

Hazardous Waste Proposed Fees Increase Rules

Sept. 13, 2018
Portland HQ, 6th Floor

Hazardous Waste Advisory Committee

Welcome back and
Introductions

Agenda

- Review key questions from first meeting
- Permitting options report-out
- Generator fee overview
 - Options
 - Fee schedule
 - Open discussion
- Key questions for discussion
- Parking lot items
- Action items and next steps

Advisory Committee Work

Scope of Work:

- Review program budget, funding and fee structures
- Evaluate other relevant state program structures
- Consider equitability, sustainability and needs of the regulated community

Out of scope:

- Changes to other DEQ programs
- State Fire Marshal funding for technical assistance
- Disposal tip fees
- EPA commitments

Advisory Committee Work

Within Scope:

- Review program budget, funding and fee structures
- Evaluate other relevant state program structures
- Consider equitability, sustainability and needs of the regulated community

Advisory Committee Work

Out of scope:

- Changes to other DEQ programs
- State Fire Marshal funding for technical assistance
- Disposal tip fees
- EPA commitments

Overview of Multi-Phase Timeline

Phase I: *2018-2019*

Change by Rule

- Generator and Permit annual base fees
- Generator factor fee
- Permit modification fee

Phase 2: *2021 or 2023*

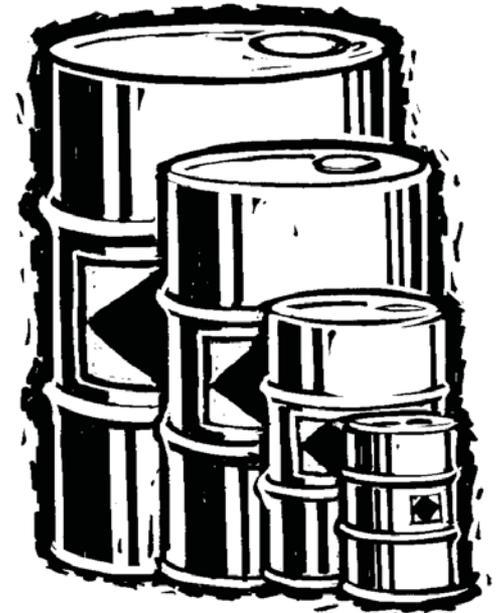
Increase by statute or rule

- Generator annual metric ton fee
- Generator reporting cap fee
- Permit renewal fee or others

Phase 3: *2021-2026*

Increase by rule or statute

- Any additional funding need



Recap from 1st Meeting

Key Questions Answered

1. What are the impacts from declining revenue?
2. What is the ideal service level for DEQ's Hazardous Waste Program?
EPA commitments
Program work

Geographical coverage

Training new staff

Recap from First Meeting - continued

2. What is the ideal service level for DEQ's Hazardous Waste Program?

- Inspections: LQG and SQG
- Technical Assistance
- Permitting
- Technical Assistance and Compliance duties in same person
- Other work

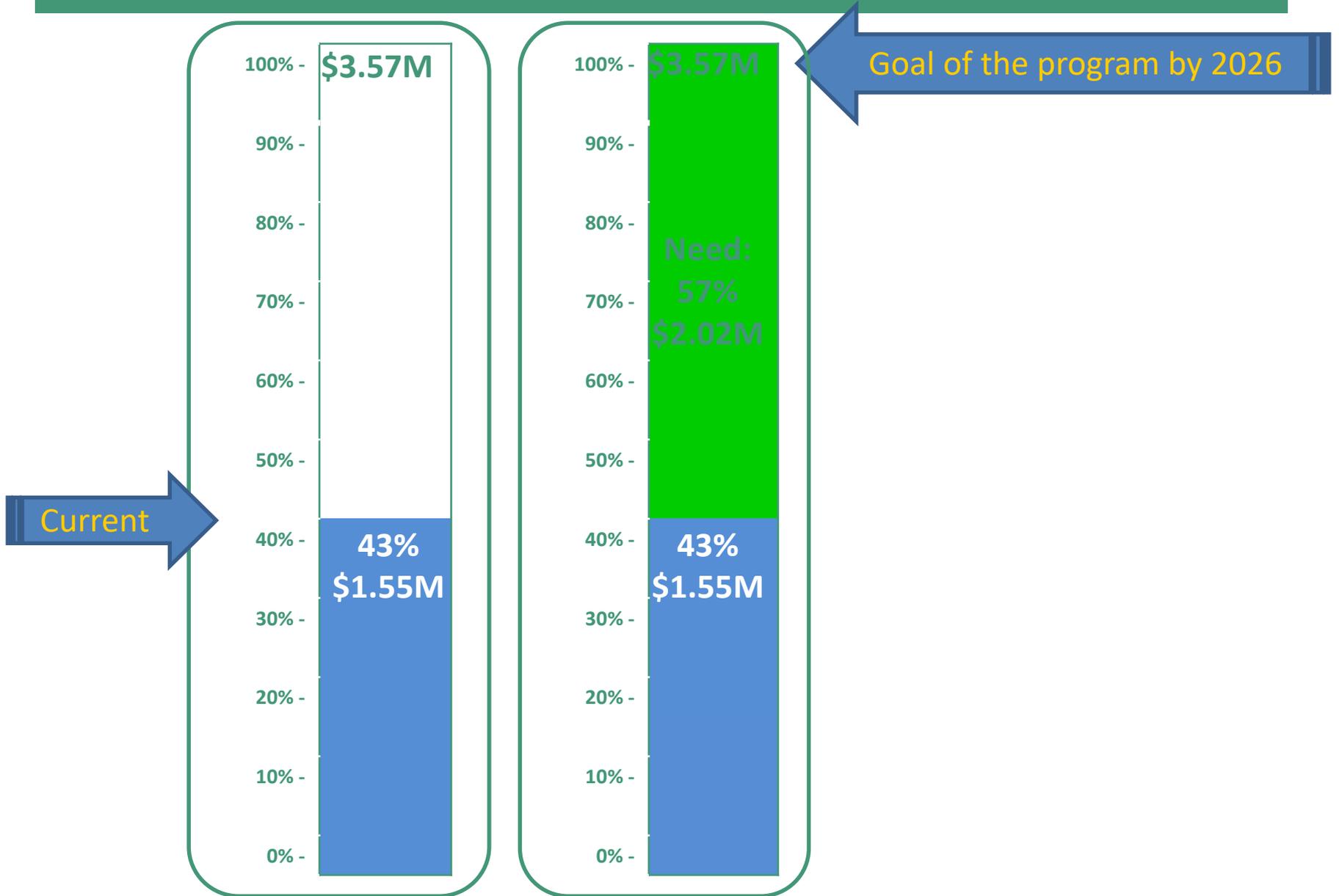
Today's Key Questions

Please share your thoughts on the pros and cons of fee increase options for DEQ's hazardous waste program:

1. Options to increase fees to maintain the current service level and meet future needs.
2. Moving forward with one single fee increase, a combination of fee increases, or an incremental fee increase.

Proposed Generator Fee Increase Options

Generator Fees Funding



Proposed Generator Fee Increase Options

Three Option Categories

- Generator Flat Fee
 - Volume-based
 - Management Method Fee Factor – Stand alone
-
- ✓ First two options will be presented as if they are the only option to make the program whole in meeting \$2.022 need on its own.
 - ✓ One single option or a combination may be recommended.

The proposed rule recommendations provided today are drafts and subject to further development before DEQ opens for the public comment period later this year.

Proposed Generator Fee Increase Options

Three Option Categories

- Generator Flat Fee
- Volume-based
- Management Method Fee Factor – Stand alone

Generator Flat Fee Option

To support current funding, increase annual generator:

- SQG base fee from \$300 to \$2,762 (821%)
- LQG base fee from \$525 to \$6,421 (1,123%)

Bearing in mind we might want to combine this with another fee change and progress over time.

Volume-Based Increase Options

Volume (metric ton/yr)	Option A		Option B	
	Proposed fee	Revenue (Based 2016 reporters)	Proposed fee	Revenue (Based 2016 reporters)
< 1	\$500	\$61,500	\$550	\$67,650
1 to <5	\$750	\$132,750	\$1,000	\$177,000
5 to <10	\$2,000	\$110,000	\$3,000	\$165,000
10 to <25	\$4,000	\$184,000	\$5,000	\$230,000
25 to <50	\$7,500	\$195,000	\$12,500	\$325,000
50 to <100	\$15,000	\$180,000	\$17,500	\$210,000
100 to <500	\$25,000	\$600,000	\$20,000	\$480,000
500 to <2K	\$45,000	\$360,000	\$30,000	\$240,000
>2,000	\$75,000	\$150,000	\$40,000	\$80,000
Each 1K > 2K	+ \$2,000	\$50,000	+ \$2,000	\$50,000

Approximately \$2,022,750 increase from current funding.

Management Factor Option

Increase four fee factors

Management method	Code	Current factor	Proposed factor
Fuel burning	H061	0.75	1.00
Energy recovery	H050	0.75	1.00
Stabilization	H110	1.00	1.50
Neutralization	H121	0.75	1.00

Other Management Factors – Continued

Management method	Code	Current factor	Proposed factor
Metals recovery	H010	0.50	“
Solvent recovery	H020	0.50	“
Other recovery	H039	0.50	“
Incineration	H040	1.00	“
Chemical treatment	H070	1.00	“
Biological treatment	H081	1.00	“
Physical treatment	H100	1.00	“
Stabilization pre-disposal	H110	1.00	“
Combo of chem, bio or physical	H120	1.00	“
Evaporation	H122	1.00	“
Other treatment (specify)	H129	1.00	“
Evaporation	H122	1.00	“
Land treatment	H131	1.50	“
Landfill or surface impoundment	H132	1.50	“
Accumulation prior to discharge	H135	1.00	“
Direct discharge (POTW)	H136	0.00	“
Re-infiltration treatment GW	H138	0.00	“
Neutralization only (on-site)	H121	0.00	“

New Management Factor – Continued

Management method	New factor
RCRA-Exempt (CU or Brownfield)	0.00

Proposal to add in red

OAR 340-102-0065(3)(c)

(R) RCRA-Exempt Management Elementary Neutralization Unit(s) on-site (Includes only corrosive characteristic hazardous waste that is managed immediately upon generation only in an on-site elementary neutralization unit(s)) — 0.00;

(S) Permitted Discharge under Clean Water Act Section 402 or 307b (Includes only hazardous wastewater that is managed immediately upon generation only in an on-site wastewater treatment unit(s)) — 0.00.

(T) Grant funded government environmental cleanup of a Brownfield or orphaned industrial property involving hazardous waste residues for off-site treatment and/or landfill disposal - 0.00

Reminder: Generator Fee Cap

Statute last increased in 2008

- Currently \$32,500
- Effects approximately 15 capped LQGs
- Consideration in Phase 2 rulemaking

Summary of Generator Fee Increase Options

Option #	Increase type	Increase
Option 1	Flat Base Fee	~ \$2,022,750
Option 2	Volume-Driven	~ \$2,022,750
Option 3	Mgmt Factor	~ \$199,404

Notes:

- All increases are annual.
- \$2,022,750 annual increase maintains current FTE levels.

Any Questions?

Today's Key Questions – Open Discussion

Please share your thoughts on the pros and cons of fee increase options for DEQ's hazardous waste program:

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Action Items

- Follow-up on parking lot requests

Next Steps

- Consider today's discussion
- Draft key meeting notes
- Share notes with Committee for review
- Develop documents to share pre-meeting, if needed
- Focus next meeting on proposed fee options

If you think of anything please email Jeannette or me.

Thank
You

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