



Oregon

Kate Brown, Governor

Department of Environmental Quality

Agency Headquarters

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TTY 711

September 9, 2020

Wanda Rasmussen
Ochoco Lumber Company
wanda@ochocolumber.com

Sent via EMAIL

Re: Round 2 Regional Haze Program, Four Factor Analysis
Ochoco Lumber Company – 12-0032

Dear Wanda Rasmussen,

Thank you for submitting the four-factor analysis for your facility for Round 2 of the Regional Haze Program.

As you know, the Regional Haze Rule (40 CFR 51.308) was issued as part of the Clean Air Act on July 1, 1999. The goal of the Regional Haze program is to improve visibility conditions in Class I Areas back to natural conditions by 2064. Regional Haze is a long-term program that sets goals for visibility improvement in 10-year periods of time from 2004 through to 2064, with interim checks on visibility conditions every 5 years.

The letter DEQ sent to you regarding four factor analysis on December 23, 2019, is part of Oregon's requirements for Round 2 of the Regional Haze program, as detailed in 40 CFR 51.308(f), for the period from 2021 to 2028. DEQ used the 2017 PSELs to screen Oregon Title V and ACDP facilities for applicability to conduct four factor analyses for the 2018-2028 time period. DEQ requested the four-factor analysis under OAR 340-214-0110.

DEQ reviewed the submitted four-factor analysis, and consulted with other states to strive for consistency, where appropriate, in identifying criteria and screening levels used in assessing presumed cost-effectiveness of pollution controls. The criteria that DEQ staff used to identify the emission units that require additional review and information were the following:

- Step 1: Divide emissions units for each facility into three bins:
 - Bin 1. Likely cost-effective candidates. Control devices with cost less than \$10,000/ton, or those that appear to be technically feasible but for which no cost analysis was provided.
 - Bin 2. Retain for further analysis. Control devices with cost more than \$10,000/ton but less than \$30,000/ton.
 - Bin 3. Cost is unlikely to be reasonable. Above \$30,000/ton.
- Step 2: Adjust cost estimates to get close to an apples-to-apples comparison for EUs.
 - Bins 1 & 2. Adjust for basic factors (PSEL, interest rate, useful life).
 - Bin 3. No further analysis. Unlikely to be cost effective.

After initial review, DEQ ruled out control devices that:

- a) Cost of control was greater than \$10,000 per ton, after adjustment to current prime rate (3.25%),¹ 30 year lifetime, and emissions at PSEL, or
- b) Provided an emissions reduction (using emissions at PSEL) of less than 20 tons/year.

DEQ staff selected 43 emissions units at 17 facilities for additional review for a total of 62 control devices.

DEQ found no emissions units and control devices at your facility met the criteria for further analysis as outlined above.

DEQ appreciates your commitment to protecting air quality and improving visibility in Oregon's National Parks and Wilderness Areas. If you have any questions about the content of this letter or need technical assistance, please feel free to contact D Pei Wu, PhD, at wu.d@deq.state.or.us or 503-229-5269.

Sincerely,



Ali Mirzakhali
Air Quality Division Administrator
Oregon Department of Environmental Quality

Cc: Karen Williams
D Pei Wu, PhD
Joe Westersund
Michael Orman
Kenneth Hanna
Mark Bailey

¹ Per EPA Cost Control Manual, pages 14-17: https://www.epa.gov/sites/production/files/2017-12/documents/epaccmcostestimationmethodchapter_7thedition_2017.pdf