



Memorandum

August 12, 2020

TO: The Whatcom County Planning Commission

FROM: Matt Aamot, Senior Planner

THROUGH: Mark Personius, Director

RE: Cherry Point Amendments (PLN2018-00009)

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The packet includes a joint Industry/RE Sources proposal submitted on August 3, 2020, with three changes to the Planning Commission's draft amendments. Planning and Development Services sent an e-mail to Industry representatives and RE Sources on August 7, 2020 with several potential modifications. In response, a revised joint Industry/RE Sources proposal (hereinafter "revised joint proposal") was submitted on August 12, 2020. Staff's comments on the revised proposal are set forth below.

1. **Conditional Use Permit Requirements** - The revised joint proposal agrees with the Planning and Development Services recommendation to retain WCC 20.68.153.C. The revised joint proposal would now modify the text as follows:

.153 Expansion of existing legal fossil fuel refineries or expansion of existing legal fossil fuel transshipment facilities. For purposes of this section, an expansion is any fossil fuel refinery and/or transshipment facility development (including otherwise permitted or accessory uses), vested after the effective date of this ordinance, that meets any one of the following thresholds:

- A. Cumulatively increases its maximum atmospheric crude distillation capacity of fossil fuels by more than 10,000 barrels (or 420,000 gallons) per day based upon an evaluation of physical equipment limitations conducted by a licensed professional engineer; or
- B. Cumulatively increases the maximum transshipment capacity of the facility by more than 10,000 barrels (or 420,000 gallons) per day; or
- C. Cumulatively increases the maximum transshipment capacity of unrefined fossil fuels from the facility by more than 10,000 barrels (or 420,000 gallons) per day; or

~~D. Cumulatively increases fossil fuel storage tank capacity of the facility by more than 200,000 barrels (or 8,400,000 gallons) for the transshipment of fossil fuels outside of Whatcom County without value added processing.~~

If a conditional use permit is obtained, the baseline for determining the cumulative increases is reset. . .

2. **Prohibited Use Section** – The revised joint proposal would clarify that the prohibition of new fossil fuel transshipment facilities does not prohibit certain movement of petroleum products and delete language from this section.

~~.205. New Fossil fuel transshipment facilities; provided that, the following uses of facilities are not prohibited: (i) inter-refinery shipments, (ii) transferring petroleum products during emergency scenarios where contingencies require petroleum products to be moved, and (iii) necessary petroleum product transfers during turn-arounds or maintenance periods. , including bulk storage or transfer facilities for fossil fuels.~~

3. **Definitions** – The SEPA, zoning, and insurance amendments specifically address Renewable Fuel Transshipment Facilities. However, the original joint proposal deleted the definition of “Renewable Fuel Transshipment Facilities” (part of proposed WCC 20.97.160.3). Planning and Development Services recommended that a definition should be included in the amendments and the revised joint proposal concurred. The definition proposed by Planning and Development Services is shown below:

#### **20.97.350.4 Renewable Fuel Transshipment Facilities.**

“Renewable Fuel Transshipment Facility” is a facility engaging in the process of off-loading renewable fuel materials, refined or unrefined, refinery feedstocks, products or by products, from one transportation facility and loading it onto another transportation facility for the purposes of transporting such products into or out of Whatcom County. Examples of transportation facilities include ship, truck, or freight car. Renewable fuel transshipment facilities may also include pump and compressor stations and associated facilities. This definition excludes Small Renewable Storage and Distribution Facilities.

The above definition is a modified version of the Council-proposed definition of “Fossil or Renewable Fuel Transshipment Facilities” (basically removing the references to fossil fuels).

We appreciate the efforts of RE Sources and Industry representatives to jointly review and develop language for the proposal.