

# **EXHIBIT 12**



STATE OF WASHINGTON  
ENERGY FACILITY SITE EVALUATION COUNCIL  
1300 S. Evergreen Park Dr. S.W., PO Box 43172 • Olympia, Washington 98504-3172

April 23, 2013

David A. Vensel  
EHS Manager/Sr. Engineer  
Kinder Morgan Terminals  
Colonial Brookwood Center  
569 Brookwood Village, Suite 749  
Birmingham, Alabama 35209

RE: Proposed Port of Vancouver Crude Oil Storage Project – EFSEC Request for Additional Information

Dear Mr. Vensel:

Thank you for your letter of April 12, 2013 that provided information regarding Kinder Morgan's (KM) proposed Crude Oil Storage Project (Project), to be located at the Port of Vancouver, Clark County, Washington.

Your April 12<sup>th</sup> letter contains an analysis of the Project's capacity to receive based on the number of hours required to off-load an average of four unit trains per week, with each unit train to be comprised of up to 118 cars. However, no supporting engineering documents were provided. In order for us to better understand the nature of your analysis, please provide the following additional information:

- Documentation that the Project is an expansion of an existing project, not an enlargement of an existing energy facility and not a new facility.
- KM's rationale that the Project does not constitute reconstruction or enlargement of existing energy facilities where the net increase meets or exceeds those EFSEC jurisdictional criteria contained in the Revised Code of Washington (RCW) 80.50.020(12)(d).
- Engineering documents showing the currently proposed facility features and layout (to the extent that any such documents exist).
- A report signed and stamped by a licensed engineer(s) explaining your calculation of the average daily capacity of the currently proposed project.



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- Engineering or pre-engineering detail of the improvements that would be necessary to accept more frequent trains than your current project would support. In addition, please provide the estimated costs of those improvements in comparison to the estimated costs of the current project for the construction/installation of the facilities that would be improved.
- Any plans or intentions that KM has to expand the current proposed facility to increase its average daily capacity. Please indicate the planning horizon (in years) that KM usually plans for that type of facility enlargement. Please indicate the earliest date you believe that Kinder Morgan might initiate an improvement to increase the average daily capacity of the proposed facility.

You should be aware that the State Environmental Policy Act (SEPA) does not allow phased review of a proposed project to avoid discussion of all project impacts, including cumulative impacts (Washington Administrative Code 197-11-060 (5)(d)(ii and iii)). We will make a determination regarding state jurisdiction based in part on our conclusion regarding the possible phasing of the project.

Thank you for your cooperation on this matter. Please contact me at 360-664-1903 or [sposner@utc.wa.gov](mailto:sposner@utc.wa.gov) if you have any questions about this letter.

Sincerely,



Stephen Posner  
Interim EFSEC Manager

cc: Alan Bogner – Office of Regulatory Assistance  
Sally Toteff – Regional Manager, Ecology Southwest Regional Office  
Todd Coleman – CEO, Port of Vancouver