

## Legislative Fiscal Office

Oregon State Capitol  
900 Court Street NE, H-178  
Salem, OR 97301  
503-986-1828



## Joint Committee on Ways and Means

Sen. Elizabeth Steiner Hayward, Senate Co-Chair  
Rep. Tawna Sanchez, House Co-Chair

Sen. Fred Girod, Senate Co-Vice Chair  
Rep. David Gomberg, House Co-Vice Chair  
Rep. Greg Smith, House Co-Vice Chair

Amanda Beitel, Legislative Fiscal Officer  
Laurie Byerly, Deputy Legislative Fiscal Officer (Budget)  
Paul Siebert, Deputy Legislative Fiscal Officer (Audit/IT)

**To:** Natural Resources Subcommittee

**From:** John Terpening, Legislative Fiscal Office

**Date:** February 23, 2022

**Subject:** SB 1567 – Relating to energy infrastructure resilience  
Work Session Recommendations

SB 1567 directs owners or operators of bulk oils or liquid fuels terminals in Columbia, Multnomah, or Lane Counties to conduct and submit seismic vulnerability assessments to the Department of Environmental Quality (DEQ) for review and approval, with reports first submitted June 1, 2024. These entities must also implement seismic risk mitigation implementation plans that are approved by DEQ and update assessments upon retrofit or reconstruction of a terminal or based on new scientific or technical findings but no more frequently than once every three years.

This measure additionally directs the Oregon Department of Energy (ODOE) to develop an energy security plan, and to report to the interim committees of the Legislative Assembly related to energy on the implementation or revision of this plan no later than September 15 of each even-numbered year, though the first report is to be submitted by June 1, 2024.

DEQ anticipates costs of \$712,318 General Fund and four positions, three of which are permanent to startup, implement and continue this new program.

ODOE anticipates costs of \$327,996 and notes that funding for the energy security plan was included in the 2021 Infrastructure Investment and Jobs Act.

### **Recommended Changes**

LFO recommends adoption of the -A8 amendment which is a policy amendment intended to address the potential for any preemption of requirements of the measure to bulk oils or liquid fuels terminals due to the federal Pipeline Safety Improvement Act of 2002.

LFO recommends adoption of the -A9 amendment which provides the necessary funding for the 2021-23 biennium to implement this measure. This includes:

- DEQ - \$712,318 General Fund
- ODOE - \$327,996 Federal Funds

**Final Subcommittee Action**

LFO recommends that SB 1567, as amended by the -A8 and -A9 amendment, to be moved to the Ways and Means Full Committee.

**Carriers**

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_