9/24 Zenith Mtg

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Crystal Chase
Dana Love - Sr General Counsel
Grady Reamer - Manages ~~West Coast~~ operations

Nina -
Paul G
Melissa H

Qs: for Zenith status on LUCS / what "resolution" looks like
future of asphalt plant
VOC calcs?"

TW Return to convo ~1 yr ago re: next permitting steps
intro Δs in market, disc w/ City

- translocating: crude oil, diesel, biodiesel, renewable diesel
- Now manufacturers getting a LUCS → will most contested case

Presentation - Grady
2020 Neste
2022 add Diamond Green - 99% of current RD pro

met w/ 4/5 City comm, policy advisors, other officials
Portland terminal key to meeting CFP initiatives
55,000 bpd diesel demand in OR - mostly ULSD, conventional / fossil fuel diesel
~~200,000 bpd in CA~~

RD = 80% reduction in what compared to fossil fuel based diesel
graphic shows production

"in construction" = existing refining facilities being converted

Next map: feedstocks from midwest → production in Mountain west → delivered by rail to Portland (unclear if it also goes elsewhere)
from CA projects - mostly pipe + truck delivered
eg Phillips 66 + Marathon refineries shut down in 2020 → converted to renewable fuels

Neste = Zenith customer - wea world leader in producing renewable fuels, produced in Singapore → goes to OR, WA + BC Canada
Also starting production in CA

Now renewables makes up about 20% of overall capacity. Expected to be 30% in next few months

~1 year ago (renewables project) - extra dock lines w/ 100% renewable fuels - permit denied (?)
but did get new rail offloading
Can't commingle products - 100% renewable fuels have to be handled w/ separate infrastructure

Renewable fuels expected to come from
Neste: Singapore
+ CA Refinery conversion
Marathon expecting business to come back
Calumet in MT
Holly in WY

- CA LCFS prices vs CA prices were as before (2021) prices were higher in CA. CA cap and trade program adds value and makes overall value higher

- No answer to % of RD to OR vs CA
  but all fossil fuel diesel displaced

- Energy Star award → reduced
  Energy intensity ~~[illegible]~~ by 64%
- Portland + Long Beach carbon neutral for 2021 + 2022
  Phase 1 = carbon offsets
  Phase 2 = reduce CO_2 emissions
- Seismic impact assessments.

TW ~~[illegible]~~ propo

take 8 rail car spots out of crude immediately
end crude storage / handling in 5 yrs
tanks = remaining 30 existing tanks over 7 years
☒ how many remaining / new?
formal retirement of asphalt ~~[illegible]~~ ☒ time frame → when TV retires

Future air permitting - renewables
AQ permit specific to transloading - ACDP
new LUCS from city
then Zenith file for full termination of TV

ACDP - apply as new source - go through CAO →

Short term NAAQS modelling

Calcs ☐ Don't think anything over current generic PSELs

DEQ would:
- withdraw denial of TV → once LUCS received
- leave TV in place until resolved
- work together to process expeditiously

f/u Q LUCS form ☐ TV box? and ACDP box?

ACDP for a transloading facility
warehouse for transferring products not owned by Zenith

Grady has info about how that will stream down over time. 5 yrs from date of LUCS.

Tanks: envtl. groups focus on seismic/risk perspective
Now 80 tanks I
Smaller tanks will be decommissioned → not used to transload product.

TW diesel - low volatility ∴ VOC emissions at or below 39 tons
No operation of refinery in recent time and won't be

↓

b/c change from crude oil to diesel