State Resilience Officer Update

Oregon's Disaster Energy-Fuel Resilience/Planning Activities

Mike Harryman & Deanna Henry
May 13, 2021



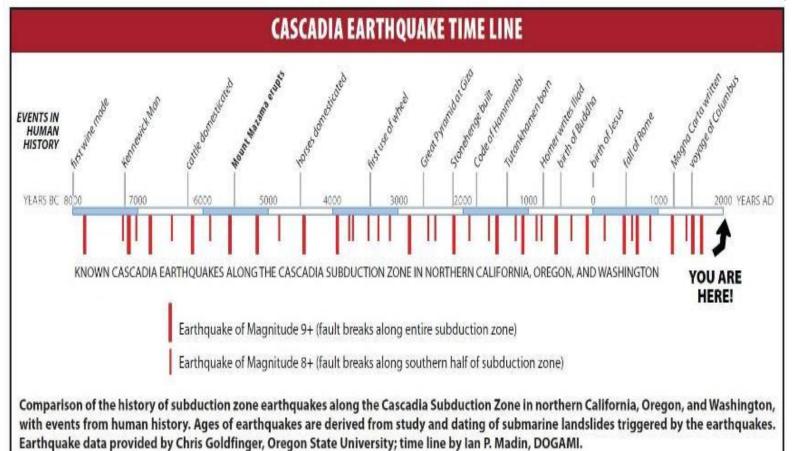




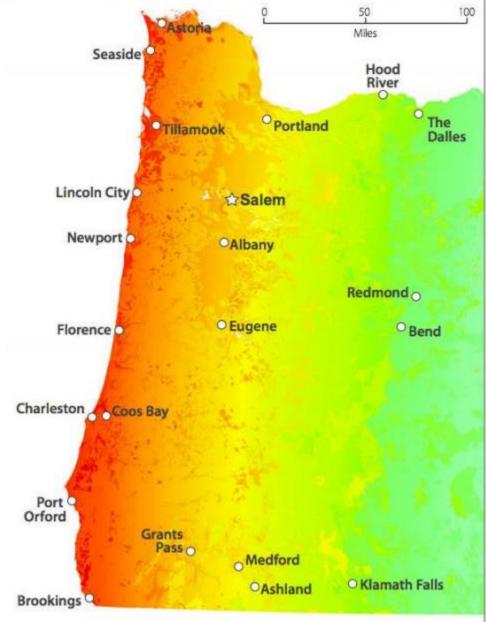




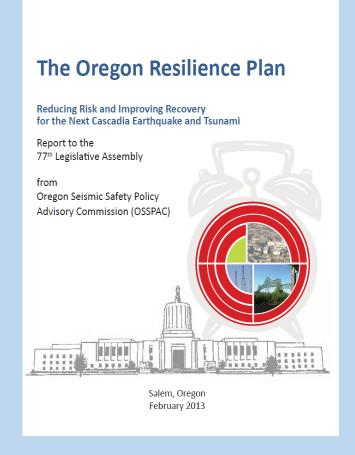
Why resilience?

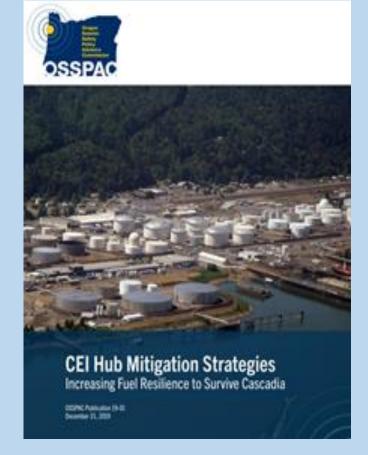


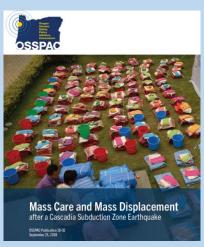
ShakeMap for SIMULATED M9 Cascadia earthquake



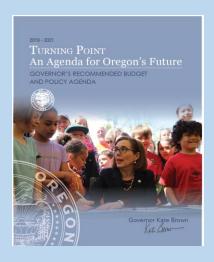
Building Resilience in Oregon

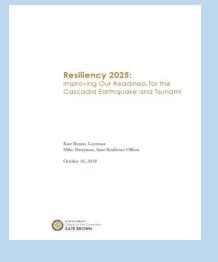




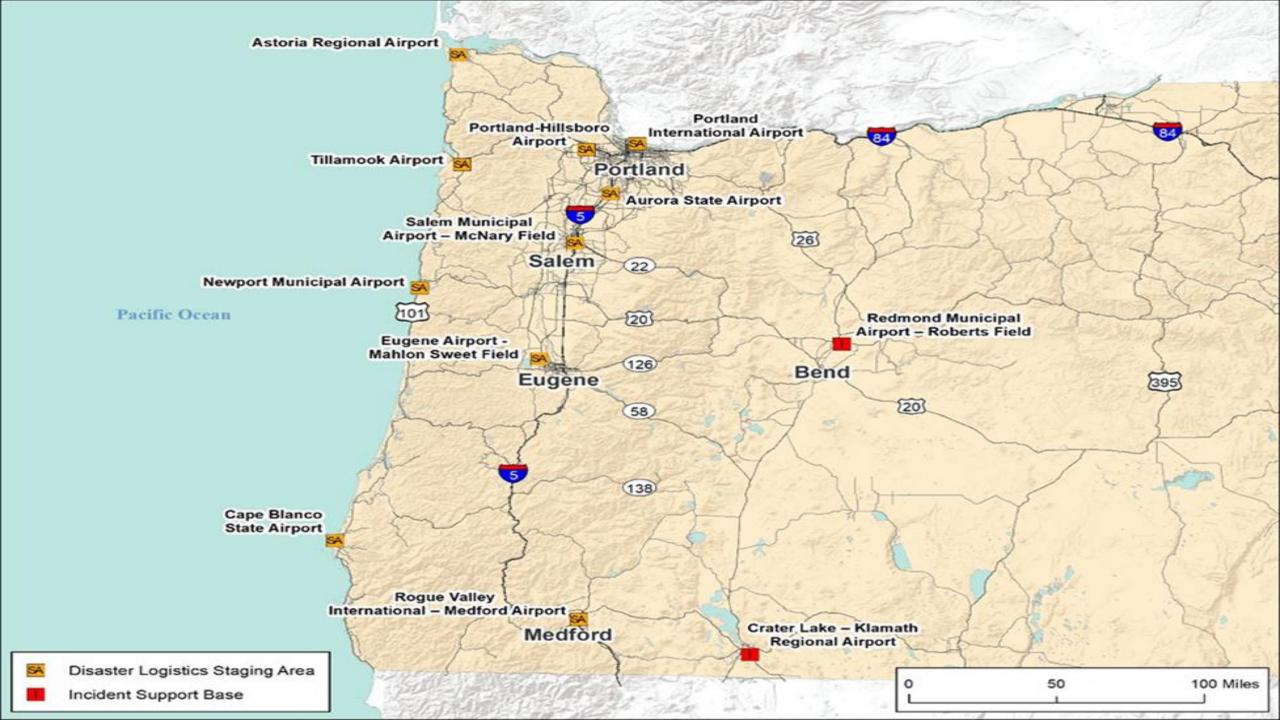












Emergency Powers: Fuel



State Declared Emergency – Management of Resources (ORS 401.188)

✓ Control, restrict, and regulate the use of food, feed, **fuel**, clothing, and other commodities, materials, goods, and services

Oregon Department of Energy (ODOE) Authority – (ORS 176.750-785)

- ✓ Develop and maintain a statewide contingency plan in response to petroleum shortages that impact Oregon
- ✓ Provide adequate fuel supplies to maintain emergency services, transportation, and the operation of the economy to ensure the health, safety, and welfare of the residents of the State of Oregon while an emergency exists

Fuel Executive Order

✓ Authorizes ODOE to implement the strategies in the Oregon Fuel Action Plan in response to a Cascadia Subduction Zone Earthquake and Tsunami



Oregon Imports 100 Percent of the State's Refined Petroleum Products

- Washington refineries supply more than 90 percent
 - ✓ About 75 percent by Olympic Pipeline to Oregon
 - ✓ Remaining product by tanker ships to Oregon
 - ✓ Portland Fuel Hub located on liquefiable soils

Anticipate significant fuel supply loss post Cascadia

- Utah refineries supply less than 5 percent to eastern Oregon communities
- California refineries supply less than 5 percent to southern Oregon communities

Bay Area Refineries Salt Lake City Refineries

Petroleum **Distribution Terminals Portland Fuel Hub** BLUE HEGULAN H/S JET-A **Barges on Columbia** Est. 1,500 Tanker Trucks Pipeline to Eugene Terminal & to Eastern Oregon **Throughout Oregon Portland International Airport** Est. 2,400 **Fueling Locations**

Oregon Fuel Supply & Distribution System

- Annual fuel imports estimated at three billion gallons
- Six day fuel delivery cycle
- Product delivered throughout Oregon by pipeline, barges, and tanker trucks

Anticipate significant impacts to distribution system post Cascadia

Fuel Storage: Industry









Portland and Eugene Petroleum Distribution Terminals:

Less than 1 week supply

Estimated 280 Cardlocks:

• 4 – 6 day supply

Estimated 1000 Retail Gas Stations:

• 2-3 day supply

Oregon will likely be out of fuel in less than a week post Cascadia

Fuel Storage: Airports



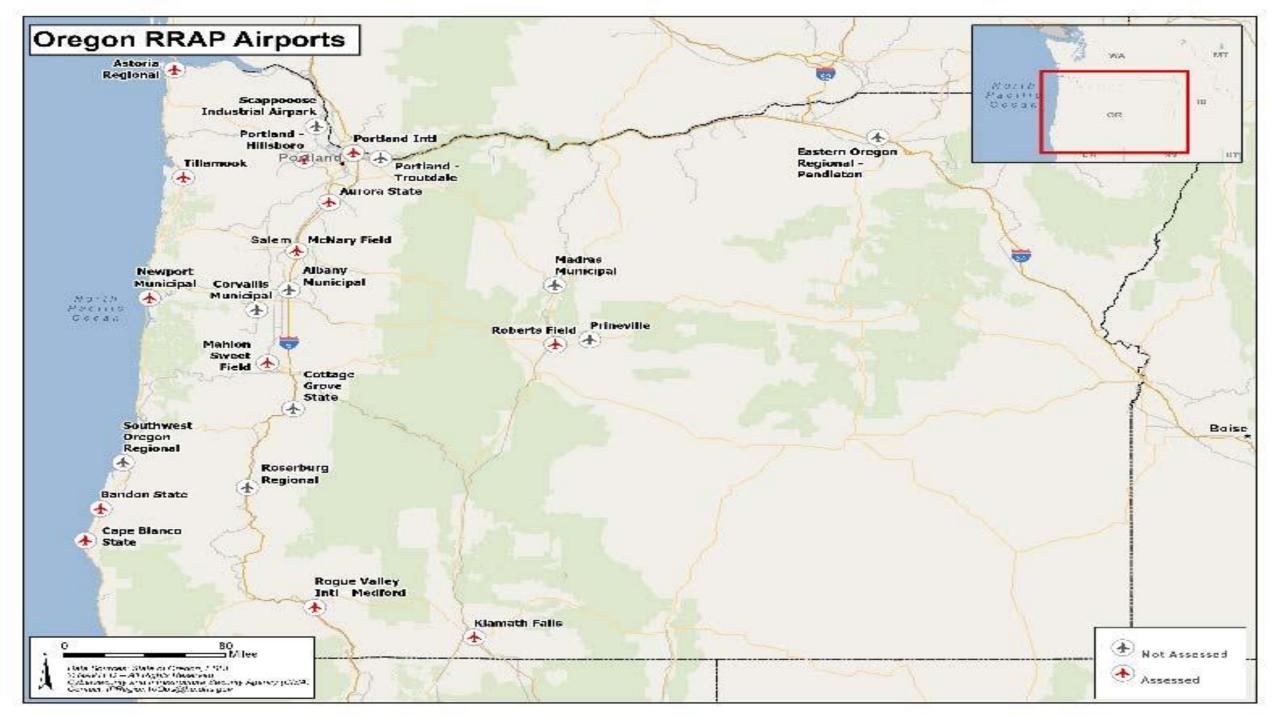






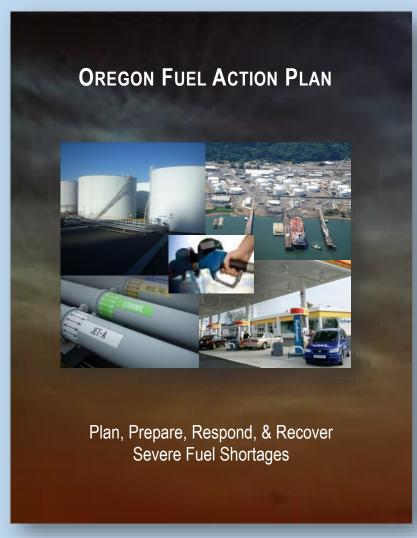
55 Airports in Oregon

- Onsite fuel storage varies significantly at airports
- Most airports have limited storage capacity for unleaded and diesel



Oregon Fuel Action Plan



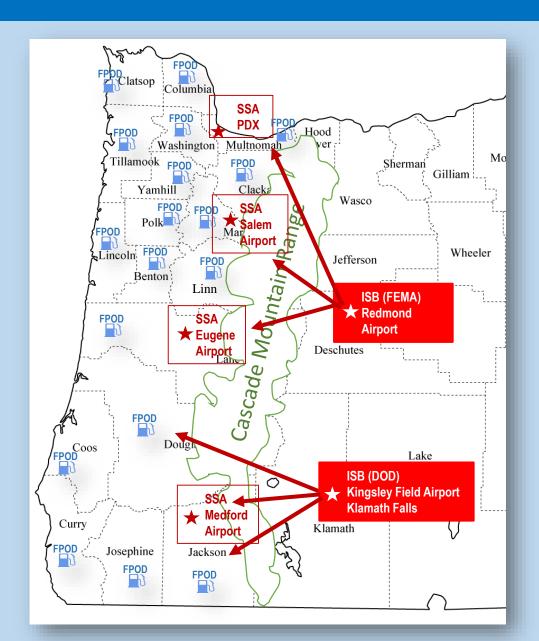


Create new temporary fuel supply chains into Oregon and establish new delivery systems into impacted areas

- Identifies 9 Actions ODOE will take to direct the state's overall response to petroleum emergencies
- Provides coordination structure for federal, state, county, tribal, and petroleum industry partners
- Provides structure for fuel allocation that identifies pre-approved priority users of fuel and user responsibilities
- Identifies state and county priority lifeline routes to support fuel deliveries
- Pre-designates Fuel Points of Distribution (FPOD) for receiving emergency fuel
- Plan on ODOE website www./Oregon.gov/ENERGY

CSZ Fuel Strategy: Ground Response





INITIAL RESPONSE ACTIVITIES

Required Support: Federal, Military, and Industry

Limitations: Requires viable roadway transportation system

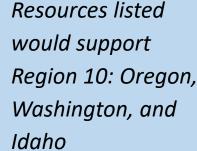
1st New Temporary Fuel Supply Chain from the East

- 72 Hours Bulk fuel "pushed" into the federal Incident Support Base (ISB)
- Initial daily bulk fuel push into Oregon, Washington, and Idaho (Defense Coordinating Element Region 10 projections)
 - Unleaded gasoline est. 75,000 gallons (about 8 trucks)
 - Diesel est. 400,000 gallons (about 44 trucks)
- ODOE directs fuel movement from federal ISB to State Staging Areas and to the pre-designated Fuel Points of Distribution (FPOD) in the impacted counties

CSZ Fuel Strategy: Ground Response









FEMA EMERGENCY FUEL PURCHASING CONTRACT

Required Support: Interagency Agreement with the Defense Logistics Agency (DLA) to manage fuel deliveries in disasters

Limitations: Requires viable roadway transportation system

1st New Temporary Fuel Supply Chain from the East

- DLA contracted with Foster Fuels Resources and Capabilities:
 - Establish 250 fuel sites within 300-mile radius of federal incident support base
 - By Day 10 Provide estimated 2,650,000 gallons of unleaded, 2,650,000 gallons of diesel and estimated 1,000 trucks to support deliveries
 - In June 2019, DLA added Jet A and propane in the fuel contract
- Transporting fuel by air will be necessary initially, difficult to sustain; hazardous; restricted to small quantities - 3,000 gallon bladders

CSZ Fuel Strategy: Air Response



FUEL DELIVERIES TO SUPPORT ISOLATED COMMUNITIES

Required Support: Federal and Military

Limitations: Difficult to sustain, hazardous, and restricted to small quantities







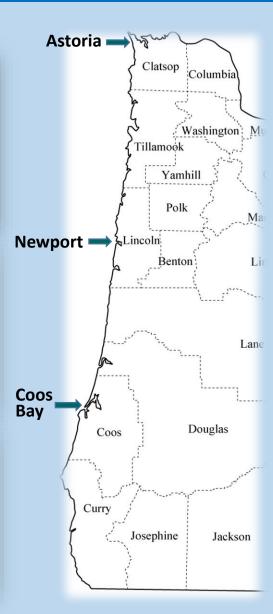
CSZ Fuel Strategy: Over-The-Shore Response











OVER-THE-SHORE FUEL OPERATIONS

Potentially one of the more viable and sustainable fuel strategies

2nd Temporary Fuel Supply Chain from the Coast

RESOURCES AND CAPABILITIES

- Navy Limited resources to support refueling efforts on the Oregon coast
 - Navy will bring only enough fuel to sustain its own operations
 - Only 2 vessels that can potentially support fuel mission
- USDOT's Maritime Administration (MARAD) assets
 - ➤ Limited tankers (gulf coast) requires 2 months to put into service
 - Complete Commercial Market Assessment for FEMA to identify private sector resources and capabilities to assist impacted states

Over-The-Shore Ops: Private Sector Capabilities





FACT FINDING TRIP – BARROW, ALASKA

August 19-21, 2019

Purpose – To Assess:

- Private industry resources and capabilities to strengthen
 Oregon's over-the-shore bulk fuel operations
- Response time and logistics coordination requirements
- Need for public/private partnership to ensure timely fuel deliveries along the Oregon coast working inland

State and Federal Participants

- Oregon Department of Energy
- Oregon National Guard
- Oregon Department of Administrative Services
- Federal Emergency Management Agency
- U.S. Army North, Defense Coordinating Element

Over-The-Shore Operations: Barrow, AK





PRIVATE INDUSTRY SHIP-TO-SHORE FUEL OPERATIONS

Crowley Maritime Corporation

Resources and Capabilities

- Delivers fuel to 300+ remote and austere locations in Alaska
- Responds to emergencies worldwide to support fuel operations
- Response time Estimated 14 days upon notification
- Fuel assets and resources can be adjusted as mission requirements change
- Custom built vessels and equipment designed to support fuel deliveries to shoreside tank farms, temporary bladder farms, and directly into tanker trucks
 - ➤ Fuel Tankers: 3.5 14 million gallon capacity
 - Deep Draft Barges: 2 3.5 million gallon capacity
 - Shallow Drift Barges: 275 600 thousand gallon capacity

Over-The-Shore Operations: What's Next







Barge to barge fuel transfer allows 24 hour fuel delivery



ASSESS NEED FOR PUBLIC-PRIVATE PARTNERSHIP

Considerations

- Cascadia event would overwhelm the military capabilities to support over-the-shore fuel operations for OR and WA
- FEMA-DLA acknowledges large gaps in the federal fuel contract for over-the-shore fuel operations
- ODOE has broad authority to develop contracts or mechanisms to bring fuel into the state

ODOE Next Steps

- Continue discussions with private industry to further identify need to match capabilities
- Work with ODOJ to determine whether a partnership with private industry is a viable option

Oregon Fuel Action Plan: Scalable for All-Hazards



ODOE activated fuel plan strategies in response to COVID 19, Wildfires, and Winter Storms

COVID 19: March 2019 - Present

- Coordinated Hours of Service Waiver
- Coordinated Reed Vapor Recovery Waiver
- Obtained 14,000 cloth masks and 1,075 non-contact infrared thermometers for critical fuel workforce

Wildfires: September 2020 - February 2021

- Coordinated Hours of Service Waiver
- Ensured Ethanol deliveries by rail to Eugene
- Assisted cardlock facility to obtain Conditional Use License to sell unleaded fuel to residents

February 2021 Ice Storm

- Coordinated fuel deliveries to critical facilities
- Coordinated the increase of fueling limits for 1st responders at cardlock facilities



2021 Summer Fuel Outlook







POTENTIAL TEMPORARY, LOCALIZED SPOT LIMITATIONS

- Increase in vacation travel
- NOT fuel supply issue, but a growing shortage of drivers in Oregon and nationwide
- ODOE working with Oregon Fuels Association, Oregon
 Trucking Association, and ESF 14: Cross Sector Business and
 Industry to address potential summer fuel concerns

Ramping Up for Cascadia Rising 2022







FEMA CASCADIA RISING 2022 EXERCISE (CR22) – June 13-17

 Government, tribes, military commands, and the private sector in OR, WA and ID coordinate simulated field response operations to test capabilities and readiness

USDOE CLEAR PATH IX EXERCISE – June - August 2021

 All levels of government and energy industry participate in a series of virtual energy sector tabletop exercises to test Oregon and Washington plans and strategies in response to a Cascadia event

ODOE EXERCISE PREPARATION

- Develop statewide fuel distribution plan with Oregon Fuels Association and key distributors for fuel delivery for last mile supply chain
- Develop guidance to prioritize fuel allocations to support mission critical functions
- Develop fuel contracts as appropriate
- Update Oregon Fuel Action Plan and validate new strategies in CR22

Thank you

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