



26 February 2025

**BEFORE OREGON HOUSE COMMITTEE ON  
EMERGENCY MANAGEMENT, GENERAL GOVERNMENT,  
AND VETERANS – [HB 3450](#)**

**Chair Representative Thuy Tran  
Vice-Chair Representative Dacia Graber  
Vice-Chair Representative Rick Lewis  
Members of the Committee**

**Possible Planning Parameters – Solving the Petroleum Industry Crisis for Them**

After the Cascadia megathrust arrives the biggest regrets will stem from infrastructure disruption.

1. The last mile for the electric grid – with minor damage to coastal delivery power lines from peak seismic ground acceleration, the tsunami will impose electric short-circuit overloads just prior to grid blackout conditions along 360 miles of our Oregon coastline. If shake-alert emergency shutdown were possible prior to the tsunami grid overload, major grid ripple effects would not have happened.
2. The first mile for fuel pipeline commodities – with the end of pipeline deliveries from Washington, deliveries from alternative seismically stable depots located east of Cascades could have maintained deliveries needed to sustain the state economy plus emergency repairs to coastal communities. Not transitioning to the new depots early enough is a huge regret.

Two priorities are evident:

- A. Design for a Pre-planned Cascadia emergency drill to isolate the primary electric grids from coastal load disruption, with infrastructure investments needed to accomplish this. Could involve relocation of transformer substations on the coast to high ground. As found at [Plugshare](#), most if not all EV charge stations are located so close to the beaches that they will be inundated and unusable. Relocation of grid delivery transformers to east-west highway access hubs on high ground seems crucial.
- B. Assuming no disruption in California fuel sourcing, the Pasco rail transition to Oregon must be redesigned to bypass the expected high-volume rail deliveries relieving failed refineries in Washington. Unless dealt with early, an immediate shortage of tanker trucks that can dispense directly to commercial and private vehicles could strand the state economy, when power grid and internet problems disable all the normal credit point fuel stations, leaving them unable to deliver from on-site storage.

Political planning is critical. The current popular skepticism aimed at all governance is hardly leverage for post-catastrophe mobilization or pre-catastrophe planning. Adults playing “Not It” is already a risk multiplier. The current dilemma characterized by rural interests competing with urban demands must be resolved by insightful Cascadia response measures that honor both simultaneously. Being caught short by the Cascadia wild card will not be helpful.



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### **Funding is not a Problem – Redirect Existing Subsidies**

Because of the threatening Cascadia repeat, urgent energy transition planning to expand and accelerate Going Green is essentially the same as Choosing Life. Big Petro could have mobilized to attain seismic durability of their own infrastructure except that it was out prioritized by everything else, despite their world-class seismic exploration technology expertise. Stranding the military and society with passive-aggressive neglect is such a bad idea. Terrorizes everybody. If they get serious, in less than a week they could forgo [their \\$20B](#) in annual Congressional and state subsidies and fund the Washington / Oregon crisis preparation, perhaps on time.

### **Diverting these subsidies will preserve oil stock market value. Think about it.**

For civilized society, note that the oil subsidies already come from taxpayer “paid for” budget line items, so there is no inflationary pressure from funding the effort to save taxpayers and voters from “Worse than Deepwater Horizon” combined with “Exxon Valdez.”

### **ATTACHMENT**

#### **[WSPA](#)**

The Washington petro industry representing seismic research and development experts do not acknowledge the inevitable M8-M9 seismic Cascadia repeat. Below is a cut-paste from the WSPA website 26 February 2025:

Can you even find the word “Oregon?” Oregon’s dire compromise from WSPA operator seismic inaction is not acknowledged, over 10 years since the USGS paleo-seismic research disclosures about the undisputed west coast tectonic history with an inevitable big return.

Note their objection to increasing the barrel tax to cover their liability for the inevitable BP Pipeline failure. “So instead, we propose a three-year increase in our own tax rate on marine and rail shipments.” You pay the tax for their denial. Investors will not like the publicly stated undue negligence denying the [Cascadia risk everyone else is intimidated by](#). Reliance on the threatened market value of oil stocks to fund Cascadia recovery is a total loser. Who would bet on that?

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## **I. Washington Issues**

The Western States Petroleum Association helps develop and support sound public policies that sustain the affordable fuel resources needed to drive Washington’s economy.

Washington’s five refineries supply gasoline for automobiles, clean diesel for trucks, fuel for the ferry and shipping fleets, and aviation fuels crucial to the daily lives of everyone in the state. These products support jobs and vital services for Washingtonians and provide important tax revenues for state and local governments.



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## A. Clean Air Rule

Washington employers continue making great progress in reducing carbon emissions and the state stands among low-carbon leaders across the nation and around the world. The Clean Air Rule puts Washington manufacturers at a disadvantage against national and international competitors. It increases energy costs to Washington families and small businesses, making it more expensive to heat homes, to drive to work or school and to buy groceries and other necessities. We believe that incentives to promote innovation and private investment, rather than an inflexible and expensive rule, are the best way to continue reducing greenhouse gas emissions in our state.

## B. Carbon Policy

WSPA and its members believe that climate change should be addressed at national and international levels. State-level policy in Washington would have a negligible impact on mitigating climate change but could have a significant negative impact on our state's businesses. WSPA and its members believe a carbon tax should not be duplicative, placing expensive and unnecessary burdens on already heavily taxed industries and consumers. Nor should it limit business opportunities for Washington employers that serve markets beyond the state's borders.

## C. Oil Spill Program Funding

Washington State has one of the best oil spill response programs in the nation, and from day one it has been funded completely by the petroleum industry through a "barrel tax" on crude oil shipments. Several years ago, without opposition from the industry, that tax was extended from marine shipments to also include rail shipments. But now the State Department of Ecology wants to also tax shipments by pipeline, which are already overseen by the State Utilities and Transportation Commission. But the Department reports only 3% of all spills are related to our industry. **So instead, we propose a three-year increase in our own tax rate on marine and rail shipments.** During that time, Ecology should be required to further study the source of spills and create a funding model in which responsibility is shared with those who are creating the problems, so they have an incentive to improve.

## D. Hazardous Substances Tax

WSPA and its members oppose increasing hazardous substances tax. The Model Toxics Control Act fund is fundamentally sound – revenue collections fell due to recent lower oil prices but are forecasted to return to pre-2011 levels this year. The problem for the fund is with spending and prioritization, not with revenues. The Department of Ecology's 2018 supplemental budget request claims a \$69M "shortfall" in the fund, but details \$75M that has been diverted from the fund to cover general fund spending at Ecology and other agencies. And the Legislature has diverted over \$270M from the fund and expanded spending to cover \$300M in stormwater projects over last dozen years. It's illogical to take money out of the fund or use it for different purposes and then argue that tax increase is needed to fill the gap. It's time to get back to focusing MTCA on what voters intended it to do – addressing hazardous waste clean-ups



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## **E. Low Carbon Fuel Standard (LCFS)**

WSPA and its members oppose the low carbon fuel standard as an expensive and unproven experiment for Washington. The California Energy Commission estimates that that state's LCFS already adds 9.5 cents per gallon of gas, and the program is only halfway to full implementation. In Washington, LCFS would be a "hidden gas tax" on top of what is already second-highest state and federal gas tax in the nation (67.8 cents per gallon). That's why the state's own Climate Executive and Legislative Work-group (CLEW) considered and rejected LCFS as one of most expensive emission-reduction tools. And there are real questions about whether the LCFS is even feasible because the fuel blendstocks required for LCFS compliance do not exist at market volumes or are prohibitively expensive.