



Oregon

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TO: Joint Committee on Ways and Means: Subcommittee on Natural Resources

FROM: Richard Whitman, Director, Department of Environmental Quality

RE: Follow-up to questions during March 7 hearing

Co-chair Frederick, Co-chair Witt and subcommittee members:

Below is information related to Representative Esquivel's questions we could not answer during the Mar. 7 Department of Environmental Quality budget hearing. Please let me know if you would like additional information.

Why are parts of the Medford metro area, like White City, outside the vehicle inspection program boundary, even though these cars drive into Medford?

The Rogue Valley vehicle inspection program was established in the mid-1980s to help correct and avoid future violations of federal air quality health standards for carbon monoxide and ozone. The program's boundary mirrors the nonattainment area boundary used to define all the significant sources of air pollution that contributed to violations of carbon monoxide, ozone, and fine particulate standards. The boundary was based on DEQ's analysis of motor vehicle travel that significantly contributed to air pollution within the Rogue Valley nonattainment area. This included looking at patterns of vehicles that travel within the nonattainment area as well as those which commute from outside areas. Based on this, most of the White City zip code (about 90 percent of 97503) is inside the Rogue Valley vehicle inspection boundary. In addition, the boundary includes the urbanized areas of Medford, Ashland, Eagle Point, Central Point, Jacksonville, Phoenix and Talent, as well as the intervening county area.

Why are older cars excluded from the Medford vehicle testing program if they emit more air pollution?

While it is correct that older model year vehicles typically have higher emissions, there are far fewer older vehicles on the road than there are newer vehicles. So, while individually older cars may cause more pollution than newer ones, collectively it is middle-age and newer models that cause most of the air pollution as they are driven more miles and in greater numbers. The average age of vehicles on the road today is about 12 years old. By testing vehicles 20 model years and newer in Medford, the program is helping ensure over 90 percent of the vehicles on the road are well maintained for clean and healthy air.

Focus on Water Quality Permitting



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Water Quality Permitting

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Background

Oregon has struggled for some time to keep up to date with the renewal of water quality permits for local governments and industry. The 2015 Oregon Legislature directed the Department of Environmental Quality to retain a consultant to carry out an independent evaluation of this part of the water program, and both identify the major causes of the delays, and provide recommendations for how to address them. After an extensive process engaging stakeholders, the consultant (MWH Americas) completed its report in December 2016.

Why a Backlog is a Problem

Some water quality permits have not been renewed since the 1980s, although most are substantially more recent. When a river or stream is not meeting water quality standards, and permits have not been renewed, the permits are still valid, but a facility can't be modified or expanded until the permit is formally renewed. More importantly, under these circumstances, wastewater discharges from new facilities can be extremely difficult if not impossible to allow. As the permit renewal backlog grows, it becomes both an economic and an environmental problem – with new clean water standards not addressed and economic development opportunities stifled.

Causes of the Backlog

The MWH Report identified the following major causes of the backlog:

- The lack of connection between new and modified water quality standards, water quality planning, and permits;
- The limited financial and technical capacity of some local governments and some industry;
- The complex and expensive nature of engineering and regulatory

solutions needed to comply with new requirements;

- The lack of strong, sustained and clear leadership by DEQ management, along with a decentralized organizational structure, resulting in a lack of accountability;
- The lack of data management systems necessary for efficient work on permit renewals;
- The division of staff responsibilities between permit writing, inspections, technical assistance, and compliance.

Key recommendations

The report recommends that DEQ:

- Clearly signal, both externally and internally, that this work is a top priority of agency leadership;
- Focus the work of permit writers on permits, and assign other functions to other staff;
- Develop one strong, experienced team of permit writers that is directed by a single, accountable, manager;
- Document what resources will be needed to put the program back on a long-term sustainable track, and develop strategies for how those resources will be secured;
- Develop a “tool box” of compliance strategies for permit renewals that aligns with water quality standards and clean water plans;
- Re-establish a close connection between standards, plans and permits;
- Acquire data management systems needed to make decisions on permit renewals;

- Commit to accountability and transparency.

DEQ, along with the Environmental Quality Commission, is firmly committed to addressing *all* of these recommendations. A central point of the report is that a comprehensive response is needed to solve this problem.

The report was also clear that we will not be able to turn this around without external support, DEQ needs the input and assistance of stakeholders to help develop specific parts of the program. This will be a multi-year project, and the backlog will not begin to diminish until a solid foundation for success is put in place.

Next Steps

DEQ is first laying the foundation for success. We are preparing a new engagement effort that will be task-oriented, and we are compiling information on specific permits in terms of their readiness for renewal, including the specific obstacles to renewal where they exist.

Other significant components of early work on this program are process improvement efforts, the identification of and planning for necessary data management systems, updating of guidance documents and permit templates, and finalization of changes to the agency's organizational structure.

Once these steps are completed, in late 2017 or early 2018, DEQ will assign a group of permit writers to a new, statewide section focused solely on renewing these permits. Other staff will handle compliance and enforcement efforts. The permit writers will also work closely with the existing policy group to ensure that permit tools are regularly updated.

DEQ may utilize additional outside resources to help in the early stages, and may use contractors to ensure that we meet our performance objective of issuing approximately 72 permit renewals each year.