



DEQ Fuel Tank Seismic Stability Program

May 15, 2023

[Zoom informational meeting](#)

Agenda

10:30 a.m.	Welcome and Introductions
10:40 a.m.	Overview of the Rules Advisory Committee process and proposed draft rules
11:00 a.m.	Discussion
11:50 a.m.	Public Comment schedule and Next Steps
12 p.m.	Adjourn

DEQ Fuel Tank Seismic Stability Program

Contacts

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Rulemaking web page: ordeq.org/tanks-seismic-rules

Sign up for updates: [GovDelivery](#)

Senate Bill 1567

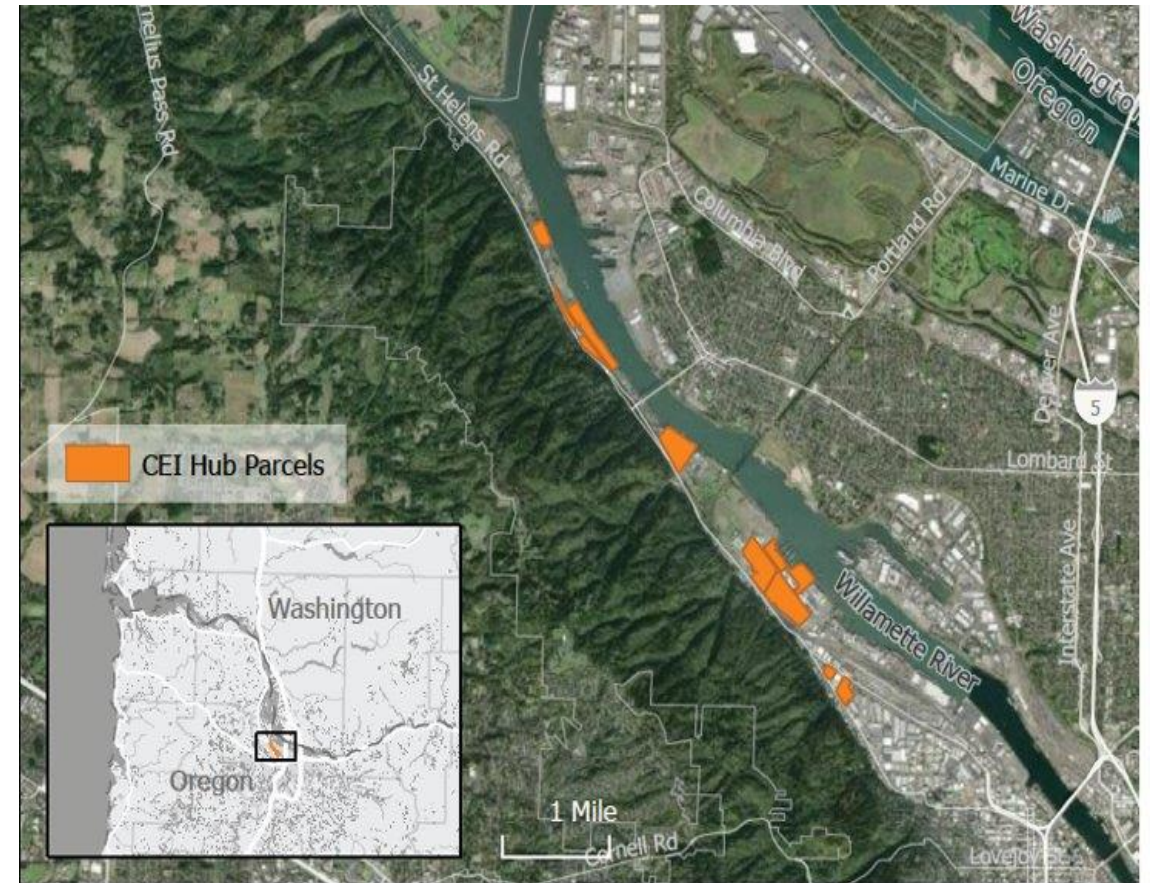
Requires...

- Large capacity fuel handling facilities to assess integrity in the event of a Cascadia Subduction earthquake.
- Facilities to develop and implement a risk mitigation plan.
- DEQ to develop a risk mitigation implementation program, including rules.
- DEQ report to Legislature
- Oregon Department of Energy to develop an Energy Security Plan.



Facilities that may be covered

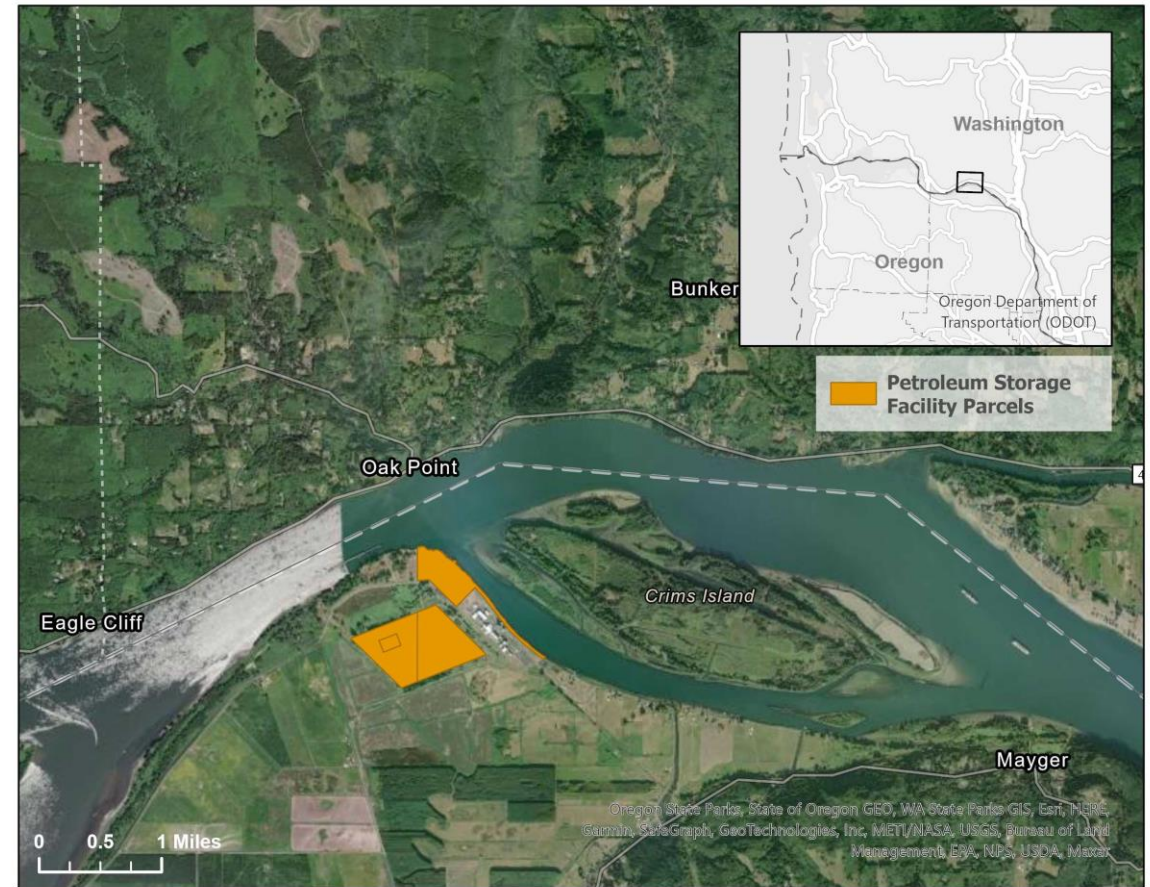
High-Capacity Fuel Storage Facilities	County
Cascade General Inc. (Vigor Shipyard)	Multnomah
Chevron USA Inc.	Multnomah
Kinder Morgan Liquids Term LLC	Multnomah
McCall Oil & Chemical Corp	Multnomah
Northwest Natural Gas Co	Multnomah
Nustar Portland Terminal	Multnomah
Owens Corning Roofing and Asphalt LLC	Multnomah
Pacific Terminal Services Inc.	Multnomah
PDX Fuel LLC	Multnomah
Phillips 66	Multnomah
SeaPort Midstream Partners	Multnomah
Shell Portland Distribution Terminal	Multnomah
Zenith Terminals	Multnomah



Source: Created by ECONorthwest.

Facilities that may be covered (cont.)

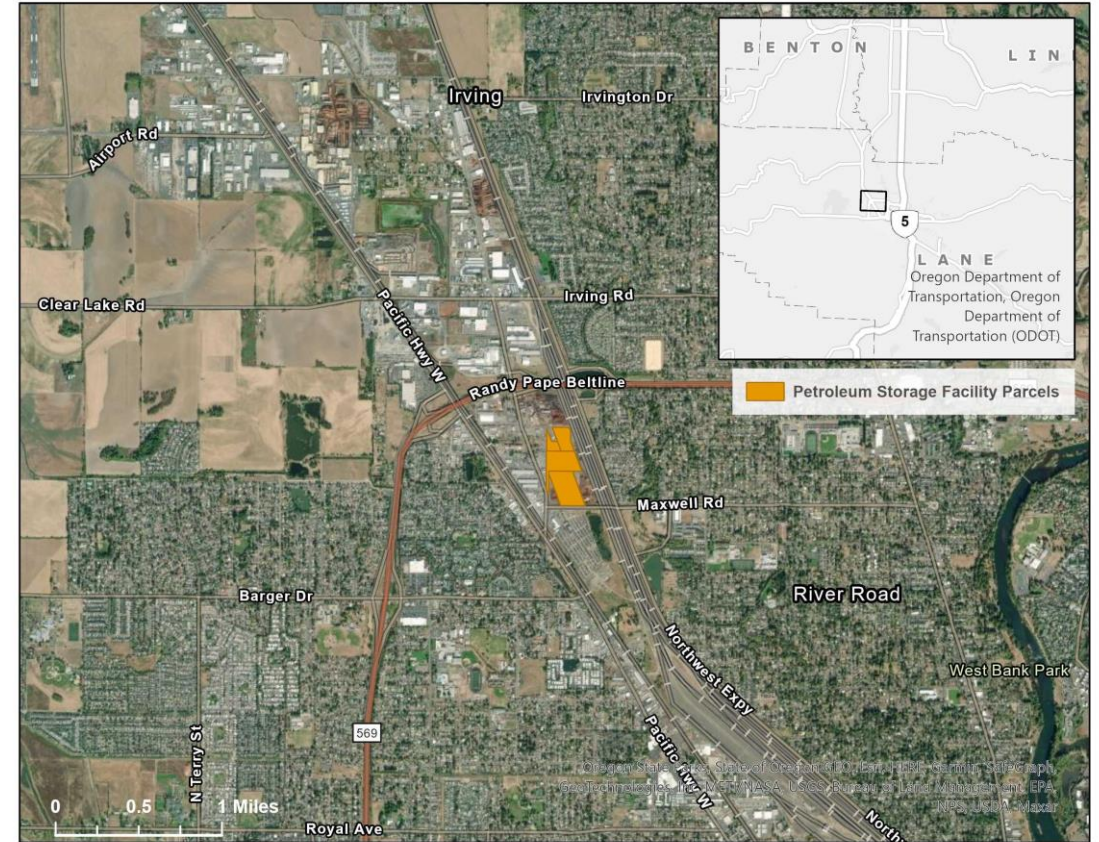
High-Capacity Fuel Storage Facilities	County
Columbia Pacific Bio-Refinery	Columbia
PGE	Columbia



Oregon DEQ | Emergency Response

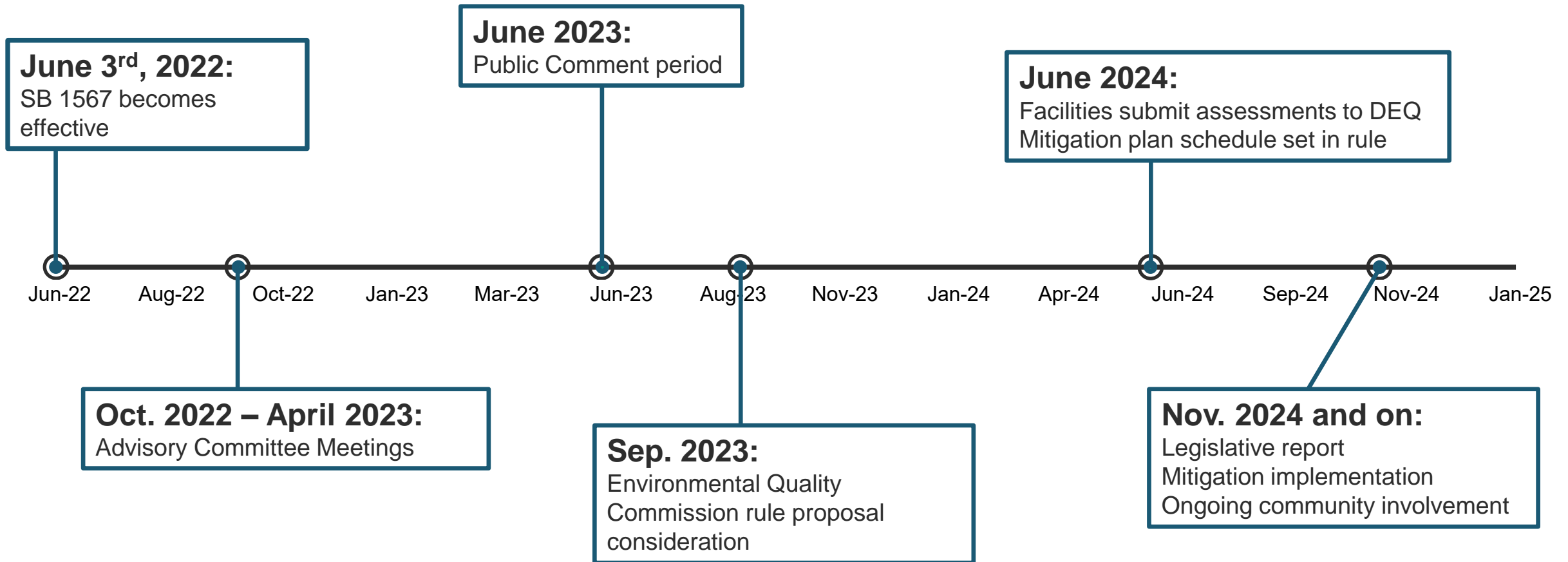
Facilities that may be covered (cont.)

High-Capacity Fuel Storage Facilities	County
SFPP LP (Kinder Morgan Eugene)	Lane



Oregon DEQ | Emergency Response

Program Development Timeline



Rule Framework

- 340-300-0000 Context
- 340-300-0001 Purpose and Applicability
- 340-300-0002 Definitions and Acronyms as used in this Division
- 340-300-0003 Seismic Vulnerability Assessment Requirements, Timeline and Approval Criteria
- 340-300-0004 Risk Mitigation Implementation Plan Requirements, Timeline and Approval Criteria
- 340-300-0005 Reporting Requirements, Test Methods and Procedures
- 340-300-0006 Program Administration and Compliance Fees
- 340-300-0007 DEQ Responsibility to Review and Approve SVAs and RMIPs

Risk Mitigation Implementation Plans

- Assessment are due June 1, 2024
- Mitigation plan due 180 calendar days after DEQ's approval of the assessment.
- Mitigation interim actions require 1, 3, and 5-year milestones based on feasibility and order of importance.
- Implementation to be completed in 10 years.
- Draft rule allows implementation plan amendments.

Fee Structure Proposed to Committee

Flat fees – equal fixed fee for all facilities

Covers DEQ expenses for professional services contracts to review and implement mitigation work. These costs are in addition to three DEQ staff funded with General Fund through Senate Bill 1567.

Four Fees:

- Seismic Vulnerability Assessment Submittal Fee of \$39,000 (includes new technology costs)
- Risk Mitigation Implementation Plan Submittal Fee of \$36,000
- Annual Compliance Fee of \$23,000
- Risk Mitigation Implementation Plan Modification Fee of \$5,000

Discussion Time



Fee Structure Option

Flat fees – equal fixed fee for all facilities, including not to exceed clause:

- SVA Submittal Fee \$39,000
- RMIP Submittal Fee not to exceed \$39,000
- Annual Compliance Fee not to exceed \$50,000. DEQ may assess annual fees every year.
- Risk Mitigation Implementation Plan Modification \$5,000

Potential rule language:

” If the fees collected from SVI and RMIP submittals and annual fees exceed DEQ’s actual cost for the program in year one, DEQ will reduce the annual fee in year two to match DEQ’s projected costs for that year. Beginning year 3 DEQ may reduce the annual fee in a given year if a lesser amount is adequate to cover program costs for that year. ”

Next Steps

June 2023

- Public notice – plan to issue May 31
- Public comment – Comments due June 21
- Public hearings – June 15, 17, 20

Sept. 2023

- EQC consider rules for adoption – September 18

June 2024

- Seismic Vulnerability Assessments due to DEQ

Thank you!



Title VI and Alternative Formats

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