

Vancouver Energy Distribution Terminal

The Vancouver Energy Distribution Terminal adds to a growing list of new businesses, customers and jobs that are coming to the Port of Vancouver USA.

WHY PORT OF VANCOUVER USA?

- The Port of Vancouver USA is in the logistics business. It's what we do; and we're good at it.
- Our port reflects aspects of energy consumption in the Pacific Northwest, the West Coast and the nation, including handling wind energy components, jet fuel, diesel and now crude oil.
- This contributes to a wide variety of cargoes that keeps our port resilient – more stable in uncertain economic times – and able to continue to provide economic benefit to and investment in Southwest Washington.
- Crude oil adds to a growing list of commodities, which include grain, corn, soy, automobiles, large equipment and mineral bulks.

COMMUNITY BENEFITS

- Between 80 and 120 people will be employed in family-wages and good benefits.
- Over 1,000 people will have direct, fulltime jobs in the transport, handling and servicing of the facility.*
- 2,700 total jobs will be created or related to supporting the VEDT facility and its employees, and will bring \$61 million in annual local purchases.*
- The facility will generate nearly \$19 million in tax revenue annually that will go to state and local coffers for public facilities and services.*
- As a public port, hundreds of millions more in revenue made from the handling of crude oil at the port will in turn be reinvested in the community, developing new industrial and maritime lands that exponentially grow benefits to Vancouver and SW Washington.

PROJECT BASICS

- Approximately 42 acres of port property will be made for a 10-year period.
- Tesoro plans to transport North American crude oil by rail to the port where it will be unloaded, stored and then shipped by marine vessel to refineries in California, Washington and Alaska.
- The state-of-the-industry handling facility will include rail unloading at Terminal 5, storage at Parcel 1A, and vessel loading at Terminal 4.
- The anticipated initial volume is 120,000 barrels per day (bpd) with near-term expansion to 280,000 bpd; however, the permit will allow for up to 360,000 barrels per day.
- 120,000 bpd equates to two unit trains per day; 280,000 equates to four unit trains per day.
- Unit trains are made up of approximately 110 rail cars and are about a mile-and-a-half in length.

SAFETY

- Port commissioners and staff understand and share the community's concerns regarding safety. Keeping all parties safe and protecting the environment are fundamental criteria when we evaluate potential tenants and cargoes.
- Our expectation of Tesoro and Savage, as with all of our tenants, is that they go above and beyond in making sure that their facility and operations are efficient, clean and above all – safe.
- Stringent safety protocols have been included in the lease, and port approval of a detailed emergency response plan is required before the facility can begin operations.

HOW THIS PROJECT CAME TO THE PORT

- Increased private-sector investment at the port, now projected at more than half a billion dollars, is the result of years of strategic planning and investment on the part of the port, our partners and the community.
- Specifically, a deeper Columbia River shipping channel and the port's \$275 million West Vancouver Freight Access (WVFA) project are attracting new business to the port, allowing existing port tenants and customers to expand and increasing the diversity and volume of cargoes.

- Tesoro and Savage are planning to invest more than \$100 million; BHP Billiton, the world's largest mining company, is expected to invest more than \$250 million in a new potash export facility; United Grain Corporation is now handling corn and soybeans in addition to wheat due to their recent \$80 million expansion of the port's grain facility; and millions more have been invested by other port tenants and customers such as Great Western Malting, Keyera Energy and Farwest Steel.
- When complete in 2017, the WVFA will not only have created thousands of jobs and attracted millions in private investment – it also will have decreased congestion on the regional and national rail system by as much as 40 percent.

**According to Martin Associates economic analysis*

ENVIRONMENTAL REVIEW/PUBLIC INPUT

Approval of the lease, which is conditioned on Tesoro-Savage acquiring all necessary permits and the development of a port-approved safety plan, was the first step in an ongoing process. The project is now moving through a rigorous environmental review.

State Permitting Process

Permitting is under the jurisdiction of the Washington State Energy Facility Siting Evaluation Council (EFSEC), and offers multiple opportunities for public involvement.

The State of Washington Energy Facility Site Evaluation Council (EFSEC or Council) provides a "one-stop" siting process for major energy facilities in the State of Washington. EFSEC coordinates all evaluation and licensing steps for siting certain energy facilities in Washington. EFSEC specifies the conditions of construction and operation. If approved, a Site Certification Agreement is issued in lieu of any other individual state or local agency permits. EFSEC also manages an environmental and safety oversight program of facility and site operations.

In addition to the state process, EFSEC will review the project's Environmental Impact Statement on a parallel track.

- More information on the EFSEC process: <http://www.efsec.wa.gov/default.shtm>

Port Public Involvement & Safety

- The port is assembling an advisory committee to assist in reviewing the VEDT facility Safety & Operations Plan. This committee will include emergency responders, spill cleanup experts, BNSF Railway and members of the community. The Plan will be presented to the commission.
- The port is working with the City of Vancouver, the developer of the Vancouver waterfront and surrounding businesses and communities to enhance safety features on the port's rail spur that is adjacent to the waterfront.

PORT OF VANCOUVER USA

Created by Clark County taxpayers in 1912, the Port of Vancouver USA is one of the major ports on the Pacific Coast. Its competitive strengths include available land, versatile cargo handling capabilities, vast transportation networks, a skilled labor force and an exceptional level of service to its customers and community. For more information, please visit us at www.portvanusa.com.