

February 2, 2022



Subject: SB1567 - Critical Energy Infrastructure Seismic Risk Assessment and Remediation
To: Chair Lieber, Vice Chair Findlay, members of the Energy and Environment committee

In 2017, the City Club reported an extensive, year-long study by its members documenting earthquake resilience in the Portland area, entitled “Big Steps Before the Big One”. The research report and its recommendations were adopted by an overwhelming “yes” vote of the City Club membership. We will only comment on aspects of the current project related to the approved recommendations.

One of the most significant concerns addressed in the City Club report is the extreme vulnerability of the Critical Energy Infrastructure Hub (CEI Hub) located along the Willamette River in Northwest Portland. The CEI Hub receives 90 percent of all liquid fuel in the State of Oregon, including 100 percent of the jet fuel. That fuel is stored in 64 large, above-ground storage tanks owned by 10 major companies and is absolutely critical to both the short-term response and the longer-term resilience of the region. Without fuel, the most basic recovery functions cannot proceed, including police, fire and emergency medical services. And without fuel, the electric and gas utilities would be unable to clear debris, repair damaged facilities and restore service, leaving the area essentially paralyzed.

As City Club’s report points out in detail, this entire CEI Hub is located on liquefiable soil overlaid with dredging materials from 100 years ago. That almost certainly will lead to collapse of some or all of the tanks in a major earthquake followed by a likely massive conflagration and catastrophic spill into the Willamette and Columbia river systems. The CEI Hub receives 90 percent of its fuel via interstate pipelines (Olympic and Williams) that are also vulnerable to breakage.

Recommendation 2 of the City Club report is:

The Governor and Legislature should designate a single state agency to oversee seismic risks at the CEI Hub. That agency should have the authority to:

Require all owners of CEI Hub facilities to provide an engineering assessment of their facilities’ vulnerability to a CSZ earthquake and other information relevant to mitigating the current risks.

Develop and implement, in collaboration with industry stakeholders, standards for construction and retrofit of storage tanks at the CEI Hub. The standards should be designed to prevent releases and to preserve substantial functionality in the event of a CSZ earthquake.

SB 1567 would accomplish the goals of this recommendation by effectively naming the Department of Environmental Quality as the sole state agency with responsibility for the assessment and remediation of the seismic risk at the CEI hub. But it would go further and require the private companies to implement the DEQ approved improvements based on the assessments of seismic risk, and also require the Oregon Department of Energy to work with a broad partnership of entities for input to create a long overdue state energy security plan.

Portland City Club strongly endorses the passage of this legislation. Thank you for your consideration.

Sincerely,

Teri Martin, CCERAC Chair

Tom Dyke and Rob Fullmer, CCERAC Buildings and Infrastructure Sub-Committee

Anne Castleton, CCERAC member

Portland City Club Earthquake Resiliency Advocacy Committee

Caitlin Baggott Davis, President-Elect of the Portland City Club