



CITY OF
PORTLAND, OREGON

Amanda Fritz, Commissioner

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Public Utility Commission of Oregon
201 High St SE, Suite 100
Salem, Oregon 97301-3398
Sent via email to: scott.gibbens@state.or.us

Re: City of Portland comments on Oregon PUC Docket No. UP 349 – PGE Port Westward tank sale to Global Partners’ oil-by-rail and ethanol terminal.

Dear Chair Hardie, Commissioner Bloom and Commissioner Decker:

As one of the Commissioner’s for the City of Portland, I respectfully submit comments in opposition to the sale of large tanks and other facilities considered in the Public Utility Commission of Oregon’s (“PUC”) Docket No. UP 349. This City is more specifically concerned by the Portland General Electric (“PGE”) request to sell large tanks and other facilities at Port Westward, Oregon, to Cascade Kelly Holdings LLC, doing business as Columbia Pacific Bio-Refinery, a company owned by Global Partners LP (hereinafter, collectively, “Global”).

The proposed agreement between PGE and Global is designed to facilitate increased crude-by-rail and ethanol export activities at Port Westward, Oregon. By purchasing PGE’s tanks, Global would enjoy increased crude oil storage and transport capacity in close proximity to the rail loop and dock that Global has used to ship crude oil in the past. Though Global is not currently shipping crude oil at Port Westward due to low oil prices, the tank sale and agreement will facilitate future increases in oil-by-rail activity. The purchase and sale agreement between PGE and Global states that Global would use its newly acquired tank farm for the “receipt, storage and distribution of ethanol and crude oil.”¹

Global’s crude-by-rail activities directly impact the City of Portland because all oil trains traveling to Global’s facility must travel through the City of Portland. Hence, increased crude oil storage and offloading capacity at Port Westward very likely means increased crude-by-rail activity in Portland. Accordingly, due to the serious risks associated with increased crude oil trains traveling through Portland, the City of Portland respectfully submits that the proposed sale, which would increase crude-by-rail through Portland and other communities, is not in the public interest.

These comments on the proposed tank sale are consistent with City policy opposing oil trains. In November 2015, the Portland City Council unanimously passed Resolution 37164 (“Resolution”), a policy “opposing all project proposals that would increase the amount of crude oil being transported by rail through the City of Portland...” Portland’s Resolution states, “...serious risks are caused by oil-by-

¹ Docket No. UP 349, *Application of PGE in regard to the sale of its property*, Exhibit I-1 (“Agreement for Purchase and Sale of Storage Tanks and Real Property”), p.6 (March 14, 2017).

rail projects including but not limited to delayed emergency vehicles, oil fires, oil spills, oil explosions resulting from train derailments, increased air pollution, increased water pollution, and contributions to climate disruption-induced injury and disease,” and “in the event of an accident, explosion and fire involving an oil train, local emergency responders would be ill-equipped to protect human health, property, or the environment.” During the Council hearing, City of Portland elected officials heard and received testimony from hundreds of community members in support of the resolution. These were given by community members of diverse ages and backgrounds, all in a unified stance for protecting our city’s health and safety. The Resolution also states the City’s concern about risks to salmon habitat, water quality, and our climate as a result of increased oil-by-rail traffic. The Resolution is included as an attachment to this letter.

PGE’s proposal would expand Global’s oil- and ethanol-by-rail export operation. With more tank storage and more ability to unload and store rail cars, Global is permitted by DEQ to ship up to two loaded oil trains each day through Portland, roughly half the capacity of the highly controversial Tesoro Savage oil-by-rail terminal proposed in Vancouver, Washington. Consistent with Portland Resolution 37164, we urge the PUC to reject the tank sale agreement because it is inconsistent with the public interest: protecting Portland residents from the risks of oil trains, protecting the Columbia River and Willamette River from spills and pollution, combating climate change, and avoiding more oil-train accidents in Oregon communities like the one that occurred in Mosier, Oregon just over one year ago.

Thank you for your consideration of these comments.

Sincerely,

Amanda Fritz

Commissioner, City of Portland