



January 9, 2015

Portland Planning and Sustainability Commission  
c/o Julie Ocken  
City of Portland, Bureau of Planning and Sustainability  
1900 SW Fourth Avenue, Suite 7100  
Portland, Oregon 97201

Re: Comments on Proposed Terminal 6 Environmental Zone Amendments

Dear Chair Baugh:

The Port of Portland (“Port”) is providing this submittal in response to the City of Portland’s (“City”) distribution and consideration of the proposed Terminal 6 Environmental Overlay Zone (“E-zone”) Code Amendment and E-zone Map Amendment dated December 19, 2014. Comments relate to Part 2 unless specifically noted as also applying to Part 1. The Port has reviewed the proposed draft and offers the following comments to clarify elements of the Economic, Social, Environmental and Energy (“ESEE”) Analysis. In addition, two appendices detailing responses to questions relevant to the Port of Portland raised by the Planning and Sustainability Commission are included in the submittal.

#### Background

- The discussion under both the “Legislative History” & “Goal 5” Context headings (page 10) does not acknowledge the analysis and conclusions reached by Metro regarding Terminal 6. Specifically, as part of Title 13, Metro’s Goal 5 process identified natural resources on Terminal 6 and conducted an ESEE analysis. Metro declined to map Habitat Conservation Areas on Terminal 6, “because the Metro Council concluded, based on its analysis of the economic, social, environmental, and energy implications of its decision, that the economic importance of such properties far outweighed the environmental importance of the properties as fish and wildlife habitat.” (Metro Urban Growth Management Functional Plan 3.07.1320 C 1). Metro determined that conflicting industrial uses should be “allowed” at Terminal 6 because of the economic value of international marine terminals. These same comments also apply to the Part 1 ESEE Analysis.

#### ESEE Analysis

- As noted on page 14, the Goal 5 rule states that water-dependent and water-related uses are excluded from being considered a conflicting use within riparian corridor resources. (OAR 660-023-0090(7)(a)(A). Only wildlife habitat resources may be considered in this situation. However, the Environmental Analysis starting on page 37 includes an extensive discussion about habitat used by fish and other aquatic species, not related to wildlife habitat. Any such references are not relevant to the ESEE analysis and we recommend that they not be considered in the analysis.

- The discussion under the Common Impacts of Conflicting Uses heading (page 16) only describes impacts in the abstract and does not acknowledge that many impacts are mitigated by existing regulatory requirements or by new best practices. Examples include protection and mitigation for trees cut through the City Tree Code, management of storm water through the City Storm water Management Manual and increasing use of porous pavement in lieu of adding new impervious surfaces.

#### Economic Analysis

- Page 19 of the Part 1 ESEE - calculates jobs per acre based on Martin and Associates study and the 885 acres public terminals occupied, see Appendix B for a discussion on the relevance of using jobs/acre as a measure of economic value.
- Page 19 of the Part 1 ESEE also describes job forecasts for the proposed Pembina development. As the Pembina project and operations have become better defined, a re-evaluation of the job forecasts from Martin and Associates and an explanation of the revised assumptions are shown in Appendix B. Based on our discussion with John Martin and the project team, we believe the forecasts are better represented as a range reflecting both anticipated volumes and potentially changing rail operations.
- The narrative under the Traded Sector heading (pages 21-22) does a good job of describing the benefits and modal efficiency of transporting goods via water. This point could be underscored further by quoting Objective 7 from the City's Climate Action Plan "Improve the efficiency of freight movement within and through the Portland metropolitan area". Specifically:  
*Central to the efficiency of the freight system is the location of industrial areas and the integration with the regional transportation system. The Portland area is a major freight hub, with strong shipping, rail, barge and highway interconnections. Minimizing emissions from freight movement requires protecting these facilities and continuing to connect them to the transportation system.*
- The description of Ecosystem Goods and Services (pages 24-25 and Appendix B) should be modified for several reasons:
  - Both pages 24 and 25 acknowledge that there has been no valuation of ecosystem services provided by natural resources within this site. As a proxy, disparate studies from very different locations, like the East Buttes of southeast Portland and the boreal forests of Canada, are cited.
  - In part, because there has been no valuation of ecosystem services within this site, some services are assigned a theoretical rather than an actual value considering the condition, quality and character of particular features. The scarcity discussion on page 25 mentions the presence of grassland on-site, suggesting that this site is among less than 2% of the historic remaining Willamette Valley grassland. What is described by the City on this site as "grassland" has been characterized by the Port as "barren weedy fill". The City "grassland" described portion of the site is highly disturbed and constructed with features including a walled dike, a lined detention pond and soil stockpiles.

- Despite the Goal 5 rule requirement to only consider wildlife habitat function in this ESEE analysis, numerous non-wildlife (aquatic) functions are described in this section and should not be considered in the analysis.
- These comments also apply to the Part 1 ESEE Analysis.
- The Economic Consequences table for Conflicting Uses (page 27) under “allow” and “limit” should include the following additional language related to international trade: “Would reinforce the City’s role in global trade and international commerce as supported by The Portland Plan Element 3 Economic Prosperity and Affordability, Trade and Freight Hub and five year action plan, as well as the region’s Metropolitan Export Initiative to increase exports from the Portland region.” A “prohibit” decision would have the opposite effect.

#### Social Analysis

- The discussion under the Air Quality heading (page 30) notes the significant reduction of large marine vessel air emissions with the implementation of the EPA Emission Control Area rule. More specifically, with the final phase of implementation of the North American Emission Control area (beginning January 1, 2015), it is expected that diesel particulate matter emissions from ocean going vessels will be reduced by approximately 74% in 2015 compared to 2014.
- The description under the Noise heading (page 31) is general and not specific to Terminal 6. One important clarification is that train horns will not be required to be sounded as a part of rail operations at the facility, since there are no at-grade public street crossings within the facility regulated by the Federal Rail Administration (FRA).
- The description under the Screening and Buffering heading (page 32) is general and not specific to Terminal 6. The significant distance to the nearest residence should be acknowledged. As noted on page 31, “The closest houseboat residence is approximately 1.8 miles from the closest dock at Terminal 6”. In addition, the Marine Drive overcrossing located at the east end of the site is built on a large earthen mound approximately 35 feet higher than the surrounding ground elevation. This large structure serves as a significant screen and buffer between Terminal 6 and uses further to the east.

#### Environmental Analysis

- The third paragraph introducing the Environmental Analysis section (page 37) suggests that “Terminal 6 is uniquely situated at the confluence of the Columbia and Willamette Rivers”. There is no suggestion why the Terminal 6 site is considered unique compared to other sites near the confluence of the two rivers such as Terminal 5, Sauvie Island and Kelley Point Park.
- Under the Forest and Woodland Habitats heading (pages 37-39), there are several references to information gathered on West Hayden Island related to eagle nests and bats that are not applicable to the Terminal 6 site.

- Under the Grasslands and Sparsely Vegetated Areas heading (pages 39-40), what is described by the City on this site as “grassland” has been characterized by the Port as “barren weedy fill”. The City “grassland” described portion of the site is highly disturbed and constructed with features including a walled dike, a lined detention pond and soil stockpiles.
- The discussion of Terminal 6 under the Climate Change Mitigation heading (page 47), should also note Objective 7 from the City’s Climate Action Plan “Improve the efficiency of freight movement within and through the Portland metropolitan area”. Specifically:  
*Central to the efficiency of the freight system is the location of industrial areas and the integration with the regional transportation system. The Portland area is a major freight hub, with strong shipping, rail, barge and highway interconnections. Minimizing emissions from freight movement requires protecting these facilities and continuing to connect them to the transportation system.*
- The Recommendation Based on Environmental Analysis (page 51) suggests a new approach to strictly limit uses within water bodies and in areas within 50 feet of waterbodies. This approach is not consistent with the existing marine terminal use at Terminal 6 and is not consistent with a number of exemptions contained in the current environmental overlay zone (Chapter 33.430).

#### Energy Analysis

- The Energy Consequences table for Conflicting Uses (page 27) under “allow” and “limit” should include the following additional language related to close-in employment opportunities:  
“Provides employment opportunities within close proximity to neighborhoods in the cities of Portland and Vancouver. The regional availability of alternative modes of transportation, such as buses, light rail, and walking and cycling routes, can also help reduce transportation-related energy consumption and vehicle miles travelled (VMTs). A “prohibit” decision would have the opposite effect.

#### Appendix A-Natural Resource Inventory

- The Summary Information heading (page 2), suggests there is contamination at this site. Please provide more specificity and how this relates to the Natural Resource Inventory.
- The Forest and Woodland Habitat heading (pages 5-7) suggests that the riparian cottonwood forests located within the inventory site are designated as Special Habitat Areas due to use of the habitat area by an at-risk species on a more than incidental basis. Please clarify and provide documentation as to which at-risk species is being discussed.
- The T6 Dredge Material Handling Area description (page 15) suggests that this portion of the site is a Special Habitat Area (SHA) based on four criteria, which are either incorrect or are not adequately described:
  - (I) suggests islands or portions of riverine islands, which is not applicable to this site
  - (C) suggests wildlife a connectivity corridor. Given that the site is bounded by an active marine terminal, multiple rail tracks and the Marine Drive overcrossing, it is unclear what connectivity is being provided.

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- (G) suggests a feature important to grassland-associated species. Given a limited number of observations several years ago, what constitutes "on a more than incidental basis"?
- (S) suggests an at-risk species uses the site on a more than incidental basis. The at-risk species in this case is the Western Meadowlark. Western Meadowlark were spotted in 2011, but have not been spotted since then, despite up to 8 avian surveys per year since 2012. Given the lack of recent observations, this criterion does not appear to be met.

Thank you for consideration of these comments

Sincerely,



Susie Lahsene

Sr. Manager Transportation and Land Use Policy

## ***Appendix A- Job Density and Job Forecasts***

### **Jobs Per Acre**

The issue of jobs per acre has been put forth as a standard for consideration of land utilization efficiency for industrial development generally and of the Pembina site in particular. The problem with this as a standard for assessing the value and importance of an industrial development is that it assumes land efficiency as measured by jobs per acre is the best measure for development. Unfortunately this standard presumes one size fits all or all land must be used the same way, ignoring market realities, industrial site constraints, industrial users' needs (including particular site characteristics), business liner approach to moving cargo, the relative economic impact of different jobs and job diversity benefits to the community. We don't use this approach (one size fits all) for evaluating our natural resources. Instead we consider the natural resource values based on the site size, location and relevance of that resource to the rest of the ecosystem.

Employment lands provide different functions, different job types and play different roles in the overall regional economy. For example, a call center is jobs dense use, and provides minimum wage jobs with low barriers to entry for the work force. A call center has no particular needed site characteristics, and could be located on any appropriately zoned site. A water dependent export facility has a lower job density, but the wages are significantly higher and the jobs range from entry level to highly skilled. A water dependent export facility has very particular site characteristics (examples are described below), and there is a shortage of land available in the City for the projected marine terminal demand.

As argued by Eco Northwest in the Portland Harbor: Industrial Land Supply Study – “typical measures of efficiency of land use include employment, real market value, and built space. Harbor industrial development tends to have low floor–area ratios (FAR) and a relatively low number of jobs per acre. Thus typical measures of efficiency would all tend to improve if industrial land was converted to commercial<sup>1</sup> uses. But industrial lands in general and harbor lands specifically... are clearly important pieces of the regional economy. “

Industrial harbor lands typically provide a diversity of jobs with low barriers to entry, middle income wages, have large multiplier benefits (about 3 to 1), tend to rely heavily on local small and medium size companies for raw materials, supplies, contracted services and equipment<sup>2</sup> and serve an important transportation function in the overall gathering and distribution of cargo from points of origin throughout North America to international markets. While there is some demand for manufacturing uses on marine industrial sites, such as barge and ship fabrication, the majority of the demand relates to the import, export and distribution of cargo. This demand has been deliberately fostered through decades of public and private investment in the transportation system, including the river navigation channels, rail road network and interstate highway system, in the amount of several billion dollars. As a

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<sup>1</sup> Industrial wages tend to be higher on average than commercial and retail

<sup>2</sup> Economic Linkages from Marine Industrial Businesses, One Northwest Consulting LLC

## ***Appendix A- Job Density and Job Forecasts***

result, cargo uses in the Portland harbor provide the majority of benefit to Portland in the form of jobs, salaries, property tax revenue as well as lower cost access to global markets.

A site's size, configuration and access to infrastructure are critical to the feasibility of the development. A harbor site, can work well for one type of cargo; due to size, landside transport access, channel depth and overall economics and not work at all for another type of cargo. Site size, location, landside access and economics are all considerations.

The Pembina site is an infill site in an already developed terminal facility area. The site, about 50 acres, is narrow and bounded by water and existing rail tracks. It has been used as a dredge disposal site and auto layover facility but has not had any direct jobs related to those operations. Due to these physical constraints, no direct job generating use was anticipated for this portion of Terminal 6 in the most recent version of the Port's Marine Terminals Master Plan. As a result, the jobs and substantial capital investment proposed by Pembina are a net addition over the base condition at Terminal 6 and as noted previously, build on a substantial amount of public and private investment already made in the site. Pembina's direct jobs will be a substantial addition of high paying jobs to the local economy and jobs needs of its citizens on a site currently not providing any direct employment. This kind of intensification of an existing developed industrial site is precisely the kind of development the City needs in order to meet its forecasted job growth and Goal 9 obligations.

The development of the Pembina site with the proposed use provides substantial benefit to the community. The direct jobs provided by the development will pay about twice the average of industrial jobs in the region and nearly four times the wages paid for retail and service sector jobs. Of equal importance is the substantial capital investment associated with the development – based on a Portland CPA's estimate of the property tax revenue from the development, the total revenue per acre is about \$182,000 annually. To put this into perspective, based upon the property tax allocation, Pembina's investment in T6 could fund annually:

- More than 30 city of Portland public safety FTE (police, fire) (based upon \$3.3 million to the City's general fund)
- More than 30 Portland Public school teachers (\$3.1 million to PPS)
- More than 20 Multnomah County Deputy sheriffs (\$2.4 million to Multnomah County); and
- 60 PDC storefront improvement grants (\$1.25 million to urban renewal)

### **Job Forecasts**

The ESEE also describes the estimated employment and income of the project. As the Pembina project and operations have become better defined, a re-evaluation of the job forecasts from Martin and Associates and an explanation of the revised assumptions follow. Based on our discussion with John

## ***Appendix A- Job Density and Job Forecasts***

Martin and the project team, we believe the forecasts are better represented as a range reflecting both anticipated volumes and potentially changing rail operations.

### **Clarification of Economic Impact Numbers**

#### **Introduction**

The economic impact model developed by Martin & Associates, developed in 2012, is built on surveys of harbor-dependent businesses. In these surveys the firms report actual job and payroll numbers for the previous year (2011 in the current model). All of the direct job and income numbers are known. In this application we seek to understand the economic impact of future activity. In order to future cast, the only known jobs numbers are those associated with the firm operating on the site, Pembina. The model must estimate all of the other direct jobs and income based on existing relationships within the model.

Pembina is currently planning on 30-40 on-site jobs. From our experience in handling other bulk commodities and our work with the model, we know that this operation, both land side and water side, will require service such as, tug assist, pilots, agents, chandlers, stevedores, security, rail jobs, and others. As mentioned above, for projecting potential impact, the model estimates these other direct jobs in order to arrive at a total direct jobs number. There is no similar operation in the Portland harbor and Pembina does not have another export terminal, so we cannot precisely forecast the impact of this development. We can, however, compare the modeling for the Pembina facility to another terminal planned for elsewhere on the Columbia River. In doing so we find the total number of direct jobs and indirect jobs to be comparable based on facility type, size, configuration and operation.

#### **Model Run Results**

We asked Martin & Associates to run the model for us in late October/early November based on the information available at that time. Two months later as we have learned more specifics about site development and Pembina's operations and job types, we have been able to create a second scenario based on this more detailed information. The difference in the two scenarios used to run the model and assess the model output is based on how the rail operations locally will run. All other parameters, train frequency, vessel frequency, annual export tonnage, acres, etc., remained the same between the two scenarios. The largest share of the estimated direct jobs in both model run results are related to rail. Given that the difference in the two model runs is tied to rail activity, the results are different.

The table below (next page) outlines the assumptions for the two model runs. Because the site cannot accommodate a unit train track, the train must be broken into segments before the cars can be handled and unloaded. The primary difference between the two model runs is that in the first run this rail activity was assumed to take place at one of the Class I rail yards with multiple shuttle operations moving segments of the cars to and from the site. The second run, based on more specifics regarding site development and staffing, accounts for the plan as it stands now to bring the unit train directly on-site, where it will be broken into two segments for unloading. A marginal change between the two runs



### Appendix A- Job Density and Job Forecasts

also included a reduced crew size for each train. Martin & Associates looked at how these kinds of commodities are handled in other harbors and found typical crew sizes are a little smaller than we typically see with the commodity and train operations here in the Portland harbor. Those changes, however, produced only marginal differences in the numbers. **Blue bold text indicates change between the two model runs.**

	MODEL RUN 1	MODEL RUN 2
Jobs (Pembina on-site)	40	40
Income levels used	Harbor average, approx. \$50K/yr	Harbor average, approx. \$50K/yr
Modes	Rail to Ocean	Rail to Ocean
Train Frequency	1 train per 1 to 1.5 days	1 train per 1 to 1.5 days
Location of Rail Handling	Class I rail yard in Portland	<b>Pembina site</b>
Rail Operations	Unit train broken at Class I yard and shuttled segment by segment to and from site	<b>Unit train directly to site, broken into two segments</b>
VLGC Calls per Month	2	2
Annual Tonnage Exported	1 million metric	1 million metric
Acres	63	63
Storage Capacity	800,000 barrels	800,000 barrels

The model is very sensitive to changes in rail jobs. With the change in scenarios from all of the rail work inside one of the rail yards to taking a unit train directly on-site with limited handling, the number of rail jobs changes dramatically. This includes not just the jobs in the rail yard but also administrative, maintenance, and other direct jobs supporting that work. This high degree of sensitivity also means that if operations change, we could see a shift in the number of direct jobs. Given the relatively few number of rail jobs in the second run, while it is possible that this number could end up being smaller, the likelihood of that is limited. If operations were to grow or change in character, there is a higher probability of having upside potential for the number of direct jobs.

Also note that the average annual salary for the 40 Pembina jobs is roughly \$95,000. This is nearly twice the harbor average. Neither model run included these higher incomes, resulting in a slight underestimation of induced jobs and re-spending/local consumption expenditures.

## Appendix A- Job Density and Job Forecasts

	RUN 1	RUN 2
<b>JOBS</b>		
DIRECT	153	92
INDUCED	145	87
INDIRECT	128	55
<b>TOTAL</b>	<b>426</b>	<b>234</b>
<b>PERSONAL INCOME (1,000)</b>		
DIRECT	\$7,832	\$4,731
RESPENDING/LOCAL CONSUMPTION	\$19,175	\$11,583
EXPENDITURES		
INDIRECT	\$5,748	\$2,809
<b>TOTAL</b>	<b>\$32,756</b>	<b>\$19,123</b>

### Economic Impact Model Intent

The intent of using an economic impact model in order to project economic contributions of specific activity or land use is to gain an order-of-magnitude assessment of those impacts. The intent is not to get to fine details, determining whether the total number of direct jobs is 80 or 92 or 100. The purpose is to assess the relative level of job creation, where we try to differentiate between a project producing 50 direct jobs vs. 100 or even 250.

This level of imprecision is similar to the probabilistic, long-term passenger forecast for PDX developed as part of Airport Futures. In any given year the actual growth rate may deviate greatly from the long-term, annual average forecast. For example, in the first few years following the forecast the actual annual passenger volumes were below that forecast. However, in the last 3 to 4 years, the actual annual rate of growth has greatly exceeded that forecast. Last year, the passenger volume grew 6 percent and the Port's forecast for the year was only 5 percent. This does not mean either the long-range or the annual forecast are wrong. Despite being off forecast each year since 2006 (both above and below), the average annual growth rate since 2006 is now back in line with the long-term forecast. There is always some error embedded in forecasts. A forecast provides a best estimate given the information at hand when the forecast was developed. The same is true for the economic impact estimate.

### Model Results Calibration

Another energy company, Sage Midstream, has proposed a propane and butane export facility at the Port of Longview, known as the Haven Energy Terminal. The company commissioned ECO Northwest to conduct an economic impact study for their proposed project. The Longview project is slightly smaller with smaller storage capacity and slightly fewer train frequencies. The primary difference is that the Haven terminal will have a unit train-accessible unloading facility<sup>3</sup>. Without the on-site rail operations that Pembina will need to conduct, there should be fewer jobs associated with the Haven facility.

<sup>3</sup> Terminal will be unit train-accessible, April 10, 2014, Sage Midstream, LLC, news release

### *Appendix A- Job Density and Job Forecasts*

The table below compares the two terminals and the economic impact numbers. The direct jobs numbers are somewhat different, but that is likely a function of both fewer jobs needed for rail operations and that only the company and rail jobs are included for Haven. This means that the harbor and off-site direct jobs are possibly included in the indirect category, which is larger than the estimates of indirect jobs associated with Pembina. The total number of direct plus indirect jobs is comparable, particularly considering the greater level of rail activity associated with the Pembina site.

#### **Comparison of Haven and Pembina Economic Impacts**

Proposed Terminal	Port	Storage Capacity (barrels)	Train Frequency	Direct Jobs	Direct + Indirect Jobs	Total <sup>4</sup>	Economic Impact Firm	Unit Train Capacity?
Haven Energy	Longview	550,000	1 train per 1.5 days	48-57 <sup>5</sup>	110-125	Not available	ECO Northwest	Yes <sup>6</sup>
Pembina	Portland	800,000	1 train per 1 to 1.5 days	92	147	234	Martin Associates	No

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<sup>4</sup> Direct + Induced + Indirect

<sup>5</sup> *The Daily News* (Longview), April 9, 2014; described as company and rail direct jobs.

<sup>6</sup> See footnote 3

**Appendix B- Port Response to Questions pertaining to the Port of Portland from Chair Baugh of the Portland Planning and Sustainability Commission**

**Question:**

- *A concern from reading about energy trains is that they tend to clog and or restrict other commodities in the region. To that extent my understanding is the Oregon side of the bridge is already congested.*
  - *What impact will the propane trains have and will they delay other commodities and or passenger traffic in the region? Impacts; include slow or delayed service, increased cost, and restricted power to move commodities.*

**Response:**

The trains serving this facility are not frequent enough to pose a rail capacity problem for other commodities or for passenger rail. The volume of trains at one train every two days will not be enough to cause a capacity problem. The actual impact on the system is one train each day (one inbound, one outbound empty).

As part of the recent *Port of Portland Rail Plan (September, 2013)*, a rail capacity model was developed. The model was based on the most recent Commodity Flow Forecast and considered increases in freight rail, including energy trains, and passenger rail. The model shows that for 2020 and 2030 the Union Pacific Railroad (“UPRR”) system on the Oregon side of the river will approach but not exceed capacity. Today the train volumes on the UPRR line segment serving the site is approximately 16 trains per day. The Pembina project will increase the train count by one train a day to 17 trains per day. The Fallbridge subdivision on the Washington side of the river (BNSF) will approach capacity for 2020 and shows a potential capacity problem in 2030. The capacity problem can be addressed through double tracking for longer sidings. There are other ways to address the potential capacity problem as well, such as directional running in Washington with westbound trains coming in via the Gorge and the empty, lighter eastbound trains using the mountain passes. BNSF has already begun directional running in Washington. Today the Fallbridge subdivision carries approximately 46 trains per day. With the Pembina project the train count would increase to 47 trains per day.

The railroads and the Port of Portland have been spending tens of millions of dollars to increase rail capacity in Rivergate and elsewhere in the Portland area over the last decade. Although no capacity problems exist today, and this project alone will not create a capacity problem, it should be acknowledged that continued investment in the rail system from both the private sector and public sector is a continuing need to address growing demand for both passenger and freight rail service. Both UPRR and BNSF invest significant funds every year to increase capacity. For example this year UPRR is investing 15 million dollars in the Graham Line East Portland connection. This improvement alone will increase capacity in the Portland area. UPRR is also building a five mile long double track section in the Columbia Gorge that can queue trains bound for Portland and points beyond. System wide UPRR has invested over 30 billion dollars between 2004 and 2013.

**Appendix B- Port Response to Questions pertaining to the Port of Portland from Chair Baugh of the Portland Planning and Sustainability Commission**

For BNSF Railroad, in the period between 2000 and 2015, investment will exceed 50 billion dollars. Planned capital expenditures for just 2014 and 2015 will be \$11.5 billion, which will go toward maintenance and expansion of the railroad to meet the expected demand for freight rail service.

**Question:**

- *What is the port safety monitoring and reporting plan for the facility?*

**Response:**

The Port will review and approve the facility design, with special consideration given to safety. The Port is hiring a consultant with expertise in propane facility design review, propane transportation and facility risk assessment review and propane facility operations, environmental, emergency response and security plans review for the Pembina project.

Like any Port tenant, Pembina would be subject to periodic audit, addressing the following topics: environmental, health and safety, legal and regulatory compliance.

**Question:**

- *Is the port developing an emergency plan and who is involved?*

**Response:**

The Port currently has an emergency response plan for Terminal 6, which will be updated when Pembina develops their facility emergency response plan. Pembina's plan will be reviewed and approved by the Port. As noted previously, the Port is hiring a consultant with expertise in propane facility design review, propane transportation and facility risk assessment review and propane facility operations, environmental, emergency response and security plans review for the Pembina project.

**Question:**

- *My understanding is the rail yard will consist of receiving, storage, departure, pullback, bad order and loading and unloading tracks on port land. What measure will the port and Pembina take to mitigate noise of the rail operations?*

**Response:**

As context, the proposed Pembina site within Terminal 6 is in the middle of the Rivergate Industrial District, the largest industrial area in Oregon served by two class one railroads, the Union Pacific Railroad and the BNSF Railway.

**Appendix B - Port Response to Questions pertaining to the Port of Portland from Chair Baugh of the Portland Planning and Sustainability Commission**

Noise generated by rail operations at the facility are anticipated to be no more than generated by the existing adjacent BNSF A & B intermodal rail yard.

One important clarification is that train horns will not be required to be sounded as a part of rail operations at the facility, since there are no at-grade public street crossings within the facility regulated by the Federal Rail Administration (FRA).

As a result, no noise mitigation is necessary or proposed.

