



Oregon

Tina Kotek, Governor

Department of Environmental Quality

Northwest Region

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TTY 711

December 6, 2024

Carlos Munguia
Chief Operations Officer
Zenith Energy Terminals Holdings, LLC
5501 NW Front Avenue
Portland, OR 97210

VIA ELECTRONIC MAIL

Re: Request for Information regarding Zenith Energy Terminal Holdings, LLC ("Zenith") air quality Title V Permit renewal and Air Contaminant Discharge Permit (ACDP) applications

Dear Mr. Munguia,

In carefully reviewing Zenith's operations in relation to its pending air quality permit applications, DEQ has determined that it needs additional information to continue its consideration of those applications. Zenith is currently engaged in, and is proposing to continue under its ACDP application, operations on properties owned by other entities, specifically, bulk fuel loading and unloading using pipes and docks on properties owned by each of Chevron USA, Inc. ("Chevron"), Tanker Basin LLC and Morec Front LLC, (the "McCall properties").¹ Zenith's operations on each of the Chevron and McCall properties emit air contaminants, and are thus part of the source that Zenith is seeking to be permitted. The October 2022 land use compatibility statement ("LUCS") provided by Zenith to DEQ in support of its permit applications, however, is limited to the properties owned by Zenith, identified as tax lots 400, 500 and 1500 (but including specific legal descriptions in the LUCS). Zenith has not provided any LUCS that demonstrates that its activities on the Chevron and McCall properties are consistent with applicable land use requirements.

As provided in Oregon Administrative Rule ("OAR") 340-218-0040(1)(b)(D), DEQ has determined that additional information is necessary (i.e., LUCS that assure(s) that Zenith's use of the Chevron and McCall properties, and any other additional properties where Zenith intends to operate, is compatible with local land use requirements) for DEQ to evaluate and take action on Zenith's Title V permit renewal application and to authorize Zenith's continued operations under OAR 340-218-0120(2)(b). As provided in OAR 340-216-0040(10) and (11), DEQ has likewise determined that additional information is needed (i.e., LUCS that assure(s) Zenith's use of the Chevron and McCall properties, and any other additional

¹ In response to a recent information request from DEQ, Zenith stated that it is seeking authorization to operate equipment that emits air contaminants on tax lots 800 and 1600 owned by Chevron USA, Inc. (Sec 18C 1N 1E TL 800 and Sec 18C 1N 1E TL 1600), tax lot 100 owned by Morec Front LLC (Sec 19B 1N 1E TL 100), and on tax lot 1300 owned by Tanker Basin LLC (Sec 18C 1N 1E TL 1300). See attached Tax Lot Map.

properties where Zenith intends to operate, is compatible with local land use requirements) for DEQ to continue processing Zenith's ACDP application. DEQ is hereby providing Zenith with 60 days from the date of this letter, until February 4, 2025, to provide this additional information.

DEQ notes that its determinations that additional information is needed, as described above, are not final agency actions and this letter is not a final order. To the extent that Zenith disagrees with DEQ's request for information, Zenith may explain its position to DEQ, but any such communications will not impact the deadline for Zenith to provide the additional information requested in this letter. DEQ will not take a final action on Zenith's open applications until it determines whether to issue or deny those applications.

If you have questions regarding this request for information, please contact me, or have your attorney contact Paul Garrahan at the Oregon Department of Justice.

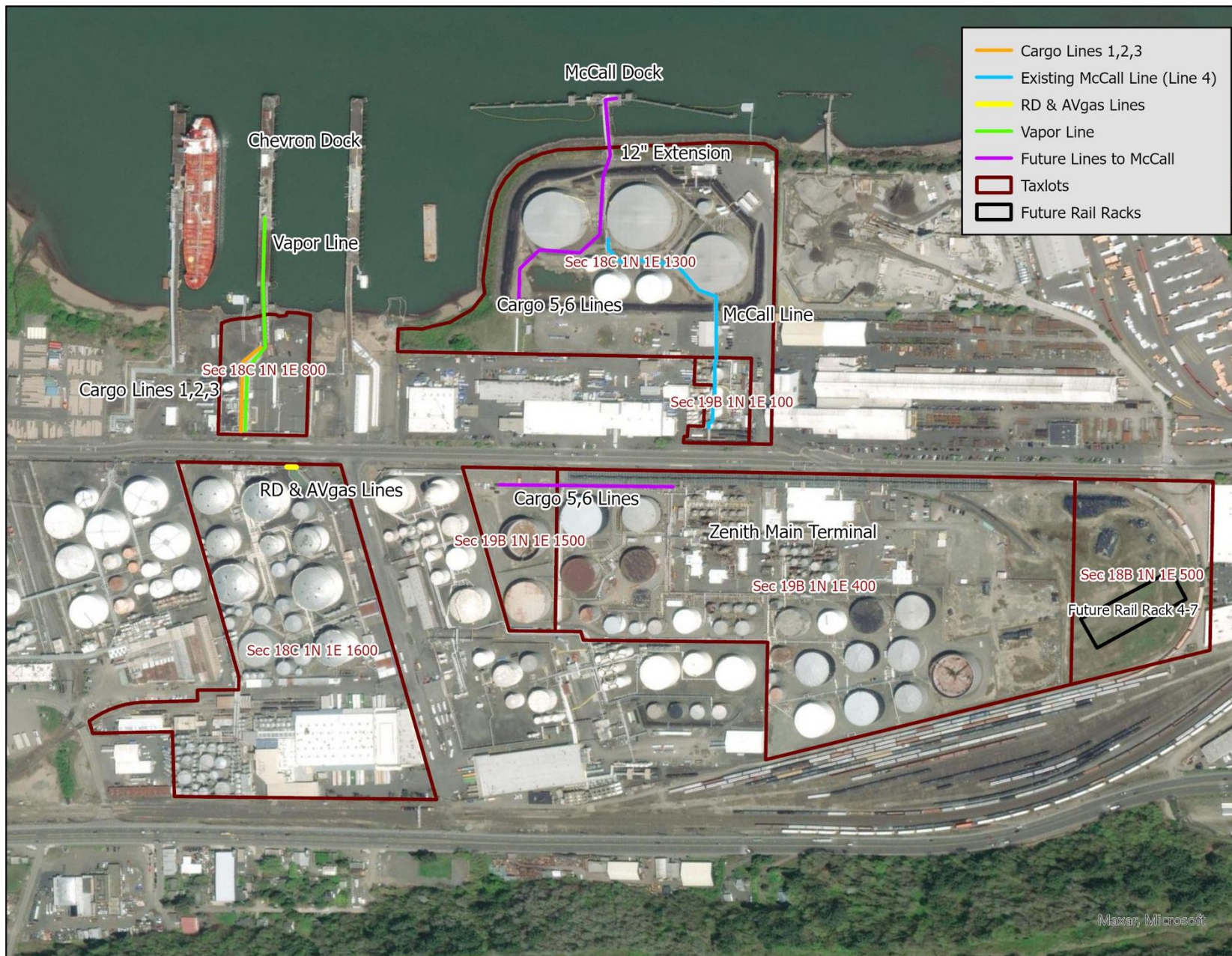
Thank you,

Christine Svetkovich

Christine Svetkovich
Oregon Department of Environmental Quality
Northwest Region Administrator

Enclosure: Tax Lot Map

cc: Grady Reamer, Zenith Energy
Dana Love, Zenith Energy
Tom Wood, Stoel Rives LLP
Geoff Tichenor, Stoel Rives LLP
Paul Garrahan, Oregon Department of Justice



Response to DEQ November 27, 2024 Information Request: **Please provide another map that includes all of the tax lots where Zenith is seeking authorization to operate equipment that emits air contaminants under the ACDP**

Other than Zenith's Main Terminal, Zenith owned or operated equipment that emits air contaminants is limited to piping components and marine vessels.