

Date: May 17, 2021

To: Environmental Quality Commission

From: Richard Whitman, Director

Subject: Item H: Director's Report (Informational)
May 20, 2021, EQC meeting

1. Agency Rulemaking Updates

1.1 Regional Haze (Air Quality)

The Department of Environmental Quality (DEQ) continues to make progress on the state's Regional Haze Plan updates. DEQ has begun formal consultation with the federal land managers on proposed changes to the State Implementation Plan (SIP) to implement the next phase of the regional haze program, and has met with a fiscal advisory committee in May to review the impacts of draft rules and proposed controls. Public comment for the rules will begin in late May and the proposed rules will be brought to the commission for consideration in July. A final SIP revision is scheduled to be brought to the commission for consideration in September. DEQ continues to meet with industry to discuss control options.

1.2. Hazardous Waste Program's Federal Rule Alignment (Land Quality)

The U.S. Environmental Protection Agency (EPA) authorizes DEQ to operate the federal Resource Conservation and Recovery Act (RCRA) hazardous waste program in Oregon. DEQ must periodically review and adopt new or amended federal rules to retain this federal authority. DEQ last updated its rules in July 2017. In that rulemaking, DEQ incorporated by reference most federal rules enacted through June 30, 2015.

In the 2021 rulemaking, DEQ proposes to align its hazardous waste rules with the federal rules. DEQ will do this by incorporating new federal rules that have not been previously adopted into Oregon rules. These changes will enable DEQ to request EPA to continue the authorization for DEQ for the RCRA hazardous waste program. To ensure DEQ issues appropriate civil penalties for non-compliance with the rules, DEQ is also including proposed changes to Division 12 enforcement rules with this rulemaking.

The Hazardous Waste Rules Team, which includes staff from each region and headquarters, has met three times with the Hazardous Waste Rules Advisory Committee to gather feedback on the proposed rules and fiscal impacts. The team is now preparing the Public Notice Package and

plans to open the public comment period in July, with a request for commission action in late 2021.

Federal rules in this Hazardous Waste Program rulemaking are (mandatory federal rules are indicated with an asterisk (*)):

- Hazardous Waste Generator Improvements Rule*
- Management Standards for Hazardous Waste Pharmaceuticals and Amendment to the P075 Listing for Nicotine*
- Modernizing Ignitable Liquids Determinations
- Increasing Recycling: Adding Aerosol Cans to the Universal Waste Regulations
- Safe Management of Recalled Airbags
- Hazardous Waste Management System: User Fees for the Electronic Hazardous Waste Manifest System and Amendments to Manifest Regulations*
- Automated Export System: Hazardous Waste Export-Import Revision*
- Confidentiality Determinations for Hazardous Waste Export and Import Documents*
- Hazardous Waste Management System; Proposed Exclusion for Identifying and Listing Hazardous Waste

1.3. TMDL Rules (Water Quality). The Water Quality Division will report to the EQC at the July 2021 commission meeting on proposed rules that the department expects to begin a rulemaking on in the next couple of months. The proposed rule changes will allow the department and the commission to exercise existing statutory authority to consider and adopt TMDLs via a rulemaking process (in addition to adopting TMDLs by order). The intent of this rulemaking is to enable the EQC to decide significant policy issues in the TMDL program, particularly in regard to the temperature TMDL replacement project (the revision of 14 temperature TMDLs resulting from the removal of the natural conditions criteria from Oregon's water quality standard for temperature).

2. Laboratory

2.1. Inorganic Laboratory - Collaboration with Clean Water Services

The Inorganic Chemistry section at the DEQ laboratory is collaborating with the Clean Water Services Laboratory to develop, troubleshoot, and validate new analytical methodology. "Bioavailable aluminum" is the fraction of a water body's total aluminum concentration that contributes to aluminum's aquatic toxicity. Water quality criteria recently released by EPA include the option to calculate aluminum criteria based on bioavailable aluminum, with inputs from other parameters including pH and hardness. A group of researchers, which includes some faculty from Oregon State University, have proposed a draft analytical procedure as a way to measure bioavailable aluminum. Both DEQ and CWS have interest in this procedure for reasons associated with permit issuance, permit compliance, and water quality assessment. The two labs will be splitting samples collected throughout the spring and summer in order to compare results,

share experiences and observations, and work toward a method that will produce meaningful and reliable environmental data.

2.2. Additional Funding for HABS

As part of the legislative session, the DEQ laboratory received additional positions and funding for important work on the occurrence of harmful algal blooms across the state. [HB5042](#) approved an increase in funding in this current biennium (2019-21) to establish two permanent full-time positions for the sampling and testing of cyanotoxins in waterbodies. The positions include a Chemist 2 position to conduct lab testing and a Natural Resource Specialist 1 position to collect samples. Additional funds were also included to purchase a cyanotoxin analyzer as well as services and supplies. In addition to ongoing positions and associated services and supplies, DEQ anticipates that funding will be provided in 2021-23 for the one-time purchase of a nutrient analyzer for the laboratory. This investment is an important step to maintaining and enhancing the DEQ laboratory's ability to monitor cyanotoxins as well as investigate additional effects from the recent 2020 wildfires as it relates to HABS.

2.3. Harney County Groundwater Quality Monitoring Report

DEQ's laboratory released a [new report](#) in May that on groundwater quality in Harney County. The report is part of part of [DEQ's Statewide Groundwater Quality Monitoring Program](#).

DEQ sampled water from 91 residential, agricultural and monitoring wells in the county and detected 42 different chemicals, including bacteria, pesticides, metals and nutrients. Some of these chemicals naturally exist within water and others are potential contaminants. DEQ found that over half the wells sampled in Harney County had at least one contaminant above health standards. Arsenic, boron and bacteria were the most common contaminants above health standards.

DEQ shared individual water quality results with participating well owners, along with educational materials about EPA drinking water standards and well maintenance. Oregon does not have water quality regulations for private wells. Groundwater contaminants in drinking water wells could indicate that wells need repair or that there are nearby sources of contamination, such as nearby failing septic systems, fertilizers, manure or leaking underground storage tanks.

3. Air Quality Division

3.1. Triennial Air Toxics Emissions Reporting

In April, DEQ notified all Oregon Title V (99), ACDP Standard (138), and ACDP Simple (151) facilities of the triennial Air Toxics Emissions Inventory reporting requirement within the Cleaner Air Oregon Program rules. DEQ will provide the standardized reporting form to the facilities in mid-May, and the completed information must be submitted to DEQ by Sept. 1, 2021. For the reporting, facilities are asked to identify their emission units, annual activity and material usage for the 2020 operating year, and estimate their emissions of toxics air contaminants. DEQ will review and assemble the data for submission to EPA's National

Emissions Inventory in December. This report to EPA will be the first for Oregon that includes all of the Cleaner Air Oregon-regulated air toxics emissions from large point sources.

3.2. Oregon Clean Vehicle Rebate Program

The online portal for the Oregon Clean Vehicle Rebate Program launched April 29, 2021. The platform allows dealers and individuals to apply for the standard rebate. Users are able to track the progress of processing the rebate application, and submit all necessary records to receive their rebate online. We are excited for the efficiencies the online platform will bring for applicants and for DEQ. DEQ will phase-out the in-house processing of dealer rebates in May, and the Center for Sustainability, DEQ's selected third party contractor who developed the online platform, will become the processing entity for OCVRP in June 2021.

3.3. Wildfire Readiness

DEQ participated in a wildfire readiness briefing for Governor Brown on May 3. The forecasts for the 2021 wildfire season look similar to last year, and DEQ and our partner agencies are prepared to perform our key functions to support people in Oregon. DEQ is working towards upgrades of the AQI to ensure the public has reliable access to this key online resource. We have also completed updates to our Smoke Blog to allow for a more seamless transition from a desktop to mobile platform. We have completed pre-season dry-runs of our Severe Wildfire Smoke procedures, and our partners are prepared to participate in those calls. Finally, we have expanded the translation of key press releases and media information on air quality advisories to Spanish, and have the capability to complete additional translations when needed.

3.4. Diesel Strategy Updates

In January 2021, staff briefed the commission on the agency's main strategic directives for reducing diesel engine emissions. At the commission's request, DEQ has prepared a follow-up document, included here as Attachment A, which summarizes rulemakings and program activities designed to support each strategy.

4. Land Quality Division

4.1. Underground Storage Tank Program (Hazardous Waste and Tanks Program)

EPA's Underground Storage Tank (UST) and Leaking Underground Storage Tanks (LUST) Prevention Program provides funding to DEQ for compliance inspections and outreach to owners and permittees with underground storage tanks. The LUST Prevention grant is funded by the LUST Trust Fund, which is funded through a 0.1¢ per gallon levy on gasoline. The UST grant features less strict requirements on allowable activities, and is funded through appropriations.

COVID-19 halted DEQ's Tanks inspection program for most of 2020, and our inspectors have not yet returned to the field. Rather than lose this important revenue source, the UST program worked closely with our program officer in EPA Region 10 to identify work that was eligible for grant funding, which is helping us modernize the UST program. Thanks to this partnership, the

UST program prepared thousands of pages of public records for scanning and uploading, which will make the 30+ year history of tanks facilities in Oregon available to anyone with an internet connection. We are also engaged in auditing the content of the UST operator training offered by independent companies in Oregon. This training is mandated by federal law, and DEQ's audit will ensure it covers important new testing requirements for UST systems.

4.2. Food Waste Reduction - Major Milestone Accomplished

The Pacific Coast Collaborative is an international governmental agency group that includes the governments of British Columbia, Washington, Oregon and California. Oregon DEQ represents the State of Oregon on the Food Waste Subcommittee. In March 2021, the Pacific Coast Collaborative recruited [Food Northwest](#) to join the [West Coast Voluntary Agreement to Reduce Wasted Food](#) with the goal of cutting food waste in half by 2030. Food Northwest, based in Portland, is one of the nation's largest food processing trade associations, with 150 processor members and over 350 suppliers.

This announcement opens the door for manufacturers based in Washington and Oregon to reduce food loss and waste in their operations. In 2018, Governor Brown joined with leaders in the other Pacific Coast Collaborative jurisdictions to commit Oregon to that 2030 goal, which was included in the Governor's recent Executive Order 20-04, issued March 10, 2020.

4.3. City of Portland Low Carbon Concrete Initiative

DEQ's Materials Management program is playing a central role in helping the City of Portland develop and implement a new low carbon concrete initiative. This initiative leverages DEQ's existing work and relationships with concrete companies, which includes both technical and financial support.

In early 2020, Portland's Sustainable Procurement Program brought together the Portland Bureau of Transportation, the city's Materials Testing Lab, two minority-owned and/or small-business certified sidewalk contractors, two concrete producers, and DEQ to test low-carbon concrete mixes on sidewalk ramps. Overall, the low-carbon mixes met the city's concrete performance specifications, were well-received by the concrete finishers, and were cost-neutral or less expensive than traditional mixes, all while reducing the carbon footprint of an average sidewalk ramp by 23 to 34 percent. [DEQ recently published the report for these mixes, here.](#) After the success of this pilot project, the City of Portland has started four additional pilot projects, which also inform the next phase of the initiative: establishing maximum global warming potential thresholds for concrete used on city construction projects. DEQ is assisting in this phase through data collection and analysis to develop initial recommendations for global warming potential thresholds for different concrete strength classes.

5. Eastern Region

5.1. Umatilla Chemical Depot (Hermiston, Umatilla County)

DEQ continues to work with EPA, the U.S. Army and other stakeholders on the closure, cleanup and property transfer of the Umatilla Chemical Depot. The Army opened the depot in 1941 and used it for the storage, maintenance, and eventually deactivation and disposal of munitions and chemical weapons. EPA placed the site on the Superfund National Priorities List in 1989 due to soil and groundwater contamination. The Army began destruction of chemical agents stored at the depot in 2004 and completed destruction in 2011.

In 2012, the depot formally closed, and the Army declared the property as surplus. The western half of the property was transferred to the National Guard Bureau, which leased it to the Oregon Military Department (OMD) to operate as a training facility in 2017. The eastern half of the property will be transferred to the Cascade Development Authority, a local redevelopment authority. DEQ terminated the hazardous waste permit for the operation of the disposal facility in 2017. However, the facility maintains a hazardous waste storage permit, which will remain in effect until cleanup work is fully complete.

In April 2020, after several years of legal review, DEQ and the OMD finalized an agreement documenting institutional controls at the site, which facilitated transfer (via a Class 2 permit modification) of the hazardous waste storage permit from the Army to OMD until EPA and DEQ determine that the site meets defined safety parameters, and the environmental cleanup oversight can be terminated.

5.2. Chemical Waste Management upcoming permit modification (Arlington, Gilliam County)

Chemical Waste Management, known as CWM, has notified DEQ it is seeking to modify its Arlington landfill permit to add a new disposal unit that would expand its capacity to properly dispose of hazardous waste as well as emerging chemicals of concern. The facility has an existing landfill unit that accepts this kind of waste, but CWM anticipates needing additional capacity.

Much of the waste would arrive in the form of contaminated soil from large-scale cleanup operations occurring at former industrial sites including Superfund sites, firefighting training centers, and military sites. Contaminants would include [PFAS](#), a component of some firefighting foams and many consumer and other goods.

The facility would build the landfill unit to the same hazardous waste specifications as its existing units, including a triple-lined system that protects against groundwater contamination. When DEQ receives the permit modification application, anticipated in May or June, DEQ will complete an initial analysis in relation to DEQ and EPA hazardous waste requirements and Oregon environmental laws and regulations prior to beginning public engagement.

CWM will hold a public information meeting along with DEQ, and DEQ will request comments on the permit application. DEQ will review the comments and draft a proposed decision on the permit modification application. Once the proposed decision is drafted, DEQ will hold a public hearing and request comments. Additional information and current updates are available on [DEQ's CWM webpage](#).

5.3. Perennial Wind Chaser (Hermiston, Umatilla County)

Perennial Wind Chaser is a proposed natural gas facility near Hermiston in Umatilla County. The facility has a construction stormwater permit from DEQ, and would also need an air quality permit before operating.

In November 2020, DEQ issued a \$4,800 penalty to Perennial Wind Chaser for failing to obtain a stormwater permit before beginning construction of a road. The facility subsequently obtained a stormwater permit. In April, DEQ issued the facility a pre-enforcement notice for violations of the permit. DEQ's Office of Compliance and Enforcement is currently investigating the case. Over the past several months, the facility has been in news because of uncertainty about the status of the future of the project and its site certificate from the Energy Facility Siting Council. In April, Perennial Wind Chaser sent a letter to Multnomah County Circuit Court [saying it would not be moving forward with the project](#). However, on May 1, the [East Oregonian reported](#) the developer is reviewing an offer from a potential buyer who expressed interest in continuing the project.

6. Northwest Region

6.1. Air Quality Permit for NW Metals (Portland, Multnomah County)

On March 24, 2021, DEQ issued NW Metals' air quality permit for a metal shredder at its new location on N. Columbia Boulevard, imposing operating limits and giving DEQ regulatory oversight for the shredder's operations. Under the permit, NW Metals must limit the number of hours it operates its shredder, implement additional operational requirements, and monitor site conditions to report regularly to DEQ.

On April 23, 2021, DEQ staff inspected the facility in response to an anonymous complaint and found no violations on site. However, NW Metals has failed to submit its fugitive dust control plan and photo of the hour meter for the Shredder #2 engine. These violations have been referred to the Office of Compliance and Enforcement. While DEQ inspectors were on site, they did not observe additional violations or see any dust leaving the property.

6.2. Willamette Cove Upland Cleanup (Portland, Multnomah County)

On March 31, 2021, DEQ approved a final cleanup plan, called a Record of Decision, for the upland area of Willamette Cove, one of the sediment management areas in the Portland Harbor Superfund project. DEQ's action follows a six-month public comment period on the recommended cleanup plan, and the review and consideration of public comments received.

All of the potential remedies would have been protective of human health and the environment, based on the property owner's (Portland Metro) planned future use of the site as a nature area with public access.

The main elements of the final cleanup plan include:

- Remove all soil with elevated levels of contamination, known as hot spots, above established human health exposure criteria
- Remove all soil with metals above hot spot levels for plants and animal exposure
- Consolidate the remaining contaminated soil under an engineered cap
- Place at least one foot of clean topsoil across the entire upland area

DEQ has also incorporated a contingency remedy in the final cleanup plan to provide flexibility as Metro finalizes the specific elements of its future use of the property as a park. The contingency allows Metro to remove additional contaminated soil for offsite disposal at a waste facility. Metro is conducting a separate process to determine to what extent it may invoke this contingency.

6.3. Zenith Energy (Portland, Multnomah County)

Zenith Energy, an oil-shipping terminal in Northwest Portland, has two pending permit applications with DEQ: renewal of a Title V Air Quality Permit and a new 1200-C construction stormwater general permit for construction of new improvements at the facility to handle transloading and storage of renewable fuels. DEQ previously determined that the Land Use Compatibility Statement the City of Portland issued on Jan. 18, 2005, was insufficient to satisfy the LUCS requirement for either of the two applications, and requested that Zenith provide a new LUCS to support each of its permit applications. DEQ informed Zenith that the agency could not process the applications without a new LUCS.

On March 11, 2021, DEQ received a petition for reconsideration from Zenith regarding DEQ's requirement of a new LUCS. DEQ has denied the petition.

Zenith did provide a new LUCS from the City of Portland for the requested construction stormwater permit. DEQ determined that the LUCs for that activity is adequate for the construction stormwater permit, but that the new LUCs fails to address the activities contemplated under the air quality permit renewal.

DEQ has provided Zenith until May 31, 2021, to provide a LUCS approved by the City of Portland that supports the activities proposed in its Title V Air Quality Permit renewal request. If no additional information is received, DEQ may proposed to deny Zenith's Title V permit renewal application.

6.4. Owens-Brockway permitting update (Portland, Multnomah County)

Owens-Brockway Glass Container (Owens Brockway) has operated a glass container manufacturing facility in NE Portland for over 60 years and operates under the conditions of a

Title V Air Quality Operating permit from DEQ. The facility was “called-in” to the Cleaner Air Program in 2019, which means they started the process of submitting information to DEQ regarding their air toxics emissions. DEQ has worked with the facility to obtain emissions information, stack testing results, and plans for conducting their risk assessment. The next step is for the facility to submit their risk assessment, which will detail the facility’s toxics emissions, as well as assessment regarding compliance with EPA’s Regional Haze and National Ambient Air Quality Standards. DEQ continues to work with the facility, the Cully community, and EPA as we work through next steps in the Cleaner Air Oregon process and the company’s Title V permit.

7. Western Region

7.1. Jordan Cove (Coos County)

The Jordan Cove Energy Project had indicated in recent court filings that they have put their project on pause, due to recent FERC decisions. Jordan Cove has not formally notified DEQ of any intent to withdraw currently pending applications, but has verbally indicated their intent to withdraw Air Quality Program permit applications for the North Spit facility and Malin Compressor Station.

7.2. Philomath methane concern (Benton County)

DEQ is working with Millpond Crossing LLC, the developer of Millpond Crossing, a subdivision at the former Philomath Mill site, to further investigate methane gas found near homes.

Millpond Crossing is building homes on the former Philomath Mill site, which included two large wood waste-filled log ponds. The developer has already built about 60 homes and has plans for 169 in total. The former sawmill operated under various names between 1955 and 1998, and had two large log ponds. The ponds were filled with wood waste and rock during the 1980s. DEQ is requiring a thorough investigation to determine if decaying organic material within the former log ponds are generating gases, including methane. High levels of methane can be a safety hazard and a public health risk, and may require mitigation for certain uses of sites, including residential development.

7.3. Riverbend Landfill update (Yamhill County)

In response to comment and questions from neighbors of Riverbend Landfill at the March 2021 EQC meeting, DEQ prepared the following summary information about the landfill, its compliance history and permit status.

Riverbend Landfill is three miles southwest of McMinnville. It has been in operation since 1982. Waste Management has owned and operated the landfill since 1998. The landfill covers 87 acres of a 700-acre property. The company proposed expanding the landfill by 29 acres but does not have land use approval to do so.

Solid Waste Disposal Site Permit No. 345

- Waste Management submitted a solid waste permit application with DEQ for a 29-acre expansion in 2015. DEQ did not issue the expansion approval because related local land use approvals were challenged by Stop the Dump Coalition. The solid waste permit process requires a new land use compatibility statement for the proposed expansion.
- The land use case went through an appeal process, and was remanded to the Land Use Board of Appeal (LUBA) by the Oregon Supreme Court in February 2019.
- Subsequently, based on LUBA's November 2019 action, Waste Management asked Yamhill County to reconsider the land use decision, and Yamhill County took public comment on the land use decision with a public hearing on Aug. 6, 2020. (<https://www.co.yamhill.or.us/content/public-hearing-notices>). On Aug. 21, 2020 Yamhill County published findings supporting the rejection of Waste Management's reconsideration request.
- On Sept. 16, 2020, DEQ denied Riverbend's April 23, 2015, permit modification. This was based on the court and county actions on the land use approvals for the proposed modification/expansion.
- Waste Management appealed Yamhill County's decision to LUBA. On April 9, 2021, LUBA affirmed Yamhill County's decision. <https://www.oregon.gov/luba/Docs/Opinions/2021/04-21/20093.pdf>
- At this time, it is not known if Waste Management will appeal this decision to the Court of Appeals.
- The solid waste permit expired Dec. 1, 2009, and is administratively extended. Renewing the permit has been on hold pending a land use decision on the 2015 permit modification application.
- Waste Management previously estimated a remaining capacity/lifespan of 2.5 years. Financial assurance annual update documents submitted on April 8, 2021, state a remaining lifespan of 8.7 years as of Jan. 1, 2021. This is based on 200 tons per day, which was the approximate waste flow in 2019 and 2020. Waste flow was approximately 2,000 tons per day prior to 2017; however, Waste Management has reduced the waste flow substantially.
- OAR 340-094-0100 (1) (a) requires the permittee to apply for a closure permit at least five years prior to the closure of a municipal solid waste landfill.
- DEQ is evaluating the solid waste permit and Waste Management operation, and whether to require a closure or renewal permit.
- DEQ issued two Solid Waste program pre-enforcement notices to Riverbend Landfill within the past four years, both for leachate releases to unlined portions of the site. These releases occurred in September 2017 and April 2020. DEQ followed up on these releases with formal enforcement actions, issuing an \$8,400 civil penalty in January 2018, which was finalized in a negotiated settlement agreement where Riverbend paid a \$7,200 penalty. In April 2021, DEQ issued a \$9,600 civil penalty for the most recent release and

settled with Riverbend for a penalty of \$8,400. That settlement agreement allows for Riverbend to apply to spend up to 80 percent of the settled penalty on an approved Supplemental Environmental Project, which provides environmental benefit through conservation, mitigation or restoration projects, and pay the remaining percentage of the civil penalty. The site is currently in compliance.

Air Quality Title V Operating Permit No. 36-0011-TV-01

- DEQ conducted a nuisance odor survey at Riverbend Landfill from December 2016 to December 2017. EPA also has inspected the landfill.
- EPA conducted inspections using a thermal camera on Oct. 3, 2017, and May 25, 2018. On Dec. 18, 2018, EPA sent an information request to Waste Management, asking for details about design and operation at Riverbend Landfill. Based on the findings from the inspection, EPA issued a Notice of Violation on Jan. 27, 2020. The violations included Waste Management's failure to properly monitor in areas where visual cues indicated potentially elevated emissions, failure to ensure monthly cover integrity, failure to comply with good air pollution control practices and failure to monitor a well monthly.
- Waste Management responded to EPA's notice of violation and objected to the findings, except for failure to monitor the well.
- On Dec. 24, 2018, DEQ received a letter from Waste Management that it did not complete the monthly inspections of two gas wells between October 2016 and October 2018. DEQ issued a warning letter on Feb. 27, 2019. After further review, this violation was reclassified as a high priority, class I violation. DEQ rescinded the warning letter and replaced it with a pre-enforcement notice on Oct. 11, 2019. DEQ subsequently referred this violation to EPA as part of that agency's ongoing enforcement action with Riverbend.
- EPA has asked DEQ about the possibility of incorporating items in the federal Consent Order into the facility's DEQ air quality permit. DEQ will consider this request after reviewing the Consent Order.
- On Dec. 1, 2020, Riverbend Landfill submitted a minor modification application to replace a candlestick flare with an enclosed flare and to modify the theoretical landfill gas generation and collection rates. DEQ issued the permit modification April 15, 2021, after review by EPA.
- Waste Management is required to hold a semiannual community meeting per its air quality permit. The last meeting was held April 28, 2021; the next meeting is scheduled to be held in October 2021.
- DEQ issued Riverbend Landfill's Title V permit Oct. 20, 2015, with an expiration date of April 1, 2020. The Federal Clean Air Act and Oregon Administrative Rules allow facilities to continue operating past the permit's expiration date if the company files a complete and timely permit renewal application. Riverbend Landfill filed a renewal application on March 15, 2019, which is considered a timely application for these rules.

- DEQ is considering the renewal application. The proposal will be placed on public notice and a public hearing will be held along with an opportunity for comments.
- EPA regulations triggered by Riverbend's vertical expansion construction in July 2017, and EPA's revised NESHAP Subpart AAAA, *Municipal Solid Waste Landfills Residual Risk and Technology Review*, will be incorporated into the review of the proposed permit renewal.
- DEQ is currently developing a proposed Landfill Gas Emission Rule to reduce methane emissions from landfills. If the rules are adopted by the EQC, any applicable requirements will be incorporated into Riverbend's air quality permit.

Clean Diesel Strategy – Progress Report

In January 2021, DEQ briefed the commission on three strategies for reducing diesel engine emissions.

1. Replace and Retire the Oldest Diesel Engines
2. Adopt Newer and Cleaner Technologies
3. Support Truck Owners and Operators Upgrade Their Fleets

These strategies are designed to address the many sources of diesel engine emissions, and to upgrade the legacy fleet while ensuring future generations of trucks and equipment are as clean as possible.

In addition to the three strategies, DEQ is focused on two other goals in this work:

- Considering environmental justice in policy design and program implementation; and
- Ensuring that noncompliance (specifically, tampering with emissions controls on diesel trucks) does not undermine our progress. As discussed in January, a report released in November 2020 by EPA found that nearly 12% of all diesel pickup trucks in Oregon have tampered or removed emissions controls. This leads to an estimated 17,841 tons of additional nitrogen oxides and 169 tons of particulate matter in Oregon every year.

The table below provides a status update on the various rulemakings and program activities designed to support each strategic directive.

Replace and Retire the Oldest Diesel Engines	
<u>Action</u>	<u>Description and status</u>
Medium- and Heavy-Duty retrofit rulemaking	Rules to establish allowable retrofit technologies for compliance with HB 2007 Rules are open for public comment. Staff will bring proposed rules for EQC consideration in July 2021.
Clean Diesel Construction Standards	Model contract specification requiring use of clean diesel equipment in large public works projects. Staff delivered model standards to state contract agencies in April. DEQ will advise ODOT as they adopt Clean Diesel Construction Standards in rule.
Voluntary Emissions Labeling Program Rulemaking	Rules for a voluntary labeling program for diesel construction equipment. This work was delayed until late 2021 due to budget reductions during the pandemic. DEQ is now hiring staff for this program.
Backup Diesel Generator General Permit Update	Update the general permit for large stationary diesel generators. Staff are meeting with stakeholders to discuss updates that would clarify and strengthen the permit.
Adopt Newer and Cleaner Technologies	
<u>Action</u>	<u>Description and status</u>
Medium- and Heavy-Duty ZEV multistate strategy	Oregon signed a multi-state MOU to advance adoption of Zero Emission Medium and Heavy-Duty vehicles. Staff are finalizing the multi-state action plan. DEQ staff will brief the commission on the Action Plan in July 2021.

Advanced Clean Trucks Rulemaking	Regulations requiring manufacturers to sell Zero-Emissions Medium- and Heavy-Duty trucks in Oregon. Staff will brief the commission on this rulemaking in May 2021, initiate formal rulemaking proceedings in Summer 2021 and expect to bring proposed rules to the Commission in November 2021.
Low-NOx Omnibus Rulemaking	Regulations strengthening NOx emissions standards for new heavy-duty diesel trucks. Staff will brief the commission on this rulemaking in May 2021, initiate formal rulemaking proceedings in Summer 2021 and expect to bring proposed rules to the Commission in November 2021.
Alternative Fuels Study	A survey of diesel truck owners and operators to identify barriers for adoption of alternative fuel technologies, with a focus on infrastructure needs. Staff began survey work in early 2021 and have received over 200 responses. Staff will summarize survey results and report on this work in late 2021.
Clean Fuels Program Electricity Rulemaking	Modification to the Clean Fuel Program to accelerate the credit generation from electric vehicles. The EQC adopted rules at their March 2021 meeting. The Program is now implementing the rules.
Clean Fuels Program Extension and Expansion	Extending and expanding the Clean Fuels Program to achieve at least a 25% reduction in transportation fuel carbon intensity by 2035. DEQ and its consultants have conducted studies to identify compliance scenarios and associated public health benefits. DEQ briefed stakeholder on preliminary modeling results in April.

Support Truck Owners and Operators Upgrade Their Fleets

<u>Action</u>	<u>Description and status</u>
Volkswagen Grant Program Rulemaking	Adopt rules governing grant program for diesel truck owners and operators. EQC adopted proposed rules at its January 2021 meeting. Staff are now preparing for the initial grant cycle for the Summer of 2021.
CMAQ Grant Administration	DEQ staff are working with ODOT (CMAQ funding administrator) to streamline the administration of these funds to increase their availability and impact.
Legislative Task Force on Incentives	DEQ staffed a legislative task force convened to identify revenue options for long-term clean diesel incentives. The Task Force published their final report in January 2021. The report identified four potential revenue-raising concepts and made recommendations about grant administration and priorities.

2021 Legislative Update – Diesel bills

At the January 2021 EQC meeting, staff previewed proposed legislation focused on reducing diesel engine emissions. The table below is a status update on the diesel-related bills

HB 2814	<p><u>Description:</u> Initial draft directed EQC to adopt a rules and a program for regulating indirect sources of air pollution. Current draft directs DEQ to conduct a comprehensive study of approaches to regulating indirect source of diesel engine exhaust.</p> <p><u>Status:</u> The bill passed out of its initial committee, and is awaiting a public hearing in the Joint Ways and Means Natural Resources Subcommittee.</p>
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HB 2479	<p><u>Description:</u> Directs DEQ to develop an emissions inventory of black carbon and report to the legislature on strategies to mitigate key sources of black carbon (likely to be diesel engines and residential wood combustion).</p> <p><u>Status:</u> The bill passed out of its initial committee, and is awaiting a public hearing in the Joint Ways and Means Natural Resources Subcommittee.</p>
HB 2674	<p><u>Description:</u> Proposes four new revenue sources to raise revenue for the Clean Diesel Engine Fund. This bill was a follow-on from the Joint Legislative Task Force on Clean Diesel Incentives.</p> <p><u>Status:</u> The bill did not pass out of committee before the first deadline.</p>
HB 3305	<p><u>Description:</u> Bans the sale of petroleum diesel in Oregon by region over time. Implicitly, the bill would require the sale and use of bio and renewable diesel.</p> <p><u>Status:</u> The bill is awaiting its first public hearing in the Joint Committee on Transportation.</p>
HB 2184	<p><u>Description:</u> Directs DEQ to develop a revolving loan fund for electric transit and school busses.</p> <p><u>Status:</u> The bill is awaiting its first public hearing in the Joint Committee on Transportation.</p>