



Oregon Department of Environmental Quality

Rulemaking Overview

2023 Climate Rulemaking

March 2, 2023

Overview

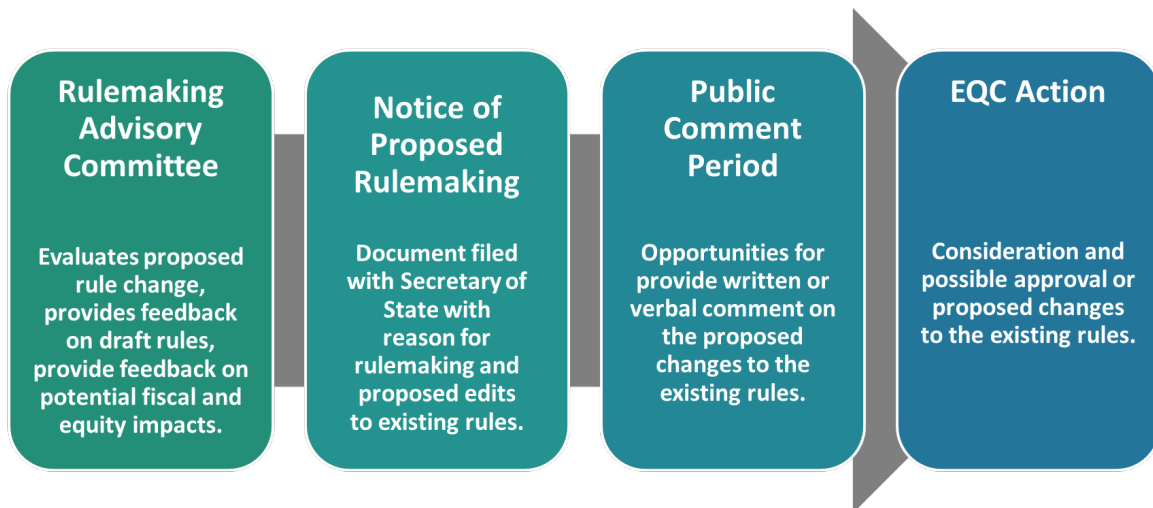
The 2023 Climate Rulemaking is a joint rulemaking for DEQ's Office of GHG Programs Greenhouse Gas Reporting Program ([OAR 340, Division 215](#)), Climate Protection Program ([OAR 340, Division 271](#)), and Third Party Verification ([OAR 340, Division 272](#)). DEQ is holding a joint rulemaking due to the interconnectedness of these three programs.

The primary purpose of this joint rulemaking is to propose a variety of clarifications to program requirements and explore a more limited number of policy adjustments. The rulemaking will incorporate process improvements and technical clarifications for regulated companies while continuing to support the goals of these three programs. DEQ is considering changes to the existing rules to:

- Improve the quality of collected emissions data.
- Clarify reporting and applicability requirements for regulated entities.
- Better align and simplify notification requirements for regulated entities.
- Clarify and potentially adjust CPP requirements around potential compliance pathways.

Rulemaking process and timeline

The Environmental Quality Commission is the rulemaking body that considers and adopts proposed rules. DEQ is responsible for proposing rules for EQC consideration and conducting a rulemaking process that adheres to the states' requirements.

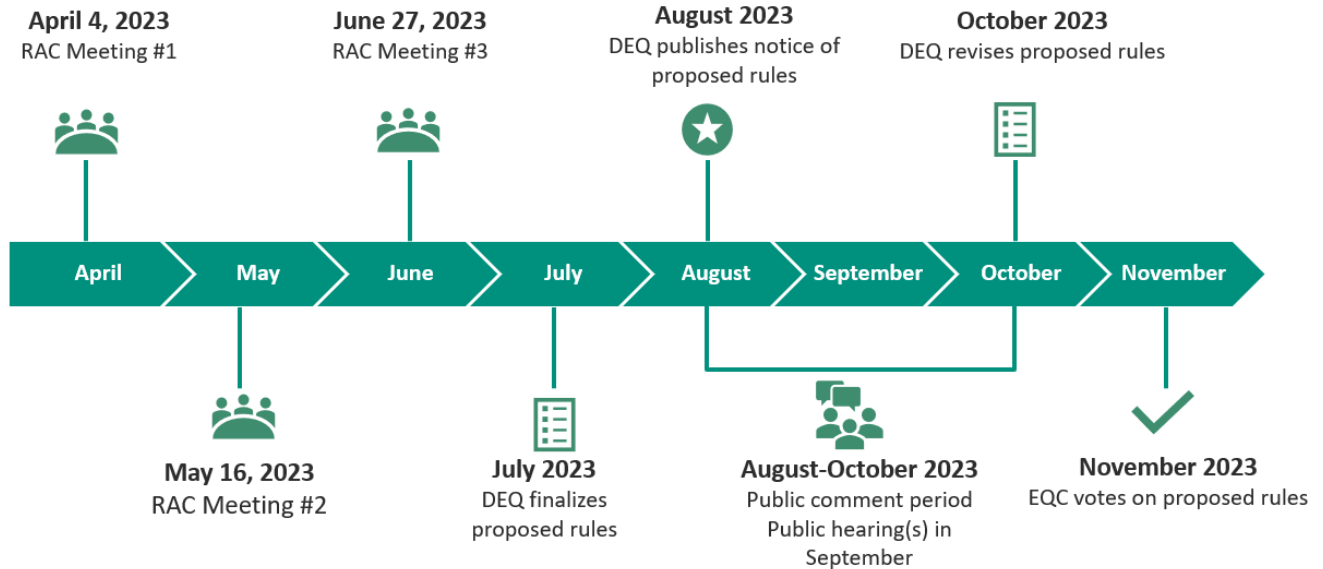


DEQ is convening a rulemaking advisory committee to provide staff with diverse perspectives on the proposed rule changes. Advisory committee members will review draft rule language and provide feedback on any potential fiscal and equity impacts of proposed changes.

There will be many opportunities for public comment and engagement throughout the rulemaking process. Public comment will be requested at each advisory committee. In addition to this engagement, DEQ may also hold additional targeted stakeholder meetings, such as with community-based organizations or organizations

with specific technical expertise. There will also be a public comment period following the publication of the notice of proposed rulemaking.

2023 Climate rulemaking proposed timeline



Key rule changes to be considered and anticipated meeting dates

The following summarizes key rule changes to be considered and the anticipated RAC meeting date for each topic.

1. Stationary Sources: RAC #1 (April 4, 2023)

- **CPP:** Clarify program goals for Best Available Emissions Reductions (BAER) approach.
- **CPP:** Clarifications to ensure BAER determination is included in issuance of permit modifications that trigger BAER.
- **GHG RP:** Corrections for reporting emissions from foam blowing.

2. Fuel Suppliers: Natural Gas Utilities: RAC #1 (April 4, 2023) and RAC #2 (May 16, 2023)

- **GHG RP:** Added specificity on requirements for natural gas suppliers to report supply of renewable natural gas/biomethane. (RAC #2)
- **TPV:** Enhancing/clarifying verification requirements for biomethane. (RAC #2)
- **GHG RP:** Additional requirements on reporting and claiming hydrogen (e.g., feedstocks/processes to manufacture it). (RAC #2)
- **CPP:** Clarifying exempt and covered emissions for natural gas utilities included in the 2022 Climate Protection Program temporary rule. (RAC #1)

3. Fuel Suppliers: Liquid fuels and Propane: RAC #3 (June 27, 2023)

- **GHG RP:** Updates for clarification of position holder.
- **GHG RP/ CPP:** Process improvements for reporting of related entities including potential consolidation across programs.

- **GHG RP/ CPP:** Process improvements and clarification on notification requirements for ownership changes including opportunity for consistency.
 - **CPP:** Potentially revise compliance instrument distribution timeline to better accommodate reporting and implementation timelines.
 - **CPP:** Potentially consider how compliance instrument distribution or request for instruments from reserve incorporates newly covered fuels suppliers.
- 4. Electricity Suppliers: RAC #1 (April 4, 2023) and RAC #2 (May 16, 2023)**
- **GHG RP:** Clarifications for formula and language of multi-jurisdictional reporting methodology. (RAC #1)
 - **TPV:** Review reporting and verification applicability to support compliance with HB 2021. (RAC #2)
- 5. Across all Sectors: RAC #2 (May 16, 2023)**
- **TPV:** Aligning applicability requirements for entities subject to emissions reduction programs like CPP and HB 2021.
 - **TPV:** General modifications to correct or clarify requirements of the verification process such as adverse verification petitioning process.

More information

For more information, visit the [2023 Climate Rulemaking website](#) and the program websites for [Greenhouse Gas Reporting Program](#), [Climate Protection Program](#) and [Third Party Verification](#).

Translation or other formats

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800-452-4011 | TTY: 711 | deqinfo@deq.oregon.gov

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