



To: House Committee on Emergency Management, General Government, and Veterans

From: Climate Energy Environment Team of COIN

Re: Legislation related to the CEI Hub

Date: February 26, 2025

Chair Tran, Vice Chair Grayber, Vice Chair Lewis, and Members of the House Committee on Emergency Management, General Government, and Veterans,

On behalf of the Consolidated Oregon Indivisible Network (COIN), we write today to urge you to give your full support to four bills related to Oregon's Critical Energy Infrastructure (CEI) Hub:

- **HB 3450 which calls for a CEI Hub transition plan**
 - HB 3450 is the most essential of these four since it sets in motion a process to develop a transition plan. The plan, led by the State Department of Energy, including DEQ, DLC, stakeholders, affected communities and experts will have the charge to set goals that lead to safe, resilient energy storage for all of Oregon. Under this bill the planners will also assess requiring the owners and operators within the Hub to obtain insurance or surety bonds for costs associated with a catastrophic earthquake.
- **HB 2949 which calls for a study of risk bonding requirements for fuel storage facilities**
 - HB 2949 is an important companion bill to HB 3450. It outlines a state process to research financial coverage for a catastrophic event related to the CEI. Under this bill, DEQ will contract a 3rd party to study and assess what financial assurance will be required of owners and operators of bulk oils and liquid fuel terminals. This study will provide necessary information for the transition to safer energy storage.
- **HB 2152 which directs Oregon Department of Energy to implement a priority action plan to diversify fueling stations for disaster reserves**
 - HB 2152 is also very important as it would help ensure that, in the event of a disaster at the CEI Hub, emergency responders across the state will still have access to critical fuel supplies. Spreading our essential fuel reserves across the state to strategic locations will also help lower the risk of a major disaster at the current CEI Hub.
- **HB 2151 which would expand the use of the Seismic Risk Mitigation Fund**
 - HB 2151 allows for the use of federal funds for fuel-related disaster preparedness. Advanced preparedness is at least as important as post-disaster response.

COIN endorses all of these bills because we strongly believe that storing 90% of the state's essential fuel supplies in an unstable storage zone is unsafe, unacceptable, and irresponsible. These bills are a step in the right direction to protect our statewide critical energy supplies, and more importantly, to protect the communities surrounding the CEI Hub from a potential catastrophic disaster.

According to the [Oregon Department of Emergency Management](#), Oregon has the potential for a magnitude 9.0+ earthquake and resulting tsunami, as the Cascadia Subduction Zone has been building pressure for the past 325 years. Scientists predict that there is about a 37% chance of an earthquake of 7.1 or higher occurring within the next 50 years.

The CEI Hub was built on dredged river soil, which would be extremely unstable during an earthquake. Add to that the fact that most of the tanks currently storing hundreds of millions of gallons of gasoline, diesel, tar, chlorine, propane, and other volatile and toxic chemicals, were built more than 50 years ago and most do not meet our current seismic codes.

COIN represents Oregonians from all districts in Oregon and we want to emphasize that this is NOT just a "Portland Problem." A natural disaster at the CEI Hub is a very real possibility. Regarding earthquake likelihood, researchers say it's a matter not of "IF" but of "WHEN." Additionally, having so much of our energy resources concentrated in one place makes the CEI Hub a target for terrorism. Railroad tracks alongside the Hub represent another potential danger: [more than 100,000 train derailments](#) have occurred across the US in the past 50 years (over 2000 just in Oregon). The neighboring Forest Park and risk of wildfire in the wildland-urban interface pose yet another threat. The oil spill that would result from any one of these disasters would be one of the largest oil spills in history. Toxic chemicals would be released into the air, poisoning life and contributing to climate change. Explosions and fires would result, destroying infrastructure and homes. Oregon would be without critical energy resources for who knows how long.

Action is needed now to prevent the very real likelihood of loss of life as well as environmental and economic disaster. Please support all four of these essential bills. We cannot afford the risk of putting off dealing with the dangers posed by the current CEI Hub any longer.

Respectfully,

Paulette Wittwer (Portland), Deborah Ferrer (The Dalles)
Climate Energy Environment Team of
Consolidated Oregon Indivisible Network
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