

DEQ Information Meeting

Zenith Energy Terminal

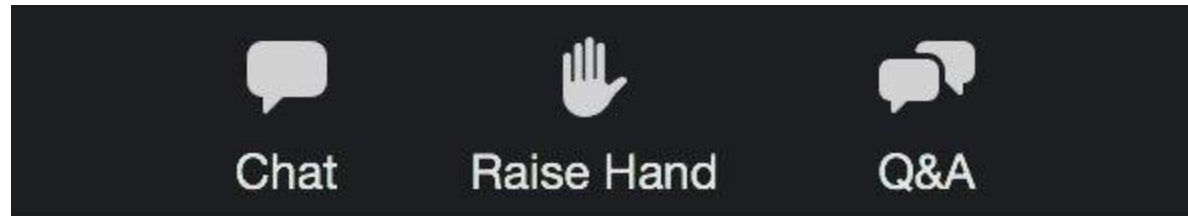
Dec. 16, 2024
Zoom Webinar

Using Zoom webinar

- Hear the audio either through your computer or by calling in by phone with the phone number provided.
- Note that you will not be able to speak unless the host enables your audio and then you can unmute.
- Your camera is disabled

Asking a question

- You should see the following along the bottom of your screen.



- **To ask a question:** type it into the Q&A or raise your hand and the host will un-mute you. (*9 if you're on the phone)
- Use chat if you're having technical difficulties.
- We will answer questions at the end of the presentation.

How We Got Here

Christine Svetkovich, Northwest Region Administrator

Purpose of today's meeting

Why are we here

- Provide information about:
 - Current status of Zenith's air quality permitting process
 - DEQ's Nov. 13, 2024 inspection of Zenith
 - DEQ's request for a Land Use Compatibility Statement
 - DEQ's enforcement order and civil penalty
- Answer questions

Please note that DEQ cannot speculate on future actions it may take

How did we get here?

- **October 2024**
 - Draft Air Contaminant Discharge Permit (ACDP) posted on public notice
 - Public information meeting
- **November 2024**
 - Detailed review of permitting record
 - Unannounced inspection
 - Information requests
 - Pause of permitting process
- **December 2024**
 - DEQ requested LUCS for adjacent lots
 - DEQ enforcement case issued

Inspection on Nov. 13, 2024

David Graiver, Air Quality Permit Writer, Northwest Region

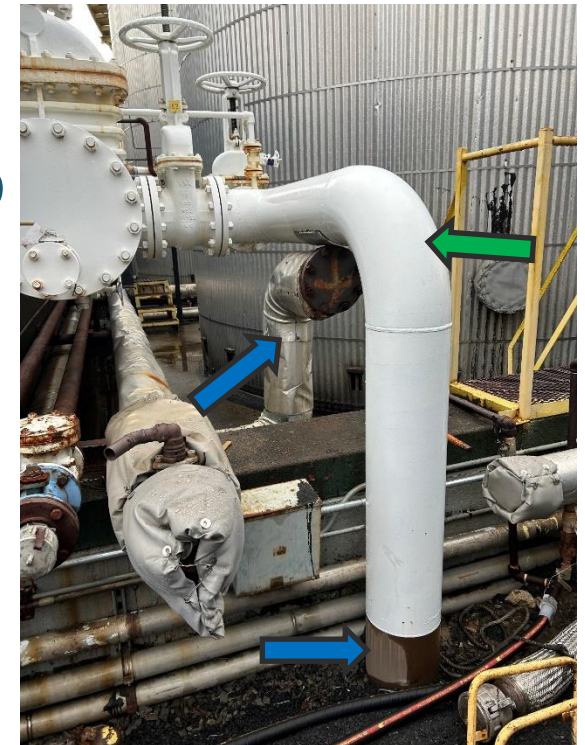
Inspection goals

- Informational Inspection
- McCall Dock
 - View Status of Notice of Approval Projects
 - Better Understand Operations
- Chevron Dock
 - Better Understand Operations

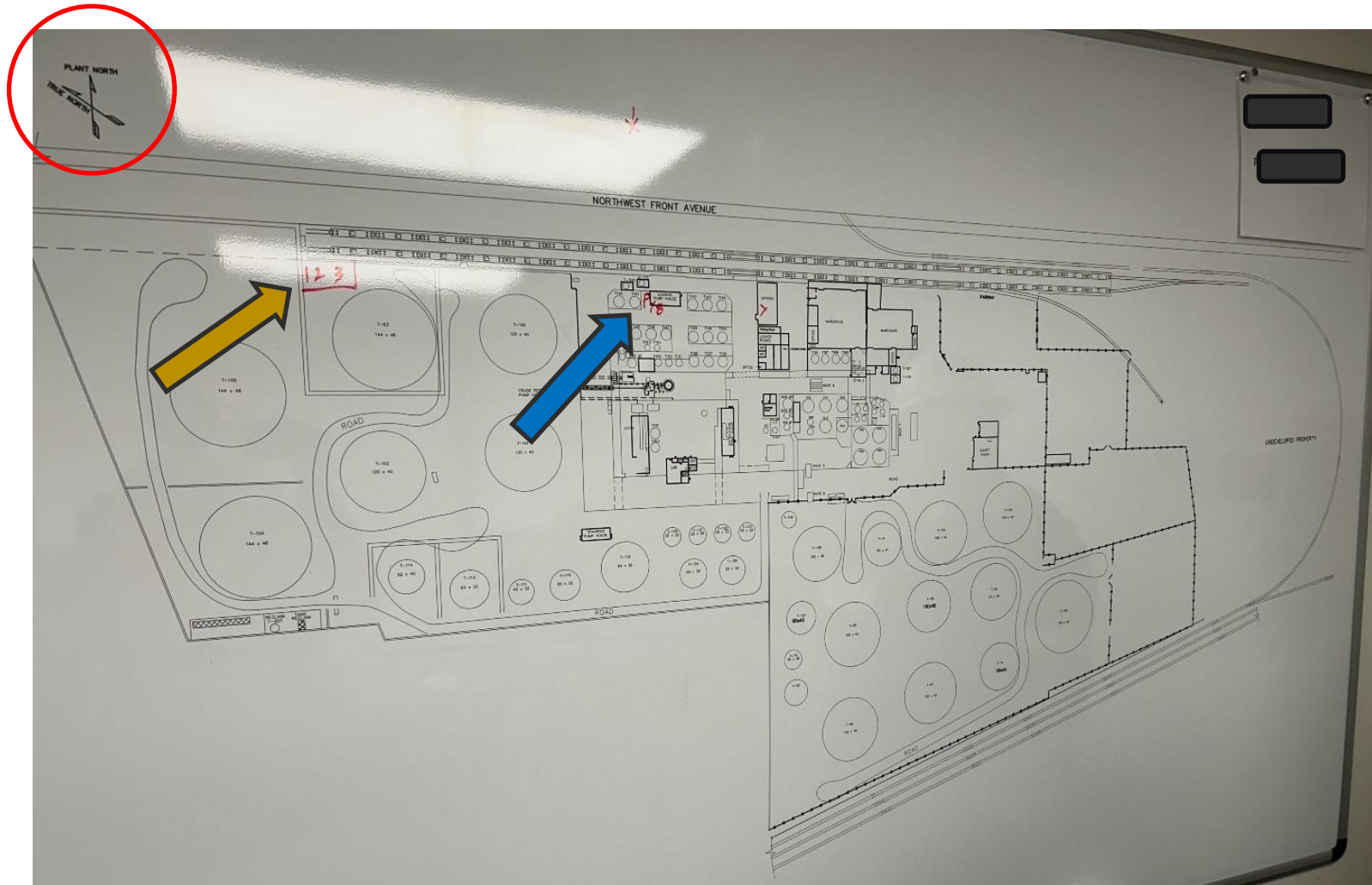
McCall Dock connections



- Existing Pipe Connection
 - Historical Asphalt Transfers
 - Last Transfer > 20 years ago
- 2021 Pipe Construction
 - Yellow Path (left)
 - Green Arrow (right)



Existing pipes below Front Street



- North Arrows
- Chevron
- McCall

Zenith – McCall 2021 connection



- Zenith Property
- 2021 Piping Begins

Proposed McCall renewables connection



Request for a Land Use Compatibility Statement

Lisa Ball, Air Quality Manager, Northwest Region



State of Oregon
Department of Environmental Quality

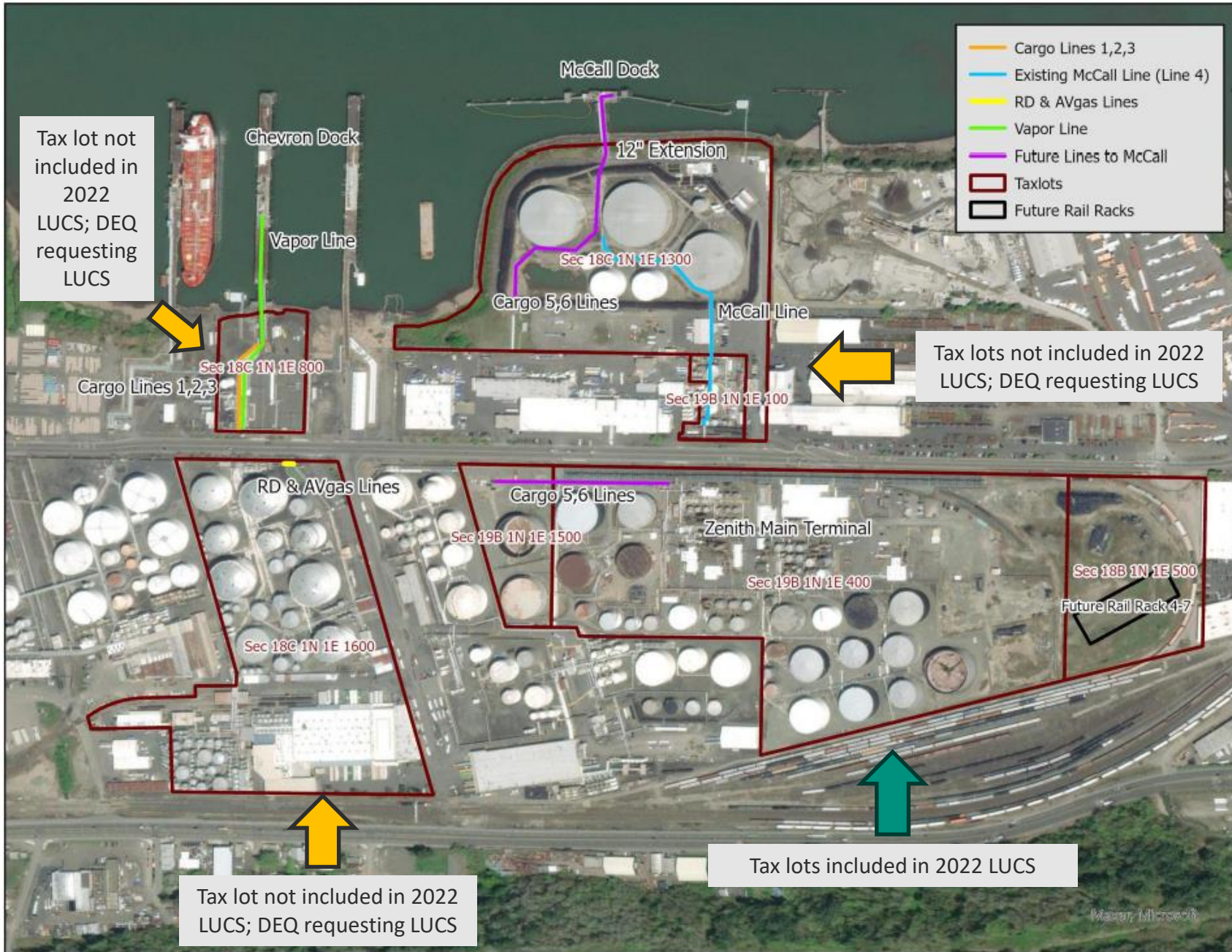
How Zenith is permitted

- Zenith operates under a Title V permit
 - Application Shield
- Air Contaminant Discharge Permit
- Application received Nov. 21, 2022
 - ACDP application is a requirement of the 2022 LUCS
 - Once issued, ACDP will replace the current Title V permit

What is a LUCS?

Land Use Compatibility Statement

- Issued by the local land use authority
 - City of Portland in this case
- Used by DEQ to verify that the use or activity requested is allowed by zoning and land use regulations



What happens next?

- DEQ must provide a reasonable amount of time for Zenith to obtain the LUCS
 - DEQ requested the LUCS by Feb. 4, 2025 (60 days)
- The permitting process remains on hold

Enforcement Order

Becka Puskas, Interim Manager,
Office of Compliance and Enforcement



State of Oregon
Department of Environmental Quality

Timeline

- **December 2018**
 - Zenith signed lease agreement, pipeline and access agreements with McCall
- **Late 2020 / early 2021**
 - Zenith construction to connect to McCall dock
 - This change increases air emissions from Zenith source
- **April 2024**
 - Zenith submitted Notice of Approval application to DEQ
 - Submitted in response to DEQ Warning Letter
- **June 2024**
 - DEQ approved Notice of Approval application

Alleged violations and penalty

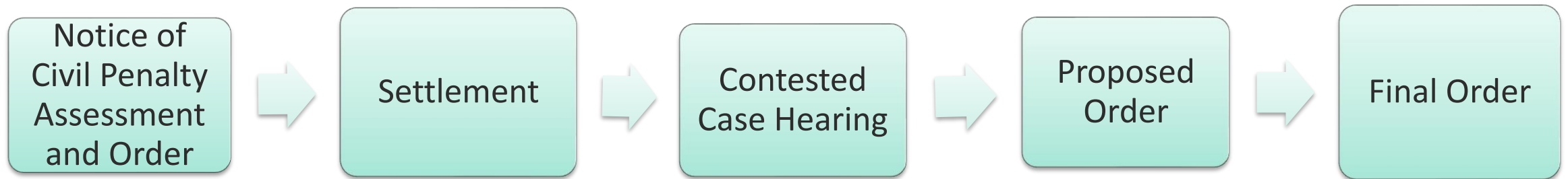
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Total penalty \$372,600

Violation 1: Failing to notify DEQ and obtain approval for the modification (\$5,400)

Violation 2: Operating outside scope of Title V permit.
\$367,200 penalty based on 34 unauthorized loading events at McCall dock April 2021-June 2024

Formal enforcement process



Questions and answers

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Thank you!



State of Oregon
Department of Environmental Quality

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