HB 3450 A STAFF MEASURE SUMMARY

House Committee On Emergency Management, General Government, and Veterans

Action Date: 04/08/25

Action: Do pass with amendments and be referred to

Ways and Means. (Printed A-Eng.)

Vote: 4-3-0-0

Yeas: 4 - Evans, Grayber, Tran, Watanabe

Nays: 3 - Boice, Lewis, SkarlatosFiscal: Fiscal impact issuedRevenue: No revenue impact

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Meeting Dates: 2/27, 4/8

WHAT THE MEASURE DOES:

The measure requires the Oregon Department of Energy develop an energy storage transition plan for the critical energy infrastructure hub.

Detailed Summary

- Requires the Oregon Department of Energy develop an energy storage transition plan for the critical energy infrastructure hub; describes report requirements.
- Requires the department to engage with stakeholders, experts, community members, government agencies and others to develop plan.
- Requires the department to assess the potential for requiring owners or operators of bulk oils or liquid fuel terminals to obtain insurance, bonds, or other evidence of financial assurance for potential release of fuels due to an earthquake.
- Allows that the department may work with the National Policy Consensuses Center at Portland State University to coordinate and develop plan.
- Requires the department to submit a report to the interim committees of the Legislative Assembly related to emergency management no later than December 15, 2026.
- Sunsets January 2, 2027.
- Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Concerns about the environmental impact of fuel and oil spills
- Interest in including other agencies in the planning process, including the Oregon Department of Emergency Management

EFFECT OF AMENDMENT:

The amendment adds the Oregon Department of Emergency Management, the State Fire Marshall, and the State Resilience Officer to the list of agencies the department will cooperate with to develop the plan.

BACKGROUND:

Oregon Revised Statute 468B.510 describes "bulk oils or liquid fuels terminal" as industrial facilities located in Columbia, Multnomah, or Lane County that are primarily engaged in the transport or bulk storage of oils or liquid fuel products and are characterized by having

- marine, pipeline, railroad or vehicular transport access;
- transloading facilities for transferring shipments of oils or liquid fuel products between transportation modes;
 and

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• one or more bulk storage tanks with a combined capacity of two million gallons or more.

According to Multnomah County, 90 percent of all liquid fuel in Oregon is stored at these facilities, which are commonly called the Critical Energy Infrastructure Hub (CEI Hub). Built before the current understanding of the Cascadia Subduction Zone and potential earthquake risk, the CEI Hub is built on soil that has the potential to liquify in a major earthquake.