

**CITY OF HOQUIAM AND WASHINGTON DEPARTMENT OF ECOLOGY
RESPONSIBLE OFFICIALS' AMENDMENTS TO THE
ENVIRONMENTAL CHECKLIST AND THRESHOLD DETERMINATION FOR
IMPERIUM BULK LIQUID FACILITY PROJECT**

The City of Hoquiam and the Washington Department of Ecology have agreed to act as Co-lead Agencies for the environmental review of the Imperium Bulk Liquid Facility proposal. The City of Hoquiam is the nominal lead for the SEPA review process.

Description of Proposal: Imperium Terminal Services, LLC proposes to expand its existing bulk liquid storage terminal to allow for: the receipt of biofuels, biofuel feedstocks, petroleum products, and renewable fuels; storage of these bulk liquids, and outbound shipment of these bulk liquids. The bulk liquids could be shipped by rail, trucks, ships, or barges to and from the facility. The project would be located on leased property owned by the Port of Grays Harbor. The site is located adjacent to the Chehalis River in the City of Hoquiam at Section 7, Township 17 North, Range 9 West W.M., tax parcel number 056402300000.

File Reference: SEPA 13-01
SMA 13-01
CUP 13-01

Proponent: Imperium Terminal Services, LLC
Steve Drennan, Vice President of Engineering
568 First Ave. S.
Seattle, WA 98104

Co-Lead Agencies: City of Hoquiam and Washington Department of Ecology

The Co-lead Agencies for this proposal have determined that it will not have probable significant impact on the environment. An environmental impact statement (EIS) is not required under RCW 43.21C.030 (2)(c). This decision was made after review of a completed environmental checklist and other information on file with the City of Hoquiam. This information is available to the public on request.

This Mitigated Determination of Non-Significance (MDNS) is issued under WAC 197-11-350(1). At the request of the Applicant, the Co-lead Agencies are extending the normal comment period and will not act on this proposal for 30 days from the date below. Comments must be filed with the City of Hoquiam by June 3, 2013.

Responsible Official: Brian Shay, City Administrator, City of Hoquiam

Signature: _____

Responsible Official: Sally Toteff, Southwest Regional Director, Washington Department of Ecology

Signature: _____

Publication Date: May 2, 2013

To: All Permit and Review Authorities

ENVIRONMENTAL RECORD

The environmental review consisted of analysis based on the following documents included in the environmental record.

DOCUMENTS/REFERENCES:

- Environmental Checklist with attachments, received February 21, 2013
- Shoreline Substantial Development Permit Application, received February 13, 2013
- Conditional Land Use Permit Application, received February 13, 2013

The above documents are available for review at the City of Hoquiam, 609 8th Street, between the hours of 8 am to 5 pm Monday through Friday.

I. PROPOSAL DESCRIPTION

Imperium proposes to expand its existing bulk liquid storage terminal to allow for the receipt, storage, and shipment of biofuels such as ethanol 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 facility would be served by three independent modes of transportation: water, rail, and truck, each of which would provide pathways for inbound raw materials or outbound products.

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 (3,360,000 gallons) for a project total storage capacity of up to 720,000 barrels (30,240,000 gallons). Each tank would be 95 feet in diameter and 64 feet in height. The tanks would be encompassed by a berm designed in compliance with National Fire Protection Association (NFPA) requirements that would contain 100 percent of the total volume of one tank plus an additional 6 inch allowance for precipitation. The tank pads will be supported on supported by pilings driven into the ground.

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. Rail car loading and unloading will be conducted in bermed, walled, or sloped areas capable of containing the maximum volume of any single compartment of a tank car. Connecting to the rail line would involve using the existing road crossing at Port Industrial Road and require little or no track to be constructed off site.

Pipelines would be installed connecting Terminal 1 with the tank farm. One 24-inch-diameter pipe and one 16-inch-diameter pipe would be constructed from the tank farm (above grade, on pipe racks) and routed across an existing pipe bridge over the existing rail line. The two pipes

would be routed (at grade, on concrete block pipe supports) to Terminal 1 following a similar route as the existing Imperium tank farm piping.

A Marine Vapor Combustion Unit (MVCU) would be installed west of the existing Imperium tank farm 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 consist of two unit trains per day, one loaded and one empty. Each unit train would consist of an average of 105 tank cars.

The company estimates that the terminal operations would consist of up to 200 ships or barges a year (400 entry and departure transits).

II. PERMITS/APPROVALS REQUIRED

A. PERMITS/APPROVALS REQUIRED PRIOR TO CONSTRUCTION:

- City of Hoquiam – Critical Areas Review
- City of Hoquiam – Shoreline Substantial Development Permit
- City of Hoquiam – Conditional Land Use Permit and variance
- City of Hoquiam – Stormwater Drainage Control Plan
- City of Hoquiam - Erosion Control Plan
- City of Hoquiam – Grade and Fill Permit
- City of Hoquiam – Building Permit
- City of Hoquiam – Fire Department Permit
- City of Aberdeen – Utility Services Agreement
- Washington State Olympic Region Clean Air Agency – Approval Order
- Washington State Department of Ecology – NPDES General Construction Permit
- Washington State Department of Labor and Industries – Certificate of Industrial Insurance Coverage

B. PERMITS/PLANS/APPROVALS REQUIRED PRIOR TO OCCUPANCY/OPERATION:

- Washington State Department of Ecology – Industrial Stormwater NPDES Individual Permit
- Washington State Department of Ecology – RCRA Notice of Registration Update
- Washington State Department of Ecology – Spill Prevention Plan
- Washington State Department of Ecology – Spill Contingency Plan
- Washington State Department of Ecology – Facility Operations Manual
- Washington State Department of Ecology – Oil Handling Facility Training and Certification Report

- Washington State Department of Ecology – Oil Handling Facility Safe and Effective Threshold Report
- Washington Department of Licensing – Fuel Tax License
- U.S. Environmental Protection Agency – Fuel Registration
- U.S. Environmental Protection Agency – Spill Prevention Control and Countermeasure Plan
- U.S. Coast Guard – Letter of Intent
- U.S. Coast Guard – Oil Spill Response Plan
- U.S. Coast Guard – Facility Security Plan and Facility Security Assessment
- U.S. Coast Guard and U.S. Environmental Protection Agency – Facility Response Plan/ Oil Spill Response Plan
- U.S. Coast Guard – Operations Manual update

III. PUBLIC COMMENT

(To be completed)

IV. REQUIRED MITIGATION MEASURES

The applicant’s environmental checklist is incorporated by reference. The following discussion addresses mitigation measures that shall be implemented as part of the project. **These mitigation measures shall be deemed conditions of approval of the land use and/or permits issued under Hoquiam Municipal Code (HMC) 10.07 and 11.04.** Such conditions are considered binding and may not be altered by subsequent decisions unless a threshold determination is re-issued.

As allowed in SEPA regulations (WAC 197-11-060) the Co-lead Agencies recognize this is one of two similar crude oil terminal proposals in the Grays Harbor area that have been submitted for review. The agencies have considered the aggregate impacts of the existing Imperium operations and proposed operations and the cumulative impacts of the Imperium proposal and the Westway Terminal Company crude oil proposal during this evaluation. The proposals are not being considered a single course of action under WAC 197-11-060. They are not interdependent and each proposal can be implemented on its own. The potential vessel and rail traffic impacts from the Westway proposal are being considered because of the potential for indirect or cumulative impacts resulting from the two proposals using the same transportation pathways and constructed in a similar timeframe (WAC 197-11-792).

1. EARTH

The applicant must obtain a NPDES Construction Stormwater General Permit. The permit requires erosion and sediment control measures to prevent stormwater from washing soil, nutrients, chemicals, and other harmful pollutants into local water bodies. The applicant must implement a Stormwater Pollution Prevention Plan (SWPPP). The SWPPP includes best management practices and structures to control and treat stormwater discharges.

- The applicant shall obtain coverage under the NPDES Construction Stormwater General Permit before site preparation begins.
- The applicant shall prepare and follow an SWPPP to prevent and control the introduction of silt, sand, and other contaminants into stormwater runoff.

- Best Management Practices (BMPs) shall be implemented to control potential erosion during site construction activities.
- A soil suitability analysis will be conducted prior to construction.

A Phase Two Environmental Assessment identified petrochemicals within the project site that may be at concentrations warranting cleanup under the Model Toxics Control Act (MTCA) Chapter RCW 70.105D and MTCA Cleanup Regulation WAC 173-340.

- The applicant has completed a site assessment to identify the type and concentration of contaminants and the extent of area covered.
- As part of development of the site, a cleanup plan shall be developed and implemented in accordance with WAC 173-340-745.

2. AIR

The applicant shall obtain air permit approval from the Olympic Region Clean Air Agency (ORCAA) and be responsible for complying with all applicable air quality standards and permit requirements for the construction and operation of this facility.

- Emissions from ship loading operations shall be routed to a vapor combustion unit approved by ORCAA.
- Air emissions shall be controlled using Best Available Control Technology as required by ORCAA as part of the facility Air Permit.
- Tank emissions shall be reduced using internal floating roofs.
- Rail car emissions shall be controlled using vacuum relief devices on each railcar.
- The rail yard is designed to minimize emissions and optimize loading and unloading efficiencies. Rail cars shall be unloaded in place to reduce railcar movements.
- ***Additional mitigation measure:*** In order to reduce greenhouse gases and diesel particulate matter from the locomotives, idling shall be minimized to the maximum extent practicable. Shutting down locomotive engines as soon as practicable when not in use and delaying restart until necessary for car switching or departure from the facility shall be considered reasonable measures to reduce these pollutants.

Greenhouses gases (GHG) for the proposal include: rail traffic from the Washington/Idaho border to the facility, vessel transits from the facility to the three nautical mile limit, vehicular traffic from new employees, and construction and operation activities. The total amount of GHG was estimated at 45,211 metric tons CO₂e annually. The total GHG emissions for Washington State in 2008 were 101,100,000 metric tons CO₂e. The project GHG emissions equal 0.04% of the 2008 total greenhouse gas emissions in Washington State and is expected to contribute similarly during the years this project is in construction and operation.

- Actions being taken to lessen the impact of overall fuel use include: reduced train idling, unloading rail cars in place, and future production of alternative non-petroleum based fuels. Canola and soybean based biodiesel has 50% fewer life-cycle GHG emissions than petroleum oil. Imperium plans to produce at least 872,312 gallons of biodiesel each year. Producing this amount of biodiesel will reduce GHG emissions by 4,973 metric tons of CO₂e annually than if the facility handled 100% petroleum oil.

3. WATER

Construction Runoff Control

The applicant must obtain a NPDES Construction Stormwater General Permit before site preparation begins. The permit requires erosion and sediment control measures to prevent stormwater from washing soil, nutrients, chemicals, and other harmful pollutants into local water bodies.

- Appropriate BMPs shall be implemented to control potential erosion during site construction activities.

Industrial Stormwater Control

The applicant must obtain an Industrial Stormwater NPDES Individual Permit. The permit requires erosion and sediment control measures to prevent stormwater from washing soil, nutrients, chemicals, and other harmful pollutants into local water bodies. The applicant must implement a Stormwater Pollution Prevention Plan (SWPPP). The SWPPP includes best management practices and structures to control and treat stormwater discharges.

- No waste materials shall be discharged to surface or ground waters. Stormwater shall be discharged to the existing Port of Grays Harbor stormwater system.
- Precipitation falling inside the tank storage and rail areas shall be collected and tested before being released into the stormwater system.
- In the event that stormwater within the tank storage and/or rail areas is contaminated and does not meet discharge criteria, it shall be treated as required under the permits or sent offsite to a facility permitted to accept it.

Spill Prevention, Preparedness and Response Plans

The applicant shall prepare and maintain U.S. Coast Guard-required Facility Security Plan and Facility Response Plan; Environmental Protection Agency-required Facility Response Plan and Spill Prevention Control and Countermeasures Plan; and Department of Ecology-approved Oil Spill Prevention Plan and Oil Spill Contingency Plan. Spill prevention, preparedness and response requirements are described in more detail under Item 7.

4 & 5. PLANTS AND ANIMALS

Grays Harbor and the area along the vessel and rail routes include many environmentally sensitive areas including streams, rivers, wetlands, fishing areas, shellfish beds, and migratory bird habitats. Spill prevention, preparedness, and response requirements to protect environmentally sensitive areas are described in Item 7 in more detail.

- HMC 10.05.65 requires that 18 inches total caliper of new deciduous trees and 18 ft. total height of new evergreen trees be planted per gross acre of construction; for this project, a total of 194.4 total caliper inches of deciduous trees (129 trees at 1.5 caliper each) and 194.4 ft. total height of evergreen trees (65 trees at a minimum 3 foot height) must be planted.
- Prior to the start of site preparation, the applicant shall submit a Landscape Plan for approval in compliance with HMC10.05.065.

The Geographic Response Plan (GRP) for Grays Harbor includes response strategies tailored to the Grays Harbor area and are tailored to minimize impacts of spills on sensitive resources. The GRP identifies sensitive natural, cultural or significant economic resources and provides strategies to respond to a spill which could affect them.

- The GRP shall be implemented as part of the facility’s Spill Contingency Plan.
www.ecy.wa.gov/programs/spills/preparedness/GRP/GraysHarbor/GraysHarbor.html.

6. ENERGY AND NATURAL RESOURCES

- All pumps and process technology equipment shall use energy-efficient motors as appropriate to conserve energy.
- All heated storage tanks shall be insulated to conserve energy.

7. ENVIRONMENTAL HEALTH

Health Hazards

- The applicant shall ensure that all employees and contractors working on the site during construction and operations receive all applicable training regarding the safe handling, use, and storage of the bulk liquids on site.
- The applicant shall ensure risk of exposure to potentially toxic chemicals present in some of the bulk liquids are addressed in accordance with RCW 43.21C.240.
- The applicant shall comply with all applicable federal, state, and local safety requirements pertaining to the proposed site functions and operations.

Noise

- Pile driving shall be limited to daylight hours to reduce potential noise impacts on off-site areas.
- The applicant shall adhere to all applicable federal, state and local noise standards.

Spill Prevention, Preparedness and Response

The public has expressed concerns of potential spills of oil and other liquid materials from this proposal. Washington State has strong spill prevention, preparedness, and response regulations that apply to this proposal. Prevention requirements include plans for facility design and operations; requirements to pre-boom transfers of liquid materials over the water; and inspections of the facility, vessels, and operations. Federal and Washington State preparedness and response regulatory requirements include development of a facility contingency plan with spill response contractors and equipment identified and contracted for in advance and actions for responding to spills including a worst-case discharge at the facility. Rail and vessel operators and owners must have contingency plans in place that address spills from vessels or from rail cars. The Grays Harbor Geographic Response Plan identifies economic and environmentally sensitive areas and response strategies.

- The applicant shall update and maintain its Integrated Contingency Plan (ICP) to meet the requirements of:
 - USCG Facility Response Plan, 33 CFR 154
 - EPA Oil Pollution Prevention Regulations, 40 CFR 112.7(d) and 112.20-.21.
 - OSHA Emergency Action Plan Regulations, 29 CFR 1910.38
 - EPA Resource Conservation and Recovery Act (RCRA) Contingency Planning, 40 CFR Part 265, Part D
 - Washington Department of Ecology Facility Oil Handling Standards, WAC 173-180
 - Washington Department of Ecology Oil Spill Prevention and Contingency Planning, WAC 173-182
 - Washington Department of Ecology Dangerous Waste Regulations, WAC 173-303-145.

Facility Design and Emergency Response Plan

- The project shall comply with International Fire Code and Washington Facility Design Standards.
- All tanks and rail car unloading areas shall be equipped with fire-fighting foam.
- Bulk liquids storage tanks shall be constructed to all applicable American Petroleum Institute (API) standards and NFPA standards.
- The bulk liquid storage tanks and all associated piping shall be constructed to all applicable engineering standards to reduce the potential for spills of liquid materials from the facility.
- The tank and rail spur facilities shall be equipped with impervious containment areas adequate to contain a potential spill plus an allowance for precipitation. The terminal dock shall be equipped with a curbing system as required by the USCG.
- Tanks shall be equipped with high-high level alarms, over-pressure protection, floating roofs, foam blanketing fire protection, and emergency overflows into the containment area.
- An Emergency Action Plan and Hazardous Materials Management Plan shall be filed with the local fire department, including chemical storage data and locations.

The project site is located on soils derived from dredged materials that have a high liquefaction susceptibility factor. The site is rated as a seismic class D-E site. The Imperium proposal is not expected to increase the liquefaction potential.

- The new storage tanks shall be constructed on a concrete slab supported by a series of grout driven piles which will be driven to an approximate depth of 75 feet into the ground. Existing tanks with piles driven to approximately 75 feet show no evidence of differential settling or settling beyond what was predicted by geotechnical engineers.
- An analysis of soil suitability at the site was performed in 2006 and an additional analysis will be performed by GeoEngineers to confirm soil suitability for the project. No significant change is expected due to the material being uniform fill across the entire site.

The Port of Grays Harbor is in a tsunami hazard area and is covered by the Grays Harbor County evacuation planning and risk management plan.

Spill Prevention at the Facility:

- Prevention and response actions for spills to water shall be identified in the facility's ICP as required by 40 CFR 112, WAC 173-180, and WAC 173-182.
- The storage tanks shall be located within impervious containment areas capable of holding the total volume of the largest tank on-site plus precipitation. All of the rail area shall be built on an impervious surface and shall be constructed to contain an entire rail car plus precipitation.
- All unloading operations shall be continuously staffed during all transfer operations.
- An Imperium Terminal Person in Charge (TPIC) and Vessel Person in Charge (VPIC) shall be in attendance at the dock during all liquids transfer operations.
- During all vessel oil transfer operations, a spill response team, skimmer vessel, and skimming equipment and boom shall be stationed at the terminal.
- Pre-booming of all oil transfers over water is required if safe and effective. Because the Chehalis River typically has a strong current and debris present, if pre-booming cannot be safely conducted, alternative measures are required.

- The Grays Harbor planning standard in WAC 173-182-405 specifies time and equipment requirements, including a boom capable of encountering oil at advancing speeds of at least 2 knots in waves and appropriate for the operating environment. This standard shall be required in the facility's ICP.

Oil Spill Prevention for the Rail Route:

- Puget Sound and Pacific (PSAP) Railroad has a contract with a spill response contractor to respond to any derailment or spill along the route from Centralia to Grays Harbor. A spill response plan has been submitted to the Federal Railroad Agency. Every train carries an Emergency Response Guidebook with response procedures and notifications.
- The PSAP railroad is a Class 2 railroad and the speed of trains is limited to a maximum speed of 25 mph.
- **Additional mitigation measure:** In order to mitigate the risk of a spill impacting waters of the state, the applicant must ensure spill response equipment caches are positioned near identified sensitive areas such as the Chehalis River and near wetlands. A map identifying the locations and equipment of the caches shall be provided to Ecology for approval.

Oil Spill Prevention for the Vessel Route to Reduce Risk of a Spill:

- All crude oil tankers and oil barges shall be covered by the oil spill contingency plan held by Washington State Maritime Cooperative (WSMC) and approved by Ecology.
- WSMC and Ecology shall be given advance notice of arrival and departure of all outbound vessels containing bulk liquids.
- Pilots shall schedule the departure of loaded vessels to coincide with the high tide to prevent the potential for grounding.
- All tankers shall have a pilot on board from the 3 mile nautical limit offshore to the dock at Terminal #1.
- Imperium shall coordinate directly with the Port of Grays Harbor, Pilots, and vessel agents to coordinate the ship arrival and departure. The Port of Grays Harbor and the Pilots coordinate large commercial vessel traffic in Grays Harbor and shall not allow any other commercial vessel traffic (specifically, ships requiring pilots and/or tugs or oil barges) in the ship channel from the terminal to the 3 nautical mile limit offshore when vessels loaded with bulk liquids depart the terminal.
- Two tugs shall accompany all crude vessels to/from the terminal to three nautical miles offshore and provide assistance if needed. A third tug shall also be available.
- A location at buoys 13 and 14 in the harbor has been identified as a suitable safe mooring area in the case of a vessel emergency. Tugs shall assist in maneuvering the vessels to the mooring area if needed.
- In the case of a vessel casualty offshore (like a loss of propulsion or sinking), response tugs at Neah Bay and Columbia River could provide assistance, however, response times will depend on tug availability and weather conditions.

Spill Response

- Minor spills shall be cleaned up immediately using adsorbents, pads, or other appropriate materials.
- All materials used in cleanup shall be disposed of properly.

- The Ecology, EPA, and USCG required spill response plans and contingency plans shall be implemented in the case of any spill or discharge.

8. LAND AND SHORELINE USE

The proposed use is allowed in the Industrial zoning district under HMC 10.03.116 and is consistent with land use and comprehensive plans for both the cities of Hoquiam and Aberdeen. HMC 10.03.100(3) sets forth the maximum density and minimum dimensional standards for the City's zoning districts, and establishes a 55-foot height limitation for structures located within the Industrial district. Structures exceeding 55 feet require a Conditional Use Permit. All of the proposed tanks are 64 feet tall.

- The applicant shall obtain a Conditional Use Permit from the City of Hoquiam prior to the start of construction.

The applicant's proposal is consistent with the City of Hoquiam's local Shoreline Master Program. A Shoreline Substantial Development Permit must be obtained for the proposal.

- The applicant shall maintain the facility in good repair and the site shall be kept free of weeds, trash, and unsightly piles of equipment.
- The new storage tanks shall be painted white or insulated with aluminum jacketing and periodically be pressure washed to remove staining.
- The applicant shall coordinate the project illumination plan with the Port of Grays Harbor to ensure that site lighting does not conflict with other land uses in the area.

9. HOUSING

The proposal will have no significant impacts on housing and no mitigation measures are required with regard to housing.

10. AESTHETICS

- The applicant shall maintain the facility in good repair and the site shall be kept free of weeds, trash, and unsightly piles of equipment.
- The new storage tanks shall be painted white or insulated with aluminum jacketing and periodically be pressure washed to remove staining.

11. LIGHT AND GLARE

- New lighting shall be limited to that needed for safety and security. The applicant shall coordinate the project illumination plan with the Port of Grays Harbor to ensure that site lighting does not conflict with other land uses in the area.

12. RECREATION

Recreational uses in the area, including recreational fishing and birding, will not be affected by the normal operations proposed for this facility. The Geographic Response Plan (GRP) for Grays Harbor includes response strategies tailored to the Grays Harbor area to minimize impacts of spills on sensitive resources. The GRP identifies sensitive natural, cultural and significant economic resources and provides strategies to respond to a spill which could affect them.

- The applicant shall adhere to all spill response, preparedness and response requirements described under Item 7.

13. HISTORIC AND CULTURAL PRESERVATION

- The Department of Archaeology and Historic Preservation (DAHP) has determined that archaeological testing should be conducted for the site. The project should retain the services of a professional archaeologist who will develop and implement a testing plan in consultation with the DAHP and interested/affected Tribes.
- If any potentially historical objects or other resources are found during site preparation or construction, work in the vicinity of the find shall be immediately halted and the Washington Office of Archaeology and Historic Preservation shall be notified. Consultation with experts in that agency shall occur before construction proceeds.
- The applicant shall adhere to all the spill prevention, and cleanup measures specified in Item 7 to prevent and control potential spill impacts on Tribal fisheries.

14. TRANSPORTATION

The Imperium proposal could result in two (2) additional unit trains per day (one loaded and one empty) and up to 200 tankers or tank barges a year (400 entry and departure transits). The Westway proposal could result in two (2) additional unit trains every three (3) days (one loaded and one empty) and 60 tankers or tank barges a year (120 entry and departure transits). Current operations require up to 20 truck and trailer loads a day (10 loaded and 10 empty). The expansion will require a maximum of loaded 20 additional truck and trailer loads per day (10 loaded and 10 empty).

| | Current level (2012) | Maximum in Westway Proposal | Maximum in Imperium Proposal | Total Maximum from both proposals | Total Number including current level and cumulative |
|--|----------------------|-----------------------------|------------------------------|-----------------------------------|---|
| Number of Vessel Transits per year (loaded and unloaded vessels) | 168 | 120 | 400 | 520 | 688 |
| Number of Train Transits per year (loaded and unloaded trains) | 730 | 243 | 730 | 973 | 1703 |
| Number of Truck and Trailer loads (loaded and empty) | 20 | 0 | 20 | 20 | 40 |

The current baseline for rail traffic is approximately seven loaded trains per week. The Puget Sound and Pacific (PSAP) Railroad and Port of Grays Harbor have drafted a Freight Rail Plan 2013 that identifies infrastructure enhancements for an increase of three to seven (3 to 7) loaded trains per week. There would be approximately nine additional loaded trains (18 loaded and unloaded trains) a week combined according to the Imperium and Westway proposals.

Vehicle Traffic

- The applicant shall provide adequate parking for additional employees as determined by the City of Hoquiam Building Official.

Rail Traffic

Two additional unit trains shall transit through the Aberdeen/Hoquiam area (one inbound, one outbound) every day.

- ***Additional mitigation measure:*** To degree possible, trains shall transit the cities of Aberdeen and Hoquiam during non-rush hours, preferably in the evening, to avoid traffic congestion and impact to local businesses.
- ***Additional mitigation measure:*** A Rail Transportation Impact Analysis (RTIA) shall be completed prior to the applicant receiving the project Certificate of Occupancy for operation as issued by the City. The RTIA will determine the potential for impacts directly caused by changes and increases in rail traffic on local vehicular traffic and other rail commodities. The analysis shall identify any improvements or mitigation needed. Washington State Department of Transportation and the Washington Utilities and Transportation Commission will review the RTIA and provide comments to the Co-Leads.
- ***Additional mitigation measure:*** The applicant shall provide evidence to the City of Hoquiam that mitigation measures identified in the RTIA are implemented or are obligated to be implemented by the appropriate entities responsible for rail movements in the Aberdeen and Hoquiam area prior to the applicant receiving the project Certificate of Occupancy for operation as issued by the City.

Vessel Traffic

- All tankers shall have a pilot on board from the three (3) nautical mile limit offshore to the dock at Terminal #1.
- All inbound and outbound vessels shall have tug escort from the terminal to the three nautical mile limit.
- ***Additional mitigation measure:*** Tankers and oil barges, loaded and empty, shall transit outside of 50 nautical miles along the Washington Coast as recommended by the West Coast Offshore Vessel Traffic Risk Management Project.
- ***Additional mitigation measure:*** Tankers and oil barges, loaded and empty, shall follow the Area to Be Avoided on the Olympic Coast and remain 25 nautical miles off the coast of the Olympic Coast National Marine Sanctuary.
- ***Additional mitigation measure:*** A Vessel Traffic Impact Analysis (VTIA) shall be completed prior to the applicant receiving the project Certificate of Occupancy for operation as issued by the City. The VTIA will determine the potential for impacts that may result from changes or increases in vessel traffic in Grays Harbor. The analysis will identify any changes in existing operating policies and procedures that may be needed.
- ***Additional mitigation measure:*** The applicant shall provide evidence to the City of Hoquiam that mitigation measures identified in the VTIA are implemented or are obligated to be implemented by the appropriate entities having responsibility for such policies and procedures. Mitigation measures implemented shall be completed to the satisfaction of the Harbor Safety Committee and/or the US Coast Guard prior to receiving the project Certificate of Occupancy for operations as issued by the City.

15. PUBLIC SERVICES

- The applicant shall comply with all applicable fire prevention and suppression requirements and shall conduct all appropriate communication and collaboration with public service officials.

- The applicant shall develop and implement required spill response plans in conformance with all applicable laws and regulations.

16. UTILITIES

The proposal will have no significant impacts on utilities and no mitigation measures are required with regard to utilities.