

Oregon Department of Environmental Quality
Chapter 340
Proposed Rulemaking

Statement of Need and Fiscal and Economic Impact

Rule Caption:
Greenhouse gas reporting requirements, fees and program updates

This form accompanies a Notice of Proposed Rulemaking

Title of Proposed Rulemaking	Oregon Greenhouse Gas Reporting Rules Divisions 215, 216 and 220
Statutory Authority or other Legal Authority	ORS 468.020, ORS 468A.050 and ORS 468A.280
Statutes Implemented	ORS 468 and 468A
Need for the Rule(s)	<p>Global warming poses a serious threat to Oregon’s economy, environment and public health. Greenhouse gas reporting is crucial for Oregon to track and evaluate its greenhouse gas emissions. The Environmental Quality Commission adopted rules in 2008 that require certain industrial sources, in-state power generators, landfills, wastewater treatment plants and electricity and natural gas transmission and distribution systems to report greenhouse gas emissions to DEQ. The proposed rules expand the reporting requirements to additional emissions categories, establish fees and update the reporting program.</p> <p><u>New emission categories</u> The proposed rules create registration and reporting requirements for electricity suppliers and fuel distributors. DEQ needs reporting from electricity suppliers (including greenhouse gas emissions associated with the generation and transmission of imported power) and fuel distributors to have accurate, comprehensive emissions information because these categories account for approximately two thirds of total greenhouse gas emissions for the state. The proposed rule changes described below regarding fees and reporting cessation are not applicable to the new emissions categories added by the rulemaking.</p> <p><u>Fees</u> The proposed rules also affect existing greenhouse gas reporters and establish fees for sources subject to the reporting rules that hold air quality permits with DEQ. In December 2009, EQC adopted a temporary rulemaking to establish fees. The proposed rules would establish the fees through regular, permanent rulemaking.</p> <p>DEQ needs fee revenue to cover costs of developing and implementing the greenhouse gas reporting program and fill two staff positions approved in DEQ’s 2009-2011 budget. Annual revenue from the fees would be used only for program expenses and the proposed fee levels are expected to cover anticipated program costs through 2015.</p>

	<p><u>Other updates</u></p> <ul style="list-style-type: none"> • The proposed rules expand DEQ discretion on circumstances it can defer or exempt facilities from reporting. For example, some emission categories may lack adequate protocols to calculate greenhouse gas emissions. • The proposed rules contain reporting cessation criteria. Pursuant to the existing rules, certain sources are required to report annual greenhouse gas emissions if their emissions are 2,500 metric tons or more of carbon dioxide equivalent. The proposed rules would require sources to continue reporting each year regardless of the amount of emissions in future years, but provide for sources to cease reporting if their direct emissions are below the threshold for three consecutive years. This would allow sources that reduce emissions below the threshold to stop reporting, but prevent the situation where a source near the threshold could move in and out of the reporting program due to small variations in emissions from one year to the next. The proposed rules are necessary to prevent tracking difficulties for DEQ. They would also reduce uncertainty for sources on whether to report. • The proposed rules avoid redundant reporting requirements and assure consistency in reporting by aligning Oregon’s requirements with federal greenhouse gas reporting rules for reporters that are subject to both Oregon and federal reporting. • The proposed rules eliminate tables one and two in the rules in 2011 and instead require all permitted sources above the reporting threshold to report.
<p>Documents Relied Upon for Rulemaking</p>	<p>Documents relied upon to provide the basis for this proposal include:</p> <ul style="list-style-type: none"> • 2009-2011 Legislatively Approved Budget • 2009-2011 Revenue Forecast • Senate Bill 38 (2009) • Senate Bill 103 (2009) • Oregon Revised Statutes (ORS 468.020, ORS 468A.050 and ORS 468A.280) • Oregon Greenhouse Gas Reporting Advisory Committee Report (2010) <p>Copies of these documents are available for review from DEQ’s headquarters office at 811 SW Sixth Avenue, Portland, Oregon 97204. Please contact Andrea Curtis at 503-229-6866 or toll free in Oregon at 800-452-4011 to request copies.</p>
<p>Requests for Other Options</p>	<p>Pursuant to ORS 183.335(2)(b)(G), DEQ requests public comment on whether other options should be considered for achieving the rule’s substantive goals while reducing negative economic impact of the rule on business.</p>

Fiscal and Economic Impact, Statement of Cost Compliance	
Overview	<p data-bbox="483 279 779 310"><u>New emission categories</u></p> <p data-bbox="483 310 1421 447">The proposed reporting requirements for electricity suppliers and fuel distributors would have fiscal and economic impacts on the categories of businesses described below. The approximate numbers of businesses are shown in parentheses.</p> <ul data-bbox="532 478 1177 730" style="list-style-type: none"> • Gasoline, diesel and aircraft fuel distributors (155) • Propane importers (10) • Natural gas suppliers (4) • Investor owned utilities (3) • Electricity service suppliers (4) • Consumer owned utilities (37) • Other electricity suppliers (unknown) <p data-bbox="483 762 1421 1035">Beginning in 2011, affected businesses would report greenhouse gas emissions to DEQ for the previous year. To minimize the reporting burden, DEQ plans to develop reporting protocols and forms pursuant to the rules that combine greenhouse gas reporting with existing reporting as much as possible. DEQ would allow businesses to satisfy the requirements through concurrent reporting to other state agencies and the United States Environmental Protection Agency where possible. In addition, the proposed rules contain criteria for consumer owned utilities to satisfy the requirements through third party reporting.</p> <p data-bbox="483 1066 544 1098"><u>Fees</u></p> <p data-bbox="483 1098 1404 1371">DEQ estimates the proposed fees would have fiscal and economic impacts on about 180 sources subject to the existing reporting rules, which are required to obtain permits pursuant to ORS 468A.040, ORS 468A.155 or ORS 468A.310. This includes a subset of sources that hold air contaminant discharge permits with DEQ, such as asphalt plants and steel foundries. This also includes a subset of sources that hold operating permits with DEQ under Title V of the federal Clean Air Act, such as pulp and paper mills and in-state power generators.</p> <p data-bbox="483 1402 1421 1749">The proposed fees are fifteen percent of the permit fees currently paid by affected sources; however, DEQ would cap the proposed fees at \$4,500 for any individual source. The table below describes the estimated numbers of sources by permit type and the proposed greenhouse gas fees. DEQ was conservative in estimating the number of businesses who might be subject to fees and therefore may have overestimated. Sources holding air contaminant discharge permits currently pay annual fees by permit type. Sources holding Title V operating permits currently pay annual fees correlated with their emissions of regulated air pollutants. DEQ would collect the proposed fees with annual permit fees, but may need to issue supplemental invoices for sources in the first year of rule implementation.</p>

Proposed greenhouse gas reporting fees and approximate numbers of sources required to report:

Air contaminant discharge permit types:	Number of sources required to report	Proposed annual greenhouse gas reporting fee
Basic	1	\$54
General 1	0	\$108
General 2	26	\$194
General 3	9	\$281
Simple Low	4	\$288
Simple High	4	\$576
Standard	53	\$1,152
Title V permits	Number of sources required to report	Proposed annual greenhouse gas reporting fee
	24	15 percent (\$800 - \$2,499)
	27	15 percent up to \$4,499 (\$2,500 - \$4,499)
	33	\$4,500

Other updates

The proposed criteria for reporting cessation would have fiscal and economic impacts on sources whose emissions drop below the threshold. Small emitters near the reporting threshold are the most likely sources to be affected by the criteria; however, the criteria could also affect large emitters who significantly reduce emissions.

Because the proposed rules eliminate tables one and two from the rules in 2011 and instead require all permitted sources above the reporting threshold to report, it's possible additional sources holding air contaminant discharge permits would be subject to greenhouse gas reporting. The original intent of the tables was to make it easier for sources to determine whether they are subject to the reporting rules, but DEQ felt the tables might create loopholes.

Sources in Lane County may experience fiscal and economic impacts because the rules direct the Lane Regional Air Protection Agency to implement the rules within its jurisdiction.

Impacts on the General Public

DEQ does not anticipate any direct fiscal or economic impacts from the proposed rules on the general public. However, indirect fiscal or economic impacts to the public may occur through increased prices for services or products as a result of costs associated with reporting of greenhouse gas emissions and greenhouse gas reporting fees. DEQ expects any such price increases to be small and lacks available information upon which it could accurately estimate actual potential increases.

	<p>Global warming may create public health problems that can have negative economic impacts. The proposed rules could create positive economic benefits and improvements in public health and welfare because greenhouse gas reporting will help DEQ understand Oregon’s overall emissions, which will better equip DEQ and EQC to evaluate progress toward state greenhouse gas reduction goals, pursue local policies and actions to reduce emissions, and inform and shape national policies in ways that benefit Oregon residents and businesses.</p>																																				
<p>Impacts to Small Business (50 or fewer employees – ORS183.310(10))</p>	<p>The proposed rules would require small businesses with and without air permits to comply with new requirements.</p> <p><u>New emission categories</u> Although there are no fees associated with the new emissions categories added by the rulemaking, the reporting and compliance costs are described in the Cost of Compliance section.</p> <p><u>Fees for existing permit holders</u> Approximately eleven small businesses would be affected by the proposed fees. The table below describes the estimated numbers of sources by permit type and the proposed fee.</p> <p>Proposed greenhouse gas reporting fees and approximate numbers of small businesses required to report:</p> <table border="1" data-bbox="513 1020 1365 1671"> <thead> <tr> <th>Air contaminant discharge permit types:</th> <th>Number of sources required to report</th> <th>Proposed annual greenhouse gas reporting fee</th> </tr> </thead> <tbody> <tr> <td>Basic</td> <td>0</td> <td>\$54</td> </tr> <tr> <td>General 1</td> <td>0</td> <td>\$108</td> </tr> <tr> <td>General 2</td> <td>0</td> <td>\$194</td> </tr> <tr> <td>General 3</td> <td>0</td> <td>\$281</td> </tr> <tr> <td>Simple Low</td> <td>1</td> <td>\$288</td> </tr> <tr> <td>Simple High</td> <td>1</td> <td>\$576</td> </tr> <tr> <td>Standard</td> <td>1</td> <td>\$1,152</td> </tr> <tr> <th>Title V permits</th> <th>Number of sources required to report</th> <th>Proposed annual greenhouse gas reporting fee</th> </tr> <tr> <td></td> <td>6</td> <td>15 percent (\$800 - \$2,499)</td> </tr> <tr> <td></td> <td>2</td> <td>15 percent up to \$4,499 (\$2,500 - \$4,499)</td> </tr> <tr> <td></td> <td>0</td> <td>\$4,500</td> </tr> </tbody> </table> <p><u>Other updates</u> Sources that drop below the reporting threshold would continue to be subject to reporting requirements and fees for three years after dropping below the threshold.</p>	Air contaminant discharge permit types:	Number of sources required to report	Proposed annual greenhouse gas reporting fee	Basic	0	\$54	General 1	0	\$108	General 2	0	\$194	General 3	0	\$281	Simple Low	1	\$288	Simple High	1	\$576	Standard	1	\$1,152	Title V permits	Number of sources required to report	Proposed annual greenhouse gas reporting fee		6	15 percent (\$800 - \$2,499)		2	15 percent up to \$4,499 (\$2,500 - \$4,499)		0	\$4,500
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	<p>The proposed rules could have indirect fiscal and economic impacts on small businesses because costs associated with reporting of greenhouse gas emissions and greenhouse gas reporting fees could be passed through by reporters, resulting in a slight increase in the costs of products or services provided by reporters.</p>	
<p>Cost of Compliance on Small Business (50 or fewer employees – ORS183.310(10))</p>	<p>a) Estimated number of small businesses subject to the proposed rule</p>	<p>DEQ estimates approximately 100 small businesses would be subject to the new reporting requirements and eleven small businesses would be subject to the proposed fees.</p> <p>Although only businesses that drop below the threshold would experience an impact from the reporting cessation criteria, eleven small businesses holding air quality permits would be subject to the criteria. In addition, small businesses covered by the existing rules but which don't hold air quality permits would be subject to the criteria. These facilities are exempt from reporting until DEQ finalizes reporting protocols.</p>
	<p>b) Types of businesses and industries with small businesses subject to the proposed rule</p>	<p><u>New emission categories</u> Small businesses subject to the proposed reporting requirements include fuel distributors, propane wholesalers and consumer owned utilities.</p> <p><u>Fees and reporting cessation</u> Small businesses subject to the proposed rules are in the following industries: commercial boilers, electric power generation, petroleum refining, sewage treatment facilities, landfills and wood products manufacturing.</p>
	<p>c) Projected reporting, recordkeeping and other administrative activities required by small businesses for compliance with the proposed rule, including costs of professional services</p>	<p><u>New emission categories</u> The proposed rules would require data collection and analysis, recordkeeping, reporting and other annual administrative activities. This will result in costs to affected sources to comply with these rules. These activities include but are not limited to:</p> <ul style="list-style-type: none"> • Initial and ongoing training on emissions accounting and quantification methodologies; • Emissions data collection and analysis for greenhouse gases, annually; and • Preparation and submittal of completed registration and reporting forms annually. <p>Licensed fuel distributors may qualify for concurrent reporting to other state agencies. Consumer owned utilities may qualify for third</p>

		<p>party reporting. DEQ estimates that initial set up may require about one 8-hour day. Annual reporting of the data may require ½ day (4 hours) per year. The total estimated cost for these businesses, assuming an hourly wage of \$50/hour, would be \$400 for initial set-up of the greenhouse gas reporting system and \$200 per year on an ongoing basis.</p> <p><u>Fees</u> Businesses subject to the greenhouse gas reporting fee would experience administrative and accounting costs associated with paying fees. DEQ anticipates these costs would be minimal because DEQ would collect the proposed fees with sources' annual permit fees.</p> <p><u>Reporting cessation</u> Businesses would continue to report unless emissions drop below the threshold for three consecutive years. This would result in costs to affected sources to comply with these rules, who otherwise would not continue reporting under the existing rules. Reporting activities include but are not limited to:</p> <ul style="list-style-type: none"> • Emissions data collection and analysis for greenhouse gases, annually; and • Preparation and submittal of completed registration and reporting forms annually. <p>Since sources already report the data, DEQ estimates that continued reporting may require ½ day (4 hours) per year. The total estimated cost of continued reporting, assuming an hourly wage of \$50/hour, would be \$200 per year for each source.</p>
	<p>d) The equipment, supplies, labor, and increased administration required by small businesses for compliance with the proposed rule</p>	<p>Small businesses may encounter additional costs for equipment (such as a computer) and labor for setting up and reporting their greenhouse gas emissions, which will vary by business. Businesses that currently report air quality data to DEQ or qualify for concurrent reporting or third party reporting may have lesser needs for additional equipment and labor. DEQ does not have adequate information at this time to estimate the amount of additional equipment and labor (apart from estimates in (c) above) and any such estimate would be speculation.</p>

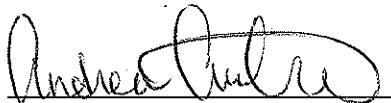
	<p>e) A description of the manner in which DEQ involved small businesses in the development of this rulemaking</p> <p>DEQ worked with the stakeholders on the 2009 legislation authorizing EQC to create reporting requirements for electricity suppliers and fuel distributors. This included Oregon Petroleum Association, Northwest Propane Gas Association, power company representatives and associations representing consumer owned utilities. In 2009, as part of its legislative budget process, DEQ submitted to the legislature information about greenhouse gas reporting program funding and the need to propose fees.</p> <p>DEQ involved businesses in the development of this rulemaking through the greenhouse gas reporting advisory committee. Several members represent small businesses or organizations that have small business as members or clients. In September 2009, DEQ sent letters to businesses it anticipated might be subject to the proposed fees to describe DEQ's intent to propose this rulemaking. The letters also described the role of the committee and opportunities to comment and attend committee meetings. DEQ published information about the proposal on its website and used an on-line subscription delivery service to notify businesses about the committee meetings and rulemaking proposal. This includes over 2,400 people subscribed to receive updates on climate change issues and over 600 people subscribed to receive updates about the rulemaking proposal and committee.</p> <p>DEQ will send a Notice of Proposed Rulemaking to businesses affected by the rules and interested parties in June 2010. DEQ will hold public hearings to provide for the regulated community and interested parties to comment on the rule.</p>
<p>Impacts on Large Business (all businesses that are not "small businesses" under ORS183.310(10))</p>	<p><u>New emission categories</u> The proposed reporting requirements for electricity suppliers and fuel distributors could have a direct fiscal and economic impact on approximately 113 large businesses. The costs of compliance on large businesses are expected to be the same as those estimated for small businesses. A number of large businesses already report air quality data to DEQ and may qualify for concurrent reporting to other state agencies or EPA or qualify for third party reporting.</p> <p><u>Fees and reporting cessation</u> The proposed fees would have a direct fiscal and economic impact on approximately 169 large businesses. The overview section of this document describes the proposed fees. The proposed criteria for reporting cessation would have impacts on large businesses that drop below the reporting threshold. The</p>

	<p>costs of compliance on large businesses are expected to be the same as those estimated for small businesses.</p> <p>The proposed rules could have indirect fiscal and economic impacts on large businesses because costs associated with reporting of greenhouse gas emissions and greenhouse gas reporting fees could be passed through by reporters, resulting in a slight increase in the costs of products or services provided by reporters.</p>						
<p>Impacts on Local Government</p>	<p><u>New emission categories</u> The proposed reporting requirements for electricity suppliers would have direct fiscal and economic impacts on approximately nineteen municipal utilities and public utility districts. The costs of compliance on local governments are expected to be the same as those estimated for small businesses.</p> <p><u>Fees and reporting cessation</u> The proposed fees and criteria for reporting cessation could have direct fiscal and economic impacts on one district and one local city government that hold air quality permits. The table below describes the sources and approximate annual fees.</p> <table border="1" data-bbox="483 907 1354 1079"> <thead> <tr> <th data-bbox="483 907 1078 1010">Local government</th> <th data-bbox="1078 907 1354 1010">Proposed annual greenhouse gas reporting fee</th> </tr> </thead> <tbody> <tr> <td data-bbox="483 1010 1078 1045">Metropolitan Service District St. Johns Landfill</td> <td data-bbox="1078 1010 1354 1045">\$1,219</td> </tr> <tr> <td data-bbox="483 1045 1078 1079">Coos County Solid Waste Department</td> <td data-bbox="1078 1045 1354 1079">\$2,179</td> </tr> </tbody> </table> <p>The proposed criteria for reporting cessation could have impacts on an additional seventy local government sources, primarily solid waste disposal facilities and wastewater treatment facilities. Most of these sources don't hold air quality permits and are exempt from reporting until DEQ approves reporting protocols. Once protocols are approved, about five sources, which hold air quality permits, would be subject to greenhouse gas reporting fees ranging from \$576 to \$1,152 depending on permit type. The costs of compliance on local governments are expected to be the same as those estimated for small businesses.</p> <p>Lane Regional Air Protection Agency would experience a fiscal and economic impact because the rules direct the agency to implement the rules within its jurisdiction. DEQ does not have available information sufficient to estimate those impacts, and any such estimate would be speculative, although the tasks will be similar to those described under "Impacts to DEQ" below.</p> <p>The proposed rules could have indirect fiscal and economic impacts on local governments because costs associated with reporting of greenhouse gas emissions and greenhouse gas reporting fees could be passed through by reporters, resulting in a slight increase in the costs of products or services provided by reporters.</p>	Local government	Proposed annual greenhouse gas reporting fee	Metropolitan Service District St. Johns Landfill	\$1,219	Coos County Solid Waste Department	\$2,179
Local government	Proposed annual greenhouse gas reporting fee						
Metropolitan Service District St. Johns Landfill	\$1,219						
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<p>Impacts on State Agencies other than DEQ</p>	<p><u>New emission categories</u> No state agencies are subject to the proposed reporting requirements for electricity suppliers and fuel distributors. The Oregon Department of Energy, Oregon Public Utility Commission and Oregon Department of Transportation assisted DEQ in the development of the reporting requirements. They are not directly impacted by this rule, but may be impacted if they continue assisting DEQ during implementation of the rules including development of reporting protocols, emission factors and reporting forms. DEQ does not have sufficient information to estimate those impacts, and any such estimate would be speculative.</p> <p><u>Fees and reporting cessation</u> The proposed rules could have direct fiscal and economic impacts on seven state agencies that hold air quality permits. The costs of compliance on state agencies are expected to be the same as those estimated for small businesses. The table below describes the sources and approximate annual fees.</p> <table border="1" data-bbox="479 772 1286 1192"> <thead> <tr> <th data-bbox="479 772 1010 877">State agency</th> <th data-bbox="1010 772 1286 877">Proposed annual greenhouse gas reporting fee</th> </tr> </thead> <tbody> <tr> <td data-bbox="479 877 1010 919">Oregon Air National Guard</td> <td data-bbox="1010 877 1286 919">\$1,152</td> </tr> <tr> <td data-bbox="479 919 1010 961">Oregon State Correctional Institution</td> <td data-bbox="1010 919 1286 961">\$194</td> </tr> <tr> <td data-bbox="479 961 1010 1003">Oregon State Penitentiary</td> <td data-bbox="1010 961 1286 1003">\$1,152</td> </tr> <tr> <td data-bbox="479 1003 1010 1045">Oregon State University</td> <td data-bbox="1010 1003 1286 1045">\$1,152</td> </tr> <tr> <td data-bbox="479 1045 1010 1087">Portland State University</td> <td data-bbox="1010 1045 1286 1087">\$288</td> </tr> <tr> <td data-bbox="479 1087 1010 1129">Two Rivers Correctional Institution</td> <td data-bbox="1010 1087 1286 1129">\$194</td> </tr> <tr> <td data-bbox="479 1129 1010 1192">Western Oregon University</td> <td data-bbox="1010 1129 1286 1192">\$194</td> </tr> </tbody> </table> <p>The proposed rules could have indirect fiscal and economic impacts on state agencies because costs associated with reporting of greenhouse gas emissions and greenhouse gas reporting fees could be passed through by reporters, resulting in a slight increase in the costs of products or services provided by reporters.</p>	State agency	Proposed annual greenhouse gas reporting fee	Oregon Air National Guard	\$1,152	Oregon State Correctional Institution	\$194	Oregon State Penitentiary	\$1,152	Oregon State University	\$1,152	Portland State University	\$288	Two Rivers Correctional Institution	\$194	Western Oregon University	\$194
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<p>Impacts on DEQ</p>	<p><u>New emission categories</u> The proposed reporting requirements for electricity suppliers and fuel distributors would create new sources, which may require work by the Office of Compliance and Enforcement. Although DEQ would combine greenhouse gas reporting with existing reporting as much as possible, the proposed rules will fiscally and economically impact DEQ by requiring DEQ to perform the following tasks:</p> <ul style="list-style-type: none"> • Develop calculation methodologies and emission factors; • Develop reporting guidance and calculation tools; • Modify or create industry-specific emissions reporting forms for greenhouse gas emissions; • Modify existing DEQ databases to store and retrieve the data; • Create industry-specific notification for sources subject to reporting prior to 																

	<p>the beginning of the initial reporting year;</p> <ul style="list-style-type: none"> • Train sources subject to reporting, and provide technical assistance, prior to the beginning of the initial reporting year; • Revise DEQ’s website to include information regarding emission reporting requirements, resources and links; • Review and verify annual greenhouse gas reports and ensure compliance with reporting rules; • Prepare greenhouse gas emissions inventory and report to the Oregon Department of Energy; • Maintain DEQ’s greenhouse gas reporting website; and • Maintain computer software and update guidance and forms as needed. <p><u>Fees and reporting cessation</u> Revenue from the proposed fees would provide resources necessary for DEQ to implement the reporting program. New fees and additional sources will require additional work by Accounting and system updates may be required from Business Systems Development. The criteria for reporting cessation could have positive impacts on DEQ because it would stabilize the reporting universe, enabling DEQ to know who is subject to reporting and fees each year.</p> <p>The proposed rules could have indirect fiscal and economic impacts on DEQ because costs associated with reporting of greenhouse gas emissions and greenhouse gas reporting fees could be passed through by reporters, resulting in a slight increase in the costs of products or services provided by reporters.</p>
<p>Assumptions</p>	<p>DEQ relied on feedback received from the greenhouse gas reporting advisory committee in 2008 to estimate the cost of compliance for businesses. DEQ established fee levels based on assumptions that it identified all facilities subject to the reporting rules and that the number of reporters will remain approximately the same from year to year.</p>
<p>Housing Costs</p>	<p>DEQ determined that the proposed fees may have a negative impact on the development of a 6,000 square foot parcel and the construction of a 1,200 square foot detached single family dwelling on that parcel if the fees are passed through by sources providing products and services for such development and construction. The possible impact appears to be minimal. DEQ cannot quantify the impact at this time because the information available to it does not indicate whether the fees would be passed on to consumers and any such estimate would be speculative.</p>
<p>Administrative Rule Advisory Committee</p>	<p>DEQ convened the Oregon greenhouse gas reporting advisory committee in 2007 to make recommendations on the initial greenhouse gas reporting rules adopted in 2008. DEQ reconvened the committee in 2009 to make recommendations on changes proposed by this rulemaking. The committee includes Chair Mark Reeve and twenty three members representing various stakeholder interests. The committee met five times from September 2009 through April 2010. The committee made recommendations for updating the reporting program as described in the committee report available upon request. The recommendations are reflected in the proposed rules.</p>

	<p>The committee reviewed whether the proposed rules will have a fiscal impact, what the extent of impact will be, and whether the rule will have a significant impact on small business. The committee concluded the proposed rules would have a fiscal and economic impact on businesses. The committee felt the extent of the impact is outlined adequately in DEQ's draft Statement of Need and Fiscal and Economic Impact, which DEQ revised based on committee recommendations. The committee concluded the rules have a significant adverse impact on the small businesses DEQ indicated would be directly affected by draft rules. However, the committee felt that despite any possible adverse impact on small business, DEQ minimized costs as much as possible at this time. The committee did not believe there is a need at this time for additional mitigation steps outlined in ORS 183.540.</p>
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Prepared by

Andrea Curtis
Printed name

June 10, 2010
Date


Approved by DEQ Budget Office

Jim Roys
Printed name

6/14/10
Date