

## 2007-09 Air Quality Budget Implementation Status



State of Oregon  
Department of  
Environmental  
Quality

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### Federal Air Quality Standards

#### Contacts:

*Fine particulate:*

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**Budget:** The budget restored 3.1 staff, and \$960K in funding for technical data from outside sources. In addition the budget restored five staff cut in previous biennia (\$1.025 M), restored and enhanced \$240 K in funding for local governments to reduce burning/woodstove usage) and increased funding for Lane Regional Air Protection Agency by 140K. Resources were provided for fine particulate and ozone monitoring and technical assistance to Klamath Falls and Oakridge, communities that are out of compliance with the new federal standard for fine particulate. DEQ must delay previously planned technical assistance to the approximately 12 communities close to violating the new standard due to resource demands.

For the Vehicle Inspection Program (VIP), the budget implements the final phase-down of limited duration vehicle inspectors (25 in 2005-2007) and replaces them with six permanent positions. Early implementation of technological improvements in emissions testing made this staffing reduction possible. Vehicle inspection in the Portland Metro area insures compliance with the federal ozone standard.

**Status:** New position hiring is complete with the following exceptions:

- Two half-time positions at the laboratory held vacant to fund salary increases and higher priority work.
- An air quality planner position held vacant to fund salary increases and higher priority work.

#### Priority Work:

- PM2.5 monitoring: New fine particulate monitoring sites are planned for McMinnville, Klamath Falls, Madras, and Redmond. Equipment for the new sites is on order and site negotiations are underway in those communities.
- Ozone monitoring: Two new sites will be ready for the 2008 ozone season. DEQ has

ordered the equipment and site procurement is underway.

- Technical data development: DEQ staff are developing inventory/modeling technical data for Klamath Falls, the new fine particulate non-attainment area. Data will be the foundation for the development of emission reduction strategies to return the community to attainment.
- Emission reduction: Community outreach efforts are underway in Klamath Falls to reduce key pollution sources like uncertified woodstove use, open burning and diesel emission reduction.
- LRAPA: With new state funding, LRAPA added new fine particulate monitors in Eugene and Cottage Grove and is working with Lane County communities on strengthening wood heating ordinances.
- Customer service: VIP staff continue to provide outstanding service to the half-million vehicle inspection customers each year, while ensuring that Portland and Medford continue to meet federal air quality standards.
- New VIP technology: Complete technology projects to enhance customer service and manage staffing costs, including:
  - Remote/broadcast option for completing vehicle inspections without vehicle owners having to visit a VIP Clean Air Station.
  - Kiosk to provide 24 hours a day, seven days a week customer self service for vehicle inspections.

### Air Toxics

#### Contacts:

*Toxics monitoring and reduction:*

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*Diesel emission reduction and industrial permitting:*

Uri Papish (503) 229-6480

**Budget:** The budget restored 1.5 staff (\$400K), 4.5 staff cut in previous biennia (\$1.05M), and \$200K in new funding for LRAPA. Funding was provided for monitoring and emission reduction work. House Bills 2172 and 3201 and the diesel policy package provided one new position and funding for a grant program and tax credits (\$1.1M GF, \$1.5M FF, \$.5M OF).

Asbestos fees were increased to restore 2.5 existing staff and add one new staff person for community outreach and education. The budget also includes industrial permitting program fee increases that restore existing positions in our Air Contaminant Discharge Permit program (ACDP) and Title V permit program. These positions implement federal toxics regulations in air permits.

Status: New position hiring is complete with the following exceptions:

- Plan to hire the asbestos outreach position in summer 2008 if funding allows.
- Plan to hire a Title V position when the position becomes effective in July 2008.

Priority Work:

- Diesel emissions reduction: House Bills 2172 and 3201 created a grant fund and tax credit program to repower or retrofit polluting diesel engines. DEQ is drafting implementation rules based on advisory committee recommendations. We plan to submit them for adoption at the June 2008 Environmental Quality Commission meeting. At the same time, staff are pursuing federal diesel grants and working with interested stakeholders to have fleet retrofit projects ready to go when the rules are adopted.
- Portland Air Toxics Plan: Development of the Portland Air Toxics Solutions plan is underway. DEQ made a formal designation of the Portland area as the first area for geographic planning under the State Air Toxics program in February 2008. DEQ staff are updating technical work, recruiting an advisory committee, and beginning stakeholder outreach.
- Air toxics monitoring: New air toxics sampling in Medford is underway at the population-orientated site in town. DEQ started the operation of a background site northeast of town in March 2008. Staff will begin sampling in the Salem/Albany area in summer 2008.
- Benzene reduction: Gasoline vapors contain significant amounts of benzene, a toxic air pollutant. DEQ is evaluating a requirement for gasoline vapor containment and recovery at all gasoline distribution facilities statewide. Currently vapor containment and recovery is required only in Portland and Medford.
- Asbestos fee increase - The asbestos fee increase was effective on December 1, 2007. Once DEQ has accumulated a workable fund balance, recruitment for a new technical assistance and outreach position can begin. DEQ anticipates hiring for this

position in the summer of 2008. Asbestos workload has been prioritized among existing staff to meet and exceed performance targets for inspections.

- Ash Grove: DEQ is working to finalize a collaborative agreement with Ash Grove Cement Company to reduce mercury emissions by 75 to 85 percent. Ash Grove is currently the state's largest mercury emitter and is not subject to any federal regulation for mercury emissions.
- National Emission Standards for Hazardous Air Pollutants (NESHAP): New federal NESHAP regulations will affect thousands of small industrial businesses. DEQ is developing strategies to insure compliance with federal air toxics standards without creating significant burden on sources. DEQ began the rulemaking process in March 2008 to adopt the new federal standards.
- Plywood and Boiler Maximum Achievable Control Technology (MACT): DEQ responded to a number of court rulings vacating EPA's plywood and boiler MACT regulations, which limit emissions of hazardous air pollutants. DEQ granted the necessary compliance extensions for the plywood MACT facilities. We are still developing state specific requirements for boiler MACT facilities.
- LRAPA: With new state funding, LRAPA increased sampling at the existing air toxics monitoring site in Eugene and began drafting air toxics program rules.

**Visibility**

*Contact:*

*David Collier (503) 229-5177*

Budget: The budget includes one new staff person and funding for Oregon Solutions projects to protect and enhance air quality in the Columbia River Gorge (\$400 K).

Status: The new position was filled in August 2007.

Priority Work:

- Columbia Gorge: DEQ is working with stakeholders, other state and federal agencies, tribes, and the Columbia River Gorge Commission to develop a long-term air quality protection and improvement strategy for the Columbia River Gorge National Scenic Area. Air Quality staff held a Gorge Science Day to discuss findings of the five-year-long technical study and held a Gorge Policy Day to discuss options for reducing emissions and improving visibility. DEQ staff are now developing a contract for the first Oregon Solutions project.

- **Regional Haze:** DEQ is developing the next installment of the federally required Regional Haze Plan in order to reduce haze pollution in Oregon's wilderness areas and Crater Lake National Park. This includes evaluating options for emission reductions at certain older industrial facilities like the Boardman coal-fired power plant.
- **Task Force:** DEQ convened a legislatively mandated task force to evaluate emissions and emission reduction opportunities at Oregon dairies. DEQ and Oregon Department of Agriculture will report the task force findings to the Legislature in October 2008.

## Climate Change

### Contacts:

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*Climate change:*  
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**Budget:** The budget includes 1.5 new staff, supported by fees, to implement the Oregon Low Emission Vehicle Program. This program will reduce both greenhouse gases and other air pollutants. To further reduce greenhouse gas emissions, Governor Kulongoski asked the EQC to consider adopting rules for mandatory greenhouse gas emissions reporting in Oregon. DEQ did not receive new resources for this work, and as a result, some fine particulate emission inventory and emission reduction work has been delayed.

**Status:** New position hiring is complete with the following exception:

- Half-time low emission vehicle outreach position will be hired in late 2008 as the 2009 model year vehicles reach the market.

### Priority Work:

- **Oregon Low Emission Vehicles:** DEQ begins implementing the California Clean Car Standards with the 2009 model year vehicles. Currently developing the program to ensure that only California certified cars and light duty trucks are sold in Oregon.
- **Climate Change:** DEQ is working on rules to require greenhouse gas emissions reporting to complement the Governor's Greenhouse Gas reduction goals and Western Climate Initiative commitments. The advisory committee work is complete and rules will be presented to the EQC for consideration in August 2008.
- **Climate Change Organizations:** DEQ, along with the Oregon Department of Energy and the Governor's Office, is participating as

Oregon's representative during the development of the Western Climate Initiative's cap and trade recommendations and The Climate Registry's greenhouse gas reporting system.

## Enhanced Air Quality Permitting

### Contact:

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**Background:** During the 2005-2007 biennium, DEQ was forced to reduce staffing in the Title V program by three staff. Even further cuts of 1.5 staff would have been required without a fee increase in 2007. In response, DEQ requested restoration of existing staff and restoration of two of the three staff cut in 2005. Negotiations with stakeholders resulted in a fee increase/staffing compromise. SB 107 and the accompanying policy package provided resources to restore existing staff and phase-in restoration of one staff in 2008 and one staff in the 2009-2011 biennium.

**Budget:** The budget restored existing two staff in the ACDP program through a fee increase. Because of streamlining efforts in ACDP, staffing levels are 7.5 staff lower than in 2001. While the permit backlog increased significantly in 2006, we believe that stable funding from the fee increase will allow us to fully staff the program and bring the backlog back on target.

**Status:** The new position for this biennium will be hired by summer 2008 as outlined in the policy package.

### Priority Work:

- **SB 235 Implementation:** Rulemaking to remove the agriculture exemption from air quality regulation and implement SB 235 is in process with presentation to the EQC planned for August 2008.
- **Fee increases:** Immediately after the 2007 Legislative session, DEQ initiated rulemaking to implement fee increases for the ACDP and Title V permitting programs to collect the fees anticipated in the policy packages and to avoid disruption of the billing schedule. The EQC adopted a temporary rule to increase Title V fees and the permanent rule is planned for June 2008. In October, the EQC approved a fee increase for the ACDP program.
- **Permit Timeliness/backlog:** Timeliness for issuing permits is improving and the permit backlog is decreasing through the focused efforts of managers and staff. Hiring a Title V expert to coordinate complicated statewide permitting issues will also help expedite this high priority work.

**Alternative Formats**

*Alternative formats (Braille, large type) of this document can be made available. Contact DEQ's Office of Communications & Outreach, Portland, at (503) 229-5696, or toll-free in Oregon at 1-800-452-4011, ext. 5696.*

