## Regional Haze Division 223

# **Summary**

### **Rulemaking Fiscal Advisory Committee Meeting**

May 17, 2021

Meeting held remotely via Zoom

#### **List of Attendees**

#### **Committee Members in Attendance:**

Chad Darby Maul, Foster & Alongi Bob Hackett Travel Southern Oregon

Joshua Jenkins – alternate National Parks Conservation Association

Michael Lang Friends of the Gorge

Caleb Minthorn – alternate Confederated Tribes of the Umatilla Indian Reservation

Carrie Nyssen American Lung Association

Daniel Orozco National Parks Conservation Association

Jamie Pang Oregon Environmental Council

Russell Strader Boise Cascade

Kathryn Van Natta Northwest Pulp & Paper Assoc.

#### **DEQ Staff in Attendance**

Karen Williams DEQ Air Quality Planning

Ali Mirzakhalili DEQ Air Quality Division Administrator
Michael Orman DEQ Air Quality Planning Manager
Phil Allen DEQ Air Quality Technical Services

Joe Westersund DEQ Air Quality Operations

#### **Summary of Advisory Committee Input**

- Committee members generally agreed that the proposed rules will have a fiscal impact on large businesses that are Title V facilities to be regulated by these proposed rules.
- Multiple committee members stated that the information that DEQ provided a summary table of potential control technology and its cost ranges is insufficient without information that reveals which facilities will install which controls.
- Some members stated DEQ hasn't provided sufficient information for the committee to determine extent of fiscal impact. One member stated, in order-ofmagnitude numbers, the fiscal impact of the proposed rules is tens to hundreds of millions of dollars.
- Multiple committee members stated there is uncertainty about the extent of the fiscal impact and for whom that may be adverse. Members stated there is



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- uncertainty whether or not a business that is not regulated, such as a permitted industry that is not Title V, would sustain any fiscal impact.
- Multiple committee members stated that the fiscal impact statement only addresses costs of controls at facilities, but doesn't address cost to the state economy and business potentially indirectly affected by the proposed rules a "ripple" or "trickle down" effect.
- Multiple committee members stated that the companies to be regulated under the proposed rules are located in rural areas. Members stated that the millions of dollars for pollution control would otherwise be put into the local economy through plant expansions and improvements, thereby indirectly supporting small businesses in the area. One member recommended that DEQ contract with an economics firm to analyze the effects of the proposed rules on rural economies.
- Multiple members stated that among fiscal impacts, DEQ should consider associated public health benefits of the proposed rules, such as fewer asthma attacks and less exacerbation of chronic obstructive pulmonary disease.
- Some committee members stated that the fiscal impacts sustained by regulated industry would be disproportionate to the facilities' impacts on regional haze, as measured by visibility.
- One committee member stated that large businesses cannot always pass additional
  cost along to customers, particularly in a commodity market. Even within a large
  business, each individual facility, such as a mill, has to make a contribution and
  money spent on pollution control at the facility cuts into profit. The costs from the
  proposed rules may or may not cause the industry to shut down or sell an
  individual mill those decisions would depend on the financial health of that
  mill.
- Multiple committee members encouraged fiscal impact assessment on a broader scope to encompass public health savings, viewshed protection in national parks and wilderness, impacts on tourism, and health and economic benefit for people who live and work in the surrounding areas.
- One committee member stated that some pollution control measures, specifically SNCR and SCR, increase pollution in other media, require more electricity use, increase greenhouse gases from combustion, and add ammonia, a hazardous air pollutant. The committee member recommended that DEQ consider these greenhouse gas, electricity and hazardous air pollutants costs.
- One member stated that air quality and visibility has been studied extensively in the Columbia River Gorge National Scenic Area and large stationary sources as well as mobile sources are large contributors to haze.
- Multiple committee members stated that either there were no direct effects from
  the proposed rules on small businesses, since they were not regulated by the
  proposed rules, or that fiscal effects on small business were unclear. One
  committee member stated small business effects were indeterminate because DEQ
  had not provided a list of which facilities will be installing controls.

- One committee member stated that one way for DEQ to mitigate any potential effect on small business would be to compare Oregon's regional haze screening procedures to those of surrounding states and comport with them.
- One committee member recommended that DEQ consider the benefits to small businesses that install and maintain pollution controls.

#### Agenda Item: Welcome and Introductions

Air Quality Division Administrator Ali Mirzakhalili opened the meeting and welcomed fiscal advisory committee members and the public. DEQ staff introduced themselves followed by FAC member introductions. The DEQ staff facilitator reviewed the meeting agenda, protocols, committee charter, and committee scope. The committee's scope was the fiscal impacts of the regional haze rules that DEQ will propose as revisions to Division 223 in Oregon Administrative Rules Chapter 340.

#### Agenda Item: Presentation – Overview Regional Haze

DEQ presented an overview of the Regional Haze program, its history, how Oregon complies with the federal rule and measures progress. The Clean Air Act of 1977 and the 1990 Clean Air Act amendments define visibility, establish Class 1 wilderness areas and national parks, and require EPA to issue regulations to improve visibility in Class 1 areas. In 1999, EPA issued the regional haze rule and amended it in 2017. The federal Regional Haze Rule requires states to establish plans to improve visibility in Class I areas to natural conditions by 2064. Oregon completed its first regional haze plan in 2010 and an update in 2017. The Regional Haze program protects visibility in 156 Class I areas in the country and 12 in Oregon. The Columbia River Gorge National Scenic Area, is not a Class 1 area but Oregon has an agreement with the Columbia River Gorge Commission to manage visibility in the Gorge through the Regional Haze program.

Haze arises from natural sources like volcanoes, vegetation, dust and marine salt. Regional Haze regulations address anthropogenic sources such as motor vehicles, woodstoves, shipping, industry and field burning activities. The specific haze forming pollutants referred to in this rulemaking are particulate matter, nitrogen oxides and sulfur dioxide. States measure and report their progress toward meeting natural visibility conditions through a network of visibility monitors combined with regional-scale modeling. Oregon is completing the requirements for the Regional Haze reporting period 2018 through 2028. Projections show some Oregon monitoring locations may not meet visibility goals in 2028.

#### Questions/comments

• What is the deciview rating of the two photos you shared?

Response: Low deciviews means low impairment and good visibility. High deciviews means high impairment and bad visibility. The photo on the left – showing good visibility – has a deciview measurement of 9 and the one on the right shows conditions when the deciview measurement is 23. Deciviews is a logarithmic function, which makes it easier to discern small changes in visibility.

#### Agenda Item: Presentation – Overview Proposed Rules

The proposed rules have four elements. The first is a screening element, whereby certain stationary sources are identified to be regulated by the regional haze rules. Second, those

facilities must conduct analysis to identify the feasibility and cost effectiveness of pollution controls. Following that analysis, facilities have two compliance options – they can agree to lower their emissions or, if that is not feasible, install pollution controls. The last part of the rules describes how DEQ makes those decisions enforceable – either by the facility and DEQ entering an agreement, or DEQ issuing an order to the facility.

The initial screening starts with the population of major sources with emissions more than 25 tons/year – those with Title V permits. For those facilities, DEQ summed total emissions of NOx, SO2, and PM10 in tons per year – this is "Q." Then that sum is divided by the distance in kilometers to the boundary of a Class I Area – that is "d." DEQ calculated O/d for each facility and each Class I Area within a 400 km radius of the Oregon state boundary. In consultation with other states and in line with EPA's guidance, DEO set the screening level a O/d >=5. This captures 80% of the total haze forming emissions from major sources for all Oregon Class 1 areas. The facilities that screen in then must conduct a "four factor" analysis to identify feasible and cost effective pollution controls. The four factors are: the cost of the control, the time to install, the remaining useful life of the emission unit, and the other "nonair" and energy effects from installing and operating the controls. The next two elements of the rules lay out facilities compliance options. The facility must then either install the controls that DEQ deems feasible and cost effective or may agree to lower plant site emissions limits so that Q/d is less than 5. DEO must show EPA that any emission reductions are enforceable and will do so by developing either agreements or orders to the facilities and then including those orders and agreements in the State Implementation Plan submitted to EPA for approval.

#### Questions/comments

• What is the initial screen in tons/year? Is this different from the 20 tons/year per emissions unit that is in the rule?

Response: The ">25 tons/year" referenced in the slide is one of the criteria in identifying the population of major sources or Title V facilities considered for regulation. That is the first step. At a later step, only emissions units emitting 20 tons/year or more of NOx, SO2 and PM10 need be considered in the four factor analysis.

• What rule segments has DEQ already undertaken? It seems like some of these rules were written after events took place. Specifically, which citations has DEQ already undertaken in Division 223? Do the proposed rules have regulatory authority?

Response: Some of the proposed rules lay out the procedure that DEQ has been following since last year in consultation with other states and EPA to undertake responsibilities under the second round of Regional Haze implementation. The part that hasn't taken place is DEQ's issuing of orders or entering agreements; that part is necessary to show EPA that emission reductions are enforceable. The work DEQ has done so far, which is to request information from sources, was done under existing authority and rules (specifically, 340-214-0110), not under Division 223 rules.

Are you asking us to comment on the potential costs of the proposed rules?

Response: Yes, DEQ understands that some costs have already been incurred by facilities in responding to DEQ's request for information. DEQ intends to reflect both incurred and potential costs in the Fiscal Impact Statement.

• How would a facility in the increment between 20 tons/year and 25 tons/year be treated? Would that facility be regulated under the regional haze rules?

Response: The "25 tons/year" is not explicitly in the proposed rules; it's like an applicability criteria; DEQ used that rate in deciding which Title V facilities to consider for regulation. In a later step, the four factor analysis, DEQ considers emissions units as they are defined in proposed OAR 340-0223-0020(1) that emit 20 or more tons/year of NOx, SO2 and PM10, singly or in combination.

• What year are the emission sources for the Q sum and where does the data come from?

*Response*: The emissions come from the 2017 emission inventory. This inventory comes from EPA, but it is based on information Oregon DEQ submits to EPA.

• Since we are codifying actions that DEQ is already doing, why do we need to have new rules? If we put Q/d > 5 into rule, does that mean were are bound to that in 10 years at the next regional haze implementation period?

Response: DEQ is codifying procedures some of which, but not all of which, have been implemented. The "Q/d" screening procedures that DEQ followed need to be in rule to make the outcomes of the procedures federally enforceable and to identify which facilities are subject to this rule and which are not; the "Q/d" screening is like an applicability statement. Including specific thresholds, like Q/d> 5, in these rules does not restrict DEQ in a later regional haze period because the rules apply only to Round 2 of the Regional Haze program.

• If DEQ has the authority to require a four factor analysis, why is a rule needed for that?

*Response*: Because the procedure DEQ follows informs the content and reasoning of the orders and agreements; orders and agreements must be included in the SIP to be federally enforceable.

• What happens if EQC approves something different than what is in these rules? Does DEQ then have to start over?

*Response*: Yes, somewhat. DEQ would have to come up with a process that EQC would approve and so that DEQ could apply the rules, issue orders and agreements, and include those in the SIP.

• Why was this rulemaking not done two years ago, so rules would have been approved before we started the process?

Response: The regional modelling process is complex and had to be done in consultation with other states and EPA along the way. States pooled resources and engaged with the Western Regional Air Partnership to complete the regional scale modeling, but that exercise ran into a lot of delays and it took more time than expected to get results from the modelling. There were also delays in EPA issuing its guidance and that led to DEQ getting a late start in identifying the sources, setting up processes, and conducing screening, all of which had to be done in consultation with other states and EPA. One lesson learned is that regional haze needs to be ongoing conversation and DEQ will get started earlier for the next round.

Q does not include PM 2.5 does it?

Response. PM10 includes particles 10 microns and less, so PM2.5 particles are included within a measurement of PM10.

• Does DEQ have a list of facilities they are looking at so we can know what we're commenting on? It's unclear because link to the Four Factor Analysis documents is broken. What are the number and names of the facilities still being considered?

Response: DEQ will check and correct that broken link ASAP. There are 32 facilities to be regulated under these rules and a table listing these facilities is on the regional haze website. DEQ posted a link to the four factor analysis webpage in the meeting chat (<a href="https://www.oregon.gov/deq/aq/Pages/haze-ffa.asp">https://www.oregon.gov/deq/aq/Pages/haze-ffa.asp</a>) and a summary table of all 32 facilities (<a href="https://www.oregon.gov/deq/FilterDocs/haze-QDFacilitiesList.pdf">https://www.oregon.gov/deq/FilterDocs/haze-QDFacilitiesList.pdf</a>).

#### Agenda Item: Presentation - Fiscal Impact Statement

DEQ expects that large businesses that are regulated by these proposed rules will sustain fiscal impacts. There are 32 facilities to be regulated under these proposed rules. They are Title V – or federally permitted – major sources whose processes emit Round 2 regional haze pollutants and are geographically located near Class I wilderness areas or Crater Lake National Park. DEQ expects the costs to regulated industry to fall into three categories: consulting fees for four factor analysis, the cost of the pollution controls themselves, and associated permitting cost to install new equipment. DEQ estimated that a complex four factor analysis could cost about \$25,000 in consultant fees or in-house technical resources.

The costs of pollution controls themselves is highly variable, based on the number and size of emission units at a facility and other facility- and industry-specific characteristics. DEQ compiled the range of costs that industry submitted to fulfill the four factor analysis requirement. Those compiled costs – for both installation and operations – are in Table 3 in the fiscal impact statement. Installation costs may range from 300,000 to \$30 million. Annual maintenance and operations costs may range from \$50,000 to \$8 million.

Permitting costs would likely include notices and permits to construct as well as permit revision fees. All regulated facilities intending to install new pollution control equipment

would have to file a notice to construct and the associated \$720. Under certain circumstances, an Air Contaminant Discharge Permit Construction application may also be required at \$14,400. This would be in cases where a facility doesn't already have a similar control device or if the facility needs new permit conditions. The range in Title V permit revisions from administrative through simple, moderate and complex is \$510 to \$30,612.

The proposed rules will not regulate any small businesses or members of the public. By EPA's definition a Title V source – a major source – is not a small businesses. DEQ expects indirect and beneficial fiscal effects on the general public and some small businesses and generally describes these benefits in the fiscal impact statement. While DEQ cannot quantify or establish direct fiscal benefits, DEQ would expect positive fiscal effects in terms of local economic benefits from tourism in and near Class 1 areas and the Gorge. The Round 2 regional haze pollutants – particulate matter, SO2 and NOx also have adverse health effects on people, so DEQ suggests that the proposed rules could lead to some savings in public health cost from respiratory and cardiac diseases.

#### Questions/comments

- The costs of the four factor analysis are additive; both consultant costs and inhouse costs are required. Consultant fees from \$10,000 to \$30,000 are also likely to be required at the permit revision stage.
- DEQ has said about half of the facilities in the table you've provided will sustain fiscal impacts in addition to those already incurred. Can you provide an actual number of locations or companies?

*Response*: DEQ put this information in the meeting chat: 4 facilities agreed to install controls as part of the FFA process; DEQ is in discussions with 10 other facilities on controls.

• Are all facilities taking PSEL reductions getting to Q/d less than five? Are the facilities taking the PSEL reductions the more simple sites?

Response: No, there were a range of complexities and emission rates among the facilities that took PSEL reductions. Yes, those that took PSEL reductions have to get to less than Q/d equal to 5; another option for a facility is to show that the facility already has pollution controls in place that will achieve emission reductions necessary to meet regional haze goals and that no other cost-effective controls are available. One company made that demonstration and that was Ash Grove Cement. Others flagged that they had already made reductions in their PSEL to get to less than Q/d of 5 and we corrected that error on our part and removed them from the process.

• The rural economy fiscal statement is a little squishy. How has visibility deterred anyone from using natural resources in Oregon, except during forest fires? Also, the regional haze solutions might worsen those forest fires to some extent because some of the controls require more electricity use or are moving away from

biomass combustion and to natural gas, which leads to more greenhouse gas emissions and global warming.

Response: It's not so much deterring someone from taking a trip but reducing the quality of their experience. The goal of the regional haze program is to provide that positive experience of open, clear vistas. DEQ acknowledges we are not the experts in how to quantify that and defers to those in the travel and tourism industry.

• The fiscal statement says you're going to reduce tourism on the bad visibility days. While people's enjoyment of the places might not be as great, it's not going to stop them from going there at all, and the small businesses in the region will still benefit from their visit, even if the visibility is not perfect – except for wildfires. Is that consistent with DEQ's thinking – that tourism would be most affected on fire days?

Response: DEQ's intent in the fiscal impact statement was not to quantify or derive a direct connection between tourism in Oregon and regional haze. However, DEQ does find it reasonable to make an association that visibility in Class 1 areas is something that sustains the businesses that rely on visitors. DEQ finds it important to acknowledge potential fiscal benefits as well as potential costs to regulated entities.

• At what point do the PSEL reductions get put into permits? Are those enforceable yet?

*Response*: PSEL reductions have not necessarily been put in permits yet. The rule describes that those reductions would be documented in a mutual agreement. That agreement then goes into the SIP to make it enforceable, rather than the permit itself. We wouldn't want to have to open the SIP anytime we needed to make a permit revision.

• So, those reductions have not taken place, but they will when the rule is adopted and the orders are completed? Then all 32 facilities will get orders?

Response: That's right.

• Is there a statutory definition for adverse impacts or cost effectiveness?

*Response:* Adverse fiscal impact and specifically the effect on small business is not statutorily defined. It is up to the committee members to assess and provide information about what they believe to be adverse fiscal effects on business. Cost effectiveness is defined in the rules, as dollars/ton of pollution reduced, but only particular to the pollutant controls being installed.

• Perhaps as a committee, we can consider a certain percentage, for example 10 or 20% of a profit margin being used to comply with a regulation would constitute a significant adverse fiscal effect.

#### **Agenda Item: Discussion of Fiscal Impacts**

DEQ asked the following questions typed them into the chat window:

- Do the proposed rules have a fiscal impact?
- What will be the extent of the fiscal impact?
- Will the rule have a significant adverse impact on small businesses?
- If so, how can that adverse impact be mitigated?

#### Comments

- Answer to first question is yes, clearly they do to our business. The impact statement only addresses costs of controls at facilities, but doesn't say anything about cost to the state economy or to citizens of the state overall.
- Yes. The chart provided contains only potential control technology but we don't know which facilities will install which controls. DEQ has only told us "about half" of the facilities will be installing controls. DEQ has not provided adequate information to determine the extent. In order-of-magnitude numbers, the magnitude tens to hundreds of millions of dollars.
- There is a fiscal impact for regulated businesses. I'm not sure it's an adverse fiscal impact, given that revenues can vary widely depending on the business. ORS 183.333, asks whether the rules will have an impact on small businesses. I'm not sure if a business that is not regulated would have any impact.
- There will be fiscal impact on Title V sources. I'm not sure if there will be fiscal impacts to non-Title V sources in our area, east side of the state. If there were changes to the rules that affected those non-Title V sources, that would definitely have a fiscal impact in our area.
- Absolutely, there will be fiscal impacts, though I can't speak to the extent. I hope we can consider the public health benefits, such as the benefits we'll see from less asthma attacks, less exacerbation of COPD and other lung disease. I don't know how much that will offset the costs, but there is definitely some huge benefits from cleaner air.
- There will definitely be significant fiscal impacts to large facilities. My concern is they are disproportionate to the facilities that are causing an impact and disproportionate to other sources that affect visibility.
  - My biggest concern is that what is it you want from us today, given that DEQ has not provided information on what facilities will install which controls and we don't have any numbers that have been provided by an economist about what the beneficial or detrimental impacts are, so we have almost no data on which to formulate an opinion. It would be beneficial if DEQ began to engage an economist to evaluate costs such as the impacts on tourism.

DEQ does include a range of cost but doesn't take into account ripple effects. The companies regulated under this program are rural companies. The millions of dollars that DEQ is asking them to put into pollution control would otherwise be put into the local economy for plant expansions and other improvements. So, it affects local small businesses that won't receive those dollars. Economics firms have methods for analyzing those trickle down effects on rural economies where

- jobs are very precious right now. DEQ doesn't have the data and is asking us to comment on something for which we are unprepared.
- There is a lot of information in the tables on the website but it's not reasonable for DEQ to ask this committee to go through the effort to review all that information to make our determination. That seems to be DEQ's job. This committee doesn't have the expertise to analyze that detailed information. It's hard to argue that the information DEQ has provided is not representative of the cost when DEQ gives a range of \$0.3 million to \$8 million. I have no idea how to make a cost analysis for this committee's purposes, based on those kinds of numbers.

It's also hard to know what an adverse impact is. It is not always easy for large businesses to pass along additional cost to our customers. Plywood sells on the commodity market at whatever the going rate is. Are these costs going to cause the mill to shut down? It depends on the health of that mill to start with. The more cost you add on, the harder it is for that mill to make a profit, and each mill has to contribute. The company might sell the mill or might shut it down. If we spend money on controls, we want to see that that will have a positive effect on visibility.

- Affirming some comments made, context is important. Just as we don't know
  exactly what the costs each company will face, it's difficult to know what exactly
  the public health cost savings will be. But we do know that there will be public
  health savings and benefits, in some capacity, from an equity aspect and in
  positive impacts for lower income communities. We should not forget that
  context.
- We are here to assess fiscal, adverse impact but should also consider a broader scope for the impacts of pollution reduction, not just the fiscal effects on industry, but for public health and viewshed protection in parks. Pollution reduction can have a benefit for people who work in the industry and who are residents in surrounding areas. It's important to highlight the tourist impact of reduced haze and pollution in those surrounding communities. We should not get lost in narrow definition of economic impact; we should think about the economy in a more holistic manner, to take into account not only jobs and cost of pollution, but benefits of public health and tourism.
- Member stated they shared perspectives of previous two speakers.
- Some of these control measures have the consequence of increasing pollution in other media, specifically SNCR and SCR require added electricity use, increase greenhouse gas because of combustion, and addition of ammonia which causes emission subject to Cleaner Air Oregon ammonia slip. As DEQ looks at cost, DEQ should consider that some control technologies shift media effects and will have increase in greenhouse gas and electricity and hazardous air pollutants.
- Has DEQ evaluated or quantified how the stationary source program will improve visibility in Class 1 areas?
  - *DEQ responds*: DEQ approached Round 2 of Regional Haze planning differently from first round, where there was a direct relationship between pollution reduction at a facility and projected visibility improvement. In Round 2, DEQ participated with other western states to pool resources to complete a regional-

scale model. The outputs of the regional scale model included apportionment of *extinction* (the inverse measurement of visibility) among various anthropogenic and natural sources. Anthropogenic sources include industry and mobile sources, for example. Natural sources include vegetation emissions and marine sea salt. DEQ's policy approach to regional haze planning during Round 2 is to seek reductions in haze forming emissions among all anthropogenic sources wherever practicable. DEQ has been following this approach since the beginning of Round 2 regional planning for the 2018 – 2028 planning period in consultation with neighbor states, the Western Regional Air Partnership and EPA.

- Air quality and visibility has been studied extensively in the Gorge, there are several reports including the Cause of Haze in the Gorge report that DEQ or SW Clean Air Agency still has on their website. The report indicates that large stationary sources are the major contributor to haze in the Gorge, as are other sources like mobile sources. Regional Haze as a program was adopted as a surrogate to satisfy requirements of Columbia River Gorge Scenic Area Act to protect and enhance air quality and visibility that's written into the law. Residents of the Gorge value good visibility and reduced haze and have gone on the record to express that. Many people choose to live and work in Hood River because of natural resource amenities that includes clean air and good visibility.
- Facilities here Northeast Oregon and Southeast Washington are not Title V but parent companies may be. Small businesses here like asphalt companies probably would be fine. Their clients are city governments that do large paving jobs. Workers are probably not going to get sent home because of more compliance that a parent company has to do. But, there is haze here it is visible out the window today.
- It's not clear whether there is an impact on small business, since the regulated sources are Title V sources. There might be an effect on small business because the large sources can't put money back into the local economy in ways they would have otherwise. There was an economic study done as part of industry's input into the Cleaner Air Oregon fiscal process, and trained economists were able to look at trickle down effects on the community.
- It's not clear that there's an impact on small business since the regulated businesses are those with more than 50 employees or what the trickle down effects are. It is also unclear what the trickle up effects are in terms of benefits. Comments solicited from small businesses themselves would be helpful.
- Since DEQ has not provided which facilities will be installing controls, it's indeterminate to say whether the rule will have an effect on small business. Ways to mitigate would be for DEQ to take a close look at how Oregon fits into what other states have done for Q/d analysis and a cost-effective threshold and useful life analysis and comport with them.
- Agree with what is presented regarding small businesses, but did DEQ consider the benefits to small businesses that may be involved in installation and maintenance of controls that may be required under the rules?
- The rule does not have a direct cost to most small businesses, but if a facility shuts down because of the cost of the regulation, that could trickle down to the

- small businesses in the community. There may be benefit to some small businesses pouring concrete, electrical involved with installing controls but most control installation would probably be sourced to vendors outside the state.
- Would like to share some graphs of industry contribution to regional haze. Graphs DEQ has shared with us show industry impact to be minimal. Most impacts come from fires our sources outside the U.S. Additional modeling we had done shows our impact on visibility is minimal. DEQ has done all its evaluation based on cost/ton pollution reduced; for this type of program, that does not make any sense because it does not indicate anything about visibility improvement. Member stated that the real fiscal impact of this program is in millions of dollars per deciview improvement.

#### **Next Steps Review**

If you would like to submit any additional information regarding the fiscal impacts of this rulemaking, please send that to: Karen.williams@deq.state.or.us in by the end of the day on Monday, May 24. DEQ will be working over the next couple of weeks to prepare the public notice of the proposed rules that will include the fiscal impact statement and any changes we make to that based on discussions to day and what you send in the next week. The public notice period will be 30 days and DEQ will hold a public hearing near the end of the comment period. DEQ will respond to comments and present the proposed rules to the EQC at in late July meeting.

#### **Public Comment**

One individual made public comment.

Rob Smith, NW Director National Parks Conservation Association

I wanted to say a couple of thanks. I've never read a rule, or seldom read a rule in all the years I've been doing this that is as clear and you actually learn something from it as the draft rule that you circulated. I thought it was extremely clear, succinct, to the point, and made it really easy to understand the program. Thank you. We are in a continuum here. When I was growing up, the air was pretty dirty in a lot of places and factories did not have the regulations they do now. It's programs like this that have given us the air quality we have today even in a growing society and a growing economy; programs like this are part of the progress we all make as a country towards zero air emissions maybe in our grandchildren's lifetimes, but cleaner air in our own, in just a few years. I appreciate DEQ being part of that and helping to make that progress.

In any one regulation or any one facility that cleans up may not make a difference, but you have to look at this as a cumulative effort. It's all the facilities, all 32 in this case, doing their part and over time. You can have an analysis that shows that when I toss out a gum wrapper, it's not going to make much difference, but if we all did, it would look trashy. And if we all pick them up, then we'll have the cumulative effect of a better world. And I think we need to look at that sort of cumulative progress. Also, I really appreciate the look ahead, maybe there's not a lot we need to do right now in order to stay on the glidepath or underneath that, toward the progress we need to make, but if we don't do what we can do now, we're going to have a much bigger problem at much

bigger cost in our lifetime, in the next few years, as I think your analysis showed by 2028. Things are going to be getting worse and not better in terms of air quality, and visibility and health impacts that are associated with that. So, the way to get ahead of that is to continue to progress and do what we can now. I also would wrap up by saying air you can see is not air you should breathe and while it may be an aesthetic or minimal impact to the tourist or the visitor to Crater Lake, the places where those pollutants come from are much more concentrated for the people that live there. I do not discount at all the side benefits of the visibility program to public health and the quality of life where people actually live and have to breathe this. If we can make progress we should and I appreciate the efforts to do that here. Thanks.

Meeting adjourned at approximately 4 p.m.

#### **Alternative formats**

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email <a href="mailto:deqinfo@deq.state.or.us">deqinfo@deq.state.or.us</a>.