Risk Bond Follow-Up Discussion

EUGENE CITY COUNCIL WORK SESSION

DECEMBER 11, 2023

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Overview

- Related Work Session Discussion & Purpose
- Clarifying Hazard Versus Risk
- Hazardous Substance and Chemical Use in the Community
- Hazardous Substance Data Sources and How Data is Being Used
- Proposed Hazard & Risk Assessment Framework

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Related Council Work Sessions

- Chronic Polluters (May 2022)
- Public Health Overlay Zone (September 2022)
- Fossil Fuel Risk Bonds (May 2023)
- Industrial Development Standards (October 2023)
- Gas Stations (October 2023)

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Fossil Fuel Risk Bonds

- Premise is to safeguard public finances from the product life cycle risk and impact of oil, gas, and coal operations and infrastructure
- King County Washington has advanced this idea, applying it to permitting of new fossil fuel facilities in the County

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Purpose

- This work session is in response to a motion from Council approved at the May Risk Bond work session

> *"Have the City Manager bring back a memo in the fall scoping out the issue, and an RFP for an approach and budget for a consultant to do work, that would start small and limited to high potential harm sites, and phase-in medium and small sites, looking at: 1) the risks (amount & level & likelihood) of potential harm; 2) assess gaps in funding, rules, and regulations, for risk mitigation (and our legal ability to act); and 3) options to close the gaps."*

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Hazard versus Risk

- Hazard: a condition, situation, object or material that has the potential to cause harm, damage, injury, illness or loss.
- Risk: the likelihood or probability that a hazard will actually cause harm and the severity of potential consequences.

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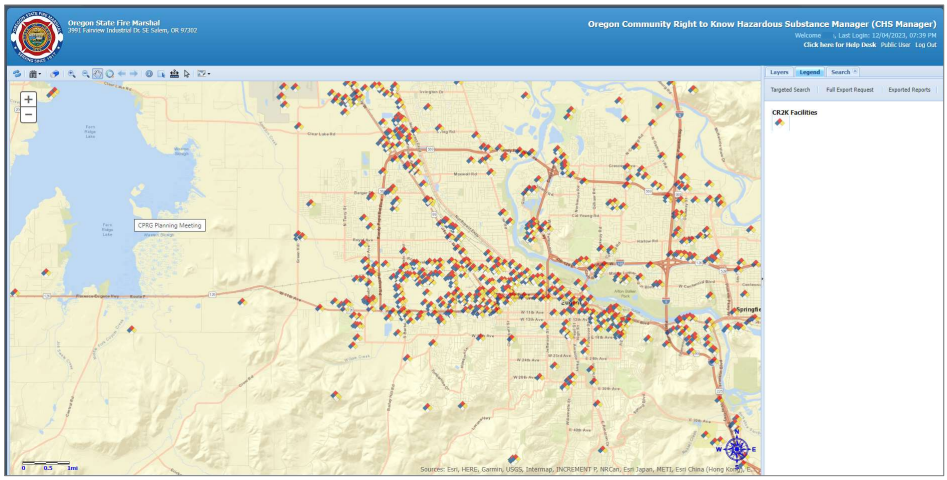
Hazardous Substance Use



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Hazardous Substance Data Sources

Federal

- Toxic Release Inventory
- Clean Air Act Risk Management Program

State

- Oregon Community Right to Know
- Environmental Cleanup Site Information Database

Local

- LRAPA Title V, Simple and Standard Air Discharge Permits
- City of Eugene Right to Know

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Local Uses of Hazardous Substance Data Sources

- Emergency Response Planning
- Information Disclosure
  - Improve awareness
  - Track facility performance
- Air Permitting/Regulatory

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Proposed Hazard and Risk Assessment Framework

- Step 1 – Hazard Identification / Assessment
- Step 2 – Risk Identification / Analysis
- Step 3 – Gap Analysis
- Step 4 – Regulatory Analysis
- Step 5 – Recommendations to Mitigate Potential Gap(s)

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Proposed Hazard and Risk Assessment Framework – Analysis Tasks

- Task 1 – Project Definition
- Task 2 – Project Communication and Coordination
- Task 3 – Hazard-related Data Collection / Analysis
- Task 4 – Hazard Identification
- Task 5 – Hazard Profile Development
- Task 6 – Vulnerability / Exposure Assessment
- Task 7 – Risk Assessment and Prioritization

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Recap

- This is a complex topic to evaluate – benefits from a structured but adaptable approach
- Proposed analysis framework in Attachment C developed in response to Council's motion
- If Council chose to proceed with work, recommendation to approach in phases with initial focus on data collection and analysis

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Questions / Discussion