

Kalama Manufacturing and Marine Export Facility

PROJECT TYPE:

The KMMEF project consists of three parts: 1. Methanol manufacturing facility, 2. Marine terminal, 3. Natural gas pipeline (Kalama Lateral Project)

LOCATION:

Port of Kalama, Cowlitz County, Washington

INVESTMENT COST:

\$1.8 billion

ORIGINAL CONSTRUCTION DATE:

Late 2016 → delayed nearly 2 years

ORIGINAL OPERATING DATE:

As early as mid-2018 and as late as mid-2020

OVERVIEW

- In 2014, Northwest Innovation Works (NWIW) leased approximately 90 acres of land from the Port of Kalama in Washington to construct and operate a methanol manufacturing plant and export facility.
- In response, activists launched a well-organized opposition campaign to attack the project, focusing on key elected officials. In March 2016, 350.org's Portland chapter initiated a petition directed at Washington Governor Jay Inslee and implored citizens to submit comments to the Washington Department of Ecology (Ecology) opposing the Kalama project.¹
- In March 2016, Columbia Riverkeeper called on members to "flood the Port of Kalama and Cowlitz County with comments to fix the flaws in the draft [Environmental Impact Statement]. You can comment daily if you want, there is no limit! Click here to submit your comment today! ... NWIW needs nearly two dozen permits before they can build their proposed methanol refinery at the Port of Kalama."²
- In April 2016, FERC approved the application for the Kalama Lateral Project pipeline,³ and in June 2017 Ecology approved two permit applications filed by NWIW.⁴
- In June 2017, the Sierra Club attacked Ecology and its permit approval and called on the governor to come out against the project. "Governor Inslee recently championed a coalition of governors committed to climate action. Approval of this methanol refinery runs counter to his and Washington State's climate commitments. Environmental groups throughout the state will be looking to see if he delivers on these commitments. He could start by publicly opposing this refinery."⁵
- Columbia Riverkeeper, the Center for Biological Diversity and the Sierra Club then filed suit and won an appeal of key Ecology permit approvals.⁶ In September 2017, the Washington State Shorelines Hearings Board invalidated the permits approved by Ecology, granting the activist groups' appeal. The decision was upheld upon appeal by the Cowlitz County Superior Court in May 2018.⁷

LOST OPPORTUNITY

ECONOMIC IMPACT



\$1.4 ↓
BILLION
in GDP impact*



10,794 ↓
total full-time
equivalent job
years*



\$300 ↓
MILLION
in lost tax
revenue*



192 ↓
full-time equivalent
jobs during
operations**



\$36 ↓
MILLION
lost annual state and
local tax revenue during
operations**



Image from [350 PDX](#)

STATUS:

In November 2018, the Port of Kalama released a Draft Supplemental Environmental Impact Statement for public comment. The report affirms third-party analysis finding that the methanol plant would result in a net reduction in global greenhouse emissions equivalent to taking 2.2 million cars off the road.⁸

* Number refers to total economic impact from construction/operations/upstream, through August 2018

** Self-reported by project sponsor

Sources:

Global Energy Institute analysis
[2016 Final Environmental Impact Statement](#)
[NW Innovation Works Project Facts](#)

1. [Kalama Methanol Refinery](#), 350PDX website
2. [Fighting Methanol in Kalama](#), Columbia Riverkeeper blog, 3/28/16
3. [FERC Authorizes Construction of Northwest Pipeline's "Kalama Lateral Project," Finds EPA's Criticisms of FERC Staff's Environmental Assessment Unpersuasive, But Rejects The Rates Proposed for Transportation Service on the Lateral](#), Troutman Sanders Energy Report, 4/18/16
4. [Columbia River Methanol Plant Gets Approval On Two Washington Permits](#), OPB, 6/8/17
5. [Kalama Methanol Refinery gets one step closer to approval](#), Sierra Club press release, 6/9/17
6. [Permits Invalidated for Big Washington State Methanol Plant](#), Associated Press, 9/19/17
7. [Port of Kalama Refinery Violated the Law by Failing to Evaluate Greenhouse Gas Impacts](#), Earthjustice press release, 9/18/17
8. [Study: Kalama methanol project would help fight climate change](#), The Columbian, 11/13/18