

Washington Energy Storage & Transfer (WEST) Executive Summary

Washington Energy Storage & Transfer (WEST) is a proposed two unit train per day receiving, off-load and transfer terminal at the Port of Longview. Plans call for the capacity to receive unit trains of U.S. sourced light sweet and/or Canadian heavy crude oils as well as LPG purity products. Each 120-car unit train of crude will carry approximately 82,000 barrels, while the 100-car unit trains of LPG will carry around 72,500 barrels. The mix between crude oil and LPG will be determined by customer needs and market conditions. Current plans call for the terminal to handle up to one LPG train per day and up to two crude trains per day, but never more than a total of two trains a day regardless of products.

The terminal will include all required storage tanks for crude oil and LPG. In addition, a LPG chilling and pressurizing plant will be built to prepare shipments for water bound exports. Capital cost for the project is estimated at \$475 million, inclusive of \$60 million in labor cost for the estimated 375 construction jobs required to complete the project. Upon completion, operating the terminal and associated support elements will require 35 to 40 full-time employees with an annual payroll of around \$3 million.

The final siting of the WEST asset will depend upon available land options in and around the Port. WEST is considering a 30 acre parcel of reclaimed uplands and wetlands located between the Port of Longview rail lead and the Pacific Fibre Products log pond. WEST is also considering land options with the Port boundaries including private in-holdings.

LPG received and processed by WEST will be loaded onto Very Large Gas Carriers (VLGCs) for export to international customers. Crude will be first used to supply the Riverside refinery (30,000 barrels/day) and any excess (50,000 barrels/day) shipped by barges to other west coast refineries.

WEST will apply for required permits through the Washington State Energy Facility Siting Evaluation Council (EFSEC) and the Army Corp of Engineers (as required). Under the EFSEC process no other lead agency is required, however, Port, City of Longview and Cowlitz County representatives may sit on the EFSEC Council in and participate in the permitting process.

This document and all attachments are confidential drafts covered by a Non-disclosure Agreement.