



FRIENDS OF THE COLUMBIA GORGE

Testimony in support of SB 958
To the Senate Environment and Natural Resources Committee
By Michael Lang, Friends of the Columbia Gorge
April 13, 2017

Good afternoon, Chair Dembrow and members of the Environment and Natural Resources Committee. Thank you for the opportunity to testify on SB 958. My name is Michael Lang. I'm the Conservation Director for Friends of the Columbia Gorge ("Friends"). Friends is a nonprofit organization with over 6,000 members dedicated to protecting the outstanding resources of the Columbia River Gorge National Scenic Area and supporting its communities. We are a member of the Stand Up to Oil coalition, which opposes new oil terminals in the Northwest and the transportation of crude oil by rail along the Columbia River and throughout the states of Oregon and Washington.

Friends and the Stand Up to Oil Coalition support SB 958, with amendments. SB 958 and its amendments are crafted to respond to the new and growing threat of new oil export terminals and the transport of large volumes of oil by rail through Oregon.

For decades, Oregonians have taken pride in the fact that we have strong values, a vision for the future of our state and planning to ensure that our common vision becomes a reality. Livable communities, clean air and water, sustainable economic growth and protection of our natural treasures like the Columbia River Gorge are all values that we cherish. However, in the past five years external forces including advances in hydraulic fracturing technology to extract oil that was previously unreachable, exponential increases in transporting crude oil by rail, and the lifting of the crude oil export ban, have caught us unprepared. SB 958 is necessary to help us respond to a changing world and ensure the protection of the values that we as Oregonians hold dear.

SB 958 would improve the review of new oil terminals by requiring a balancing test considering the public need for new crude oil terminals and the impacts to fisheries, navigation and recreation. Proposed amendments would close a big loophole in state law, called the "wharfing exemption," that allows construction of oil terminals on state submerged lands without requiring a state land lease.

The bill should be amended to require the following:

- Insurance to cover worst-case oil spills;
- State land leases for the construction of new oil terminals;
- An analysis of the public need and risks to public health, safety and the environment for the oil terminal project; and
- Prohibition of agency expenditures for new oil terminal infrastructure.

Why SB 958, with amendments, is necessary

- Since September, 2012, crude oil is being transported by rail at high speeds through Oregon, including the Columbia River Gorge National Scenic Area, the Deschutes River canyon, and many communities across Oregon. Oil is transported through our state to refineries in California and Washington, with no direct benefit to Oregon's economy. Explosive Bakken oil is transported in unsafe rail cars that puncture at speeds as low as 14 mph, leading to oil fires and explosions. New federal safety standards for rail cars only slightly improve impact resistance. Unit trains of oil carry up to 120 oil tank cars containing over 3 million gallons of volatile Bakken Crude oil or tar sands oil. These *pipelines on rails* endanger communities and waterways along major rail routes through Oregon, risking severe damage to public safety, drinking water, and Columbia River salmon habitat.
- Oil-by-rail is inherently unsafe. In the past three years, several oil train derailments, explosions, and fires in North America have resulted in 47 deaths, the evacuation of thousands of people, millions of gallons of oil spilled into waterways, and billions of dollars of property damage and environmental destruction. Our fears were realized last year when an oil train derailed in the small Gorge town of Mosier, catching fire, and spilling 42,000 gallons of oil. Mosier residents were spared only because it was a rare windless day, thus preventing an unstoppable fire that would have incinerated the town. The Federal Railroad Administration (FRA) determined that Union Pacific Railroad's negligence caused the derailment. FRA statistics show Union Pacific has more derailments and accidents caused by equipment failures compared to the industry average.
- For 35 years, the U.S. ensured energy independence by prohibiting export of U.S. crude oil. In 2015, Congress lifted the U.S. crude oil export ban, thus creating the likelihood of new export terminals on the West Coast. As soon as the price of oil rebounds, residents of the Northwest can expect to see more proposals for oil export terminals. Without SB 958, oil terminals will easy spread into Oregon.

- Oregon has the weakest laws on the West Coast related to oil trains and oil terminals. California and Washington have comprehensive environmental policy acts. Oregon does not. Oregon law also contains a huge loophole in ORS 780.040(1) that would allow oil terminals on state lands without the need for a state land lease. The combination of a very weak oil train laws, lack of an environmental policy act, and exemptions for oil terminals make Oregon a soft target for oil-by-rail transport and terminals.

Friends and Stand Up to Oil do not want Oregon to be the weak spot on the West Coast for oil trains and terminals. Please support SB 958 with amendments. Thank you for considering this bill.

Oregon: Weakest Oil Train & Terminal Laws on the West Coast

Prepared by Friends of the Columbia Gorge. For more information call Michael Lang, (971) 634-2030

Why we need to pass HB 2131 (Mosier Act: Oil Train Emergency Response)
and SB 958 (Close Loopholes for Oil Terminals)

LAW	OR	WA	CA
Oversight of Railroad Emergency Response	NO	YES	YES
Fees On Oil Trains For Emergency Response	NO	YES	YES
Railroad Ability To Pay For Worst-Case Spill	NO	YES	YES
24-Hour Notice Required For Oil Trains	NO	YES	NO
Comprehensive Environmental Review for Terminals	NO	YES	YES
State Land Leases Required For Terminals	NO	YES	YES