent to EFSEC’s consideration of the petition.** NWIW would be substantially prejudiced because if EFSEC were to assume jurisdiction, such action would cancel all permitting processes underway to date, utterly disrupting our reasonable and well-informed efforts, and requiring us to reinitiate the entire process with EFSEC. EFSEC would be asserting jurisdiction over a SEPA process that is nearly concluded, voiding progress made with state and local agencies, and causing significant cost, delay and uncertainty.

SIGNED this 26 day of July, 2016 at 10:30 AM.

  
Murray V. (Vee) Godley III, Declarant

# EXHIBIT A

## NWIW and Port of Kalama Permit Status Kalama Methanol Manufacturing and Export Facility July 2016

Permit	Issuing Agency	Filing Date	Other Procedural Dates
			Federal
River & Harbor Act Section 10/Clean Water Act Section 404	United States Army Corps of Engineers (USACE)	April 24, 2015 Revisions submitted on August 27, 2015	Joint Public Notice issued on October 9, 2015 with a 30 day public comment period ending November 8, 2015.
Endangered Species Act Section 7 Consultation	National Oceanic and Atmospheric Administration (NOAA) Fisheries/US Fish and Wildlife Services (USFWS)	USACE initiated consultation on October 15, 2015	NOAA Fisheries and USFWS are currently preparing Biological Opinions for the ESA consultation.
Marine Mammal Protection Act	NOAA Fisheries	April 24, 2015	Notice of Proposed Incidental Harassment Authorization issued March 21, 2016.
NEPA	USACE, NOAA Fisheries	No submittal – internal USACE process.	The USACE is preparing their NEPA decision document, and has indicated (as of 6/21/2016) that they expect to be complete with NEPA documentation for the project by mid-September 2016.
Private Aids to Navigation Permit	U.S. Coast Guard (USCG)	Expected during Construction, Post '17	USCG has indicated that the dock must be appropriately marked. An application will be submitted once dock design is finalized and closer to construction.
Section 106 of the National Historic Preservation Act	USACE	April 24, 2015	USACE initiated consultation with tribes.
			State
Hydraulic Project Approval	Washington Department of Fish and Wildlife (WDFW)	April 24, 2015	
Shoreline Conditional Use Permit	Ecology	TBD	Ecology has 30 days to review and issue a permit after the County transmits the recommendation (See below) to Ecology.
401 Water Quality Certification	Ecology	April 24, 2015 Revisions submitted on August 27, 2015	Joint Public Notice submitted on October 9, 2015 with a 30 day public comment period ending November 8, 2015.
Air Discharge Permit (ADP)	Southwest Clean Air Agency (SWCAA)	February 24, 2016	Application posted to SWCAA website on March 23, 2016

NPDES Industrial Wastewater Discharge Permit	Ecology	December 21, 2015	Public Notice of Application issued on January 22 and 29, 2016 Application determined complete on February 4, 2016
SEPA	Port & County	DEIS Issued March 3, 2016	Scoping notice issued November 7, 2014 Scoping ended December 8, 2014 DEIS Issued March 3, 2016 DEIS public Hearing March 22, 2016 DEIS Comment period ended April 18, 2016 FEIS in process.
<b>Local</b>			
Shoreline Substantial Development and Conditional Use Permit	County	December 4, 2015 Revised February 25, 2016	Application is complete and County is expected to issue public notice and 30-day comment period in July of 2016. A hearing and decision will occur following issuance of the FEIS.
Critical Areas	County	Same as Shoreline permit	
Floodplain Permit	County	Same as Shoreline permit	