

JAY INSLEE
Governor



STATE OF WASHINGTON
Office of the Governor

January 29, 2018

Kathleen Drew, Chair
Energy Facility Site Evaluation Council
1300 S. Evergreen Park SW
PO Box 43172
Olympia, WA 98504

RE: Vancouver Energy Distribution Terminal
EFSEC Recommendation dated December 19, 2017

Dear Chair Drew:

I have received the Council's recommendation concerning Tesoro Savage's Application for Site Certification for the Vancouver Energy Distribution Terminal at the Port of Vancouver. After considering the record in this proceeding, I concur with the Council's unanimous recommendation to reject the application.

The Council has conducted a thorough evaluation of this application, consistent with the requirements and intent of Chapter 80.50 RCW. After considering all of the evidence in the record, the Council found that the risks of siting the proposed project at the Port of Vancouver exceeded the project's potential benefits and determined that the application is not in the public interest.

I find ample support in the record for the Council's recommendation, but several issues in particular compel me to this decision. First, I am persuaded by the Council's finding that, in the event of an earthquake, seismic conditions at the site present an unacceptable and potentially catastrophic risk to the public. Given the likelihood of a large magnitude earthquake occurring in the region, the public expects Washington's critical infrastructure to be designed to be resilient to such risks. I am not convinced that this project, as proposed, meets those expectations.

Second, given the proposed location of the facility, I am concerned about the likelihood of an oil spill impacting the Columbia River or reaching the Pacific Ocean. The Council found that the impacts of a Columbia River oil spill on water quality, wetlands, and fish and wildlife would be significant and cannot be sufficiently mitigated. To the extent these risks cannot be sufficiently mitigated, they must be avoided.

Third, I am seriously concerned by the risk that a potential fire or explosion at the facility may pose to workers and the community. The Council found that emergency responders are unlikely to be able to successfully respond to a major incident at the facility. It is unacceptable to endanger the lives of workers, individuals incarcerated nearby, visitors to the facility, as well as others in the community.



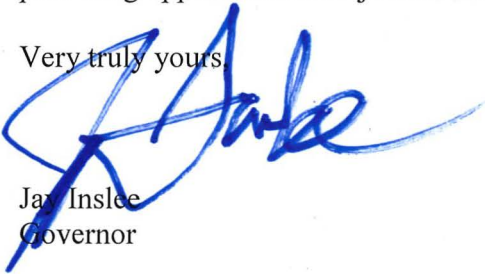
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The Council has thoroughly examined these and other issues and determined that it is not possible to adequately mitigate the risks, or eliminate or minimize the adverse impacts of the facility, to an acceptable level. When weighing all of the factors considered against the need for and potential benefits of the facility at this location, I believe the record reflects substantial evidence that the project does not meet the broad public interest standard necessary for the Council to recommend site certification.

This application was unprecedented both in its scale and the scope of issues it raised. I commend the Council, EFSEC staff, and the parties for their work over the last several years.

While this process has demonstrated that this particular project is wrong for this particular proposed location, I am confident that our ports will continue to play an important role in regional trade, and providing opportunities for jobs in clean energy.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Jay Inslee", is written over the typed name and title.

Jay Inslee
Governor