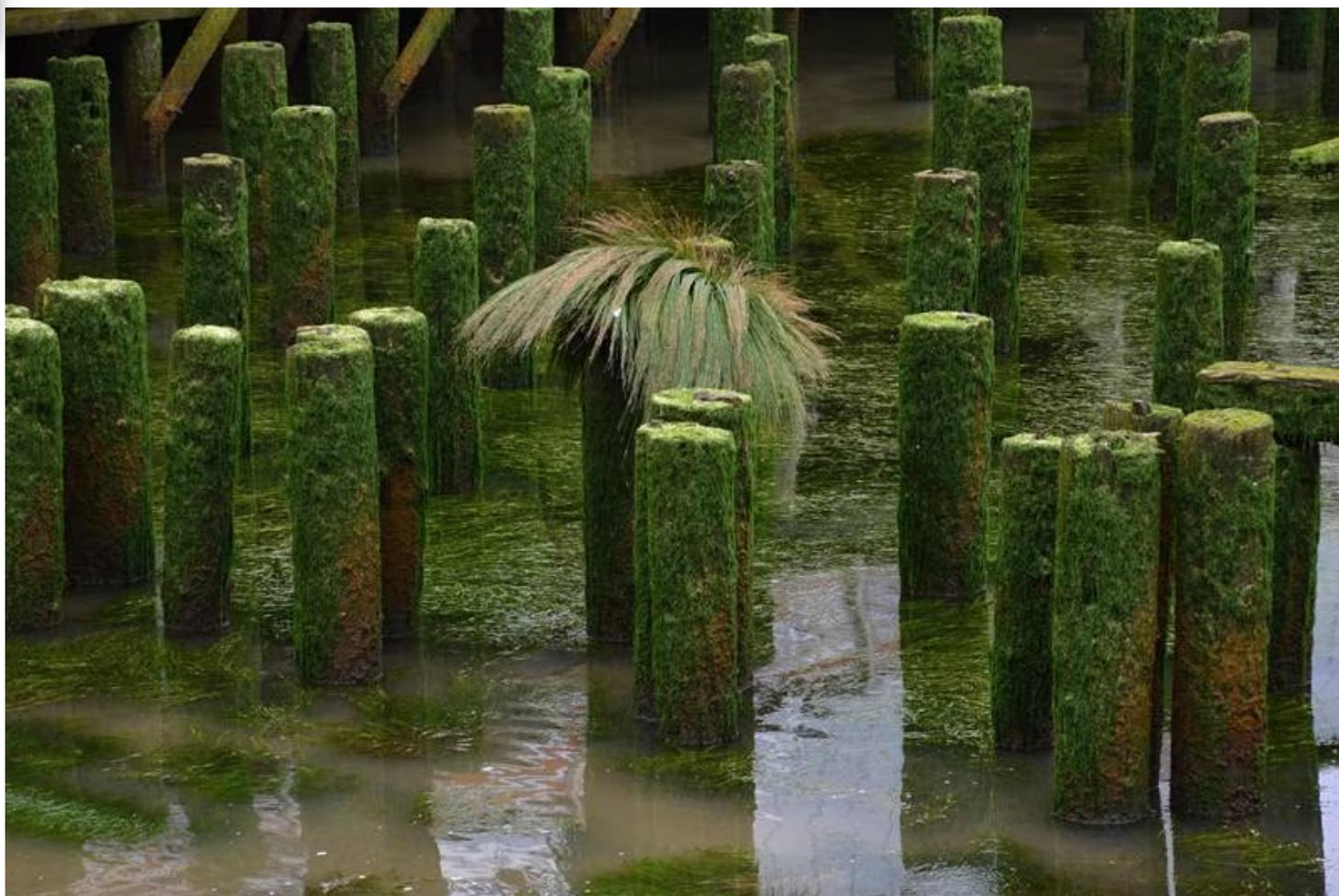


# Company Behind Huge Diesel Plant in Clatskanie to Go Public Through Reverse Merger

It's part of a pattern for Chris Efird, the Texan who runs Next Renewable Fuels.

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GROYNE: Pilings along the Columbia River in Astoria. (Ulf Nammert/Shutterstock)

By Anthony Effinger

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Next Renewable Fuels, the company building the giant renewable diesel plant on the Columbia River near Clatskanie, has no sales or earnings, and it doesn't plan to break ground on the plant until next year.

But earlier this month, it announced plans to sell shares to the public.

Next isn't holding a traditional initial public offering. Instead, it's merging with a shell company called Industrial Tech Acquisitions II Inc., a Houston-based company that has no sales, earnings or operations. Such mergers avoid much of the regulatory paperwork involved in a traditional IPO.

Next Renewable CEO Chris Efirm has a lot of experience with shell companies. Before founding Next, he specialized in setting up shells and finding businesses to fold into them. Shell companies are perfectly legal, but they've been used in pump-and-dump schemes in which promoters buy up shares in a shell, claim it has a new product to drive up the share price, then sell their shares and disappear.

Shell mergers have become more popular in recent years. They're often called SPACs, for "special purpose acquisition company" mergers.

"We're doing a SPAC merger, just like hundreds of other companies," Next spokesman Michael Hinrichs says. "This is a component of the company's strategic growth plan."

Unlike petroleum diesel, so-called renewable diesel is made from organic fats, like soybean oil, used cooking oil, or even the [waste from fish processing](#). Some question how sustainable it is given that it requires the addition of hydrogen, which often comes from fracked natural gas.

In a presentation touting their venture that they filed with the U.S. Securities and Exchange Commission, Next and Tech Acquisitions said they had "developed deep roots in Oregon and specifically the local community where the plant will be located, garnering essential community support."

Meetings about the plant in Clatskanie have been emotional affairs, with farmers voicing concerns about air pollution, the destruction of farm land, and earthquake hazards for a plant that will store millions of gallons of diesel fuel on silty land that was reclaimed from the Columbia River by century-old levees.

Last month, the board of the Beaver Drainage Improvement Company, which regulates the land around Next's site, dropped a legal challenge that threatened to delay or even deep-six the plant. At the same time, the board voted to reject a settlement agreement with Next that would have paid \$3.5 million over 10 years to help the BDIC care for the aging levees in return for full-throated support of Next's plans and a guarantee never to oppose them.

"You could count the plant's supporters on two hands," says Jasmine Lillich, a local farmer who opposes Next. "Anyone who is investing in the company should come out to one of the Beaver Drainage meetings."

After the merger, Next will be called Nxtclean Fuels Inc., the companies say.

"West Coast states are demanding a clean fuels conversion of the transportation and aviation industries with aggressive targets necessitating rapid increases in clean fuel supplies," Efirm said in a statement.

"Nxt is advancing toward becoming one of the largest U.S.-based suppliers of clean fuels for these markets."

Next says it expects the merger to close in mid-2023.

Tech Acquisitions II, the company merging with Next, was set up by Texas Ventures, a private equity and venture capital firm, also based in Houston. It's led by Scott Crist, who also heads a company called Osperity, which Crist, in his bio, calls "the leader in AI-driven computer vision for the industrial sector."

In a filing with the SEC, Tech Acquisitions II said it would focus its search on companies in "technology-focused areas including software, mobile and IoT applications, digital and energy transformation, cloud and cyber communications as well as high bandwidth services, including LTE, remote sensing and 5G communications."

Representatives for Texas Ventures didn't return emails seeking comment on the Next merger.

Efird has been involved with some two dozen shell companies, according to a search of regulatory filings. Many of them went nowhere. He formed one called Tiger Growth in the Cayman Islands in March 2006. Two years later, Tiger bought a Greek construction company called Aegean Earth SA that had four employees and owned no property.

A month after the notice of the share sale, Aegean told the SEC that it couldn't file a quarterly report on time. By September 2010, the company—by then called Hellenic Solutions Corp.—had just \$172,189 in cash on hand and loans and other liabilities of \$42.3 million.

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