



Oregon Department of Environmental Quality

Fuel Variances: Frequently Asked Questions

On Nov. 24, 2025, the Environmental Quality Commission issued variances to certain requirements in the Clean Fuels Program and Climate Protection Program as a proactive measure to support continual fuel delivery through alternative methods and reliable supplies in Oregon if the Olympic Pipeline closure continues.

This FAQ provides more information on the variances and what it means for fuel suppliers that may be subject to the Clean Fuels Program and Climate Protection Program.

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Variances

Why did the EQC issue these variances?

The variances are a proactive measure to support continual fuel delivery in Oregon if the Olympic Pipeline shut down persists.

How long do these variances last for?

The variances approved by the EQC cover Nov. 24 at 12:01 a.m. through Dec. 1 at 11:59 p.m.

How will I know if the variances change?

The commission granted the DEQ Director the ability to adjust these variances, as needed. DEQ will share any updates via our [Clean Fuels Program](#) and [Climate Protection Program](#) email listservs and the written order will be posted on the [Fuel Variance web page](#).

What does the Clean Fuels Program variance do?

The [Clean Fuels Program](#) variance waives the program's requirements in two ways:

- For fuel suppliers that are not currently subject to the program, the variance temporarily increases the program's threshold for regulation from a half million gallons of imports to five million gallons.
- For fuel suppliers that are currently subject to the program, imports that are trucked in and directly delivered to gas stations, fleets, and truck stops (also known as imports outside of the bulk system) are exempt for the duration of the outage.

What does the Climate Protection Program variance do?

Fuel suppliers will be able to report additional volumes of regulated fossil fuels imported by truck or rail and directly delivered to gas stations, fleets, and truck stops due to the pipeline closure.

Covered liquid fuel and propane suppliers can request that the anthropogenic greenhouse gas emissions from fuels imported by truck or rail and directly delivered to gas stations, fleets, and truck stops during the variance timeframe are excluded from the definition of covered emissions under the program. There would be no compliance obligations for these emissions. These emissions would also be removed from the methodology used to distribute compliance instruments.

Translation or other formats

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For liquid fuel and propane suppliers not currently regulated by the program, these emissions would be removed from the thresholds for the 2025 calendar year that triggers program applicability. This applies to the 100,00 MTCO₂e threshold in 2025 that would make a person a covered fuel supplier in 2025 and the 50,000 MTCO₂e threshold in 2025 that would make person a covered fuel supplier in 2028.

Where can I find the form for claiming the variances?

A single form in the excel format will be provided covering both programs on the [Fuel Variance web page](#) for this action in the coming days. These forms must be submitted within 45 days of the variances' end date. Currently, with the Dec. 1 end of the variances, the due date for submittal would be Thursday, Jan. 15, 2026.

Please submit forms to via email to the Clean Fuels Program at OregonCleanFuels@deq.oregon.gov and the Climate Protection Program at CPP.Info@deq.oregon.gov. If you are submitting a variance form to both programs, you can send the same email to both email addresses at the same time.

What kinds of imports are covered by the variances?

Imports outside of the bulk system that come into Oregon via truck or rail. That means that the fuel must enter Oregon in a tank attached to a truck or a locomotive, and the fuel must either be directly delivered to a gas station, truck stop, fleet, or other end user or enter intermediate storage and then be directly delivered from there to a gas station, truck stop, fleet, or other end user. Fuel that at any point enters the bulk system and tankage at a terminal is not covered by these variances. A list of terminals in the bulk system in Oregon is provided below.

What fuels are covered by the variances?

The variances cover fossil fuels such as gasoline and diesel, and blended finished fuels, including the biofuel component of those blended fuels.

Am I required to claim the variances if I imported fuel outside of the bulk system during this time period?

No, the variances are voluntary. Simply report as you normally would to the Clean Fuels Program and Greenhouse Gas Reporting Programs.

Definitions

What is the bulk system?

"Bulk system" is defined in [OAR 340-253](#) and [OAR 340-215](#) (where it is referred to as the 'bulk transfer/terminal system') and means a fuel distribution system consisting of one or more refineries, pipelines, vessels, and terminals. Fuel storage and blending facilities that are not fed by pipeline or vessel are considered outside the bulk transfer system.

What is a terminal?

"Terminal" means a fuel storage and distribution facility supplied by pipeline or vessel or that is collocated where the fuel is produced and stored, and from which fuel may be removed at a rack.

Terminals in Oregon include those in NW Portland, Eugene, and Umatilla, along with the fuel dispensing equipment co-located with fuel production facilities in Oregon, including biofuel producers.

Table 1. Oregon Terminals (Courtesy ODOT Fuel Tax)

| Name | Address | City | Zip |
|--------------------------------------|----------------------|----------|-------|
| Aircraft Service International, Inc. | 8133 NE Airtrans Way | Portland | 97218 |
| Chevron USA, Inc.- Portland | 5924 NW Front Ave | Portland | 97210 |
| Kinder Morgan Liquid Terminals, LLC | 5880 NW St Helens Rd | Portland | 97283 |

| | | | |
|-------------------------------------|----------------------|----------|-------|
| McCall Oil and Chemical Corp. | 5480 NW Front Ave | Portland | 97210 |
| Olympic Pipeline Company – Portland | 9420 NW St Helens Rd | Portland | 97231 |
| Phillips 66 PL – Portland | 5528 NW Doane | Portland | 97210 |
| SFPP, LP | 1765 Prairie Rd | Eugene | 97402 |
| Seaport Midstream Partners, LLC | 9930 NW St Helens Rd | Portland | 97231 |
| Shore Terminals LLC – Portland | 9420 NW St Helens Rd | Portland | 97231 |
| Shell Oil Products US | 3800 NW St Helens Rd | Portland | 97210 |
| Tidewater Terminal – Umatilla | 535 Port Ave | Umatilla | 97882 |
| Zenith Energy Holdings | 5501 NW Front Ave | Portland | 97210 |

What is intermediate storage?

Intermediate storage are locations with tanks where fuel is stored by a company for further distribution, generally directly from that storage to retail sites or end users. Unlike terminals, intermediate storage is storage not fed by a pipeline or vessel, and thus is classified as being outside of the bulk system. Often this storage is owned by the same company that owns and will be distributing the fuel to its final destination. Unlike at a terminal where fuel is expected to be sold to others, fuel held in intermediate storage is only rarely sold to other fuel distribution companies from that location.

Additional Climate Protection Program Questions

What fuel suppliers are regulated by the Climate Protection Program?

Covered fuel suppliers include natural gas utilities and liquid fuel and propane suppliers. A liquid fuel or propane supplier is covered if its annual covered emissions meet or exceed a threshold specified in program rules in any of the applicability determination calendar years. See [Table 1 under OAR 340-273-9000](#), shown as Table 2 below.

Table 2. Thresholds for applicability

| Applicability determination calendar year(s) | Threshold for applicability to compare to annual covered emissions | Calendar year a person becomes a covered fuel supplier |
|--|--|--|
| Any year from 2020 through 2025 | 100,000 MT CO ₂ e | 2025 |
| 2026 | 100,000 MT CO ₂ e | 2026 |
| 2027 | 100,000 MT CO ₂ e | 2027 |
| Any year from 2025 through 2028 | 50,000 MT CO ₂ e | 2028 |
| 2029 | 50,000 MT CO ₂ e | 2029 |
| Any year from 2028 through 2030 | 25,000 MT CO ₂ e | 2030 |
| 2031 | 25,000 MT CO ₂ e | 2031 |

| | | |
|----------------------|-----------------------------|----------------------|
| Each subsequent year | 25,000 MT CO ₂ e | Each subsequent year |
|----------------------|-----------------------------|----------------------|

Related entities must aggregate their emissions for evaluation of this threshold. If a group of related entities collectively meets or exceeds the threshold, then all related entities are covered.

What are covered emissions in the Climate Protection Program?

Covered emissions for liquid fuel and propane suppliers are further described in OAR 340-273-0110(3). A covered liquid fuel and propane supplier covered emissions are anthropogenic greenhouse gas emissions from the combustion or oxidization of fossil fuels imported, sold, or distributed for use in Oregon including gasoline, diesel, kerosene, propane.

Covered emissions do not include emissions from aviation fuels. Covered emissions do not include emissions from biomass-derived fuels.

For more information on the demonstration of compliance and compliance instrument distribution, please see Climate Protection Program [Compliance Entity FAQ](#).

Additional Clean Fuels Program Questions

If I am already regulated by the Clean Fuels Program, how will claiming the variance change how I enter my quarterly reporting for the fourth quarter of 2025 for that program?

For all imports outside of the bulk system that are claimed under this variance, you must enter the import transactions by day and include in the transaction description that they were claimed in the variance. You will then input a Loss of Inventory transaction for the sum of each of those gallons by fuel type with the following transaction description: "These gallons were claimed under the variance issued due to the Olympic Pipeline outage. I submitted the claim for the variance on [enter date claim was submitted]."

Non-discrimination statement

DEQ does not discriminate on the basis of race, color, national origin, disability, age, sex, religion, sexual orientation, gender identity, or marital status in the administration of its programs and activities. Visit DEQ's [Civil Rights and Environmental Justice page](#).