

## HOUSE AMENDMENTS TO HOUSE BILL 2269

By COMMITTEE ON ENERGY AND ENVIRONMENT

April 17

- 1 On page 1 of the printed bill, line 2, delete “468A.025,”.
- 2 In line 3, after “468A.803” delete the rest of the line.
- 3 In line 4, delete “2007”.
- 4 Delete lines 9 through 24 and delete page 2 and insert:
- 5 **“SECTION 1.** ORS 468A.315 is amended to read:
- 6 “468A.315. (1) The fee schedule required under ORS 468.065 (2) for a source subject to the fed-
- 7 eral operating permit program shall be based on a schedule established by rule by the Environ-
- 8 mental Quality Commission in accordance with this section. Except for the additional fee under
- 9 subsection (2)(e) of this section, this fee schedule shall be in lieu of any other fee for a permit issued
- 10 under ORS 468A.040, 468A.045 or 468A.155. The fee schedule shall cover all reasonable direct and
- 11 indirect costs of implementing the federal operating permit program and shall consist of:
- 12 “(a) An emission fee per ton of each regulated pollutant emitted during the prior calendar year
- 13 as determined under subsection (2) of this section, subject to annual fee increases as set forth in
- 14 paragraph [(d)] (e) of this subsection. The following emission fees apply:
- 15 “(A) \$27 per ton emitted during the 2006 calendar year.
- 16 “(B) \$29 per ton emitted during the 2007 calendar year.
- 17 “(C) \$31 per ton emitted during the 2008 calendar year and each calendar year thereafter.
- 18 “(b) Fees for the following specific elements of the federal operating permit program:
- 19 “(A) Reviewing and acting upon applications for modifications to federal operating permits.
- 20 “(B) Any activity related to permits required under ORS 468A.040 other than the federal oper-
- 21 ating permit program.
- 22 “(C) Department of Environmental Quality activities for sources not subject to the federal op-
- 23 erating permit program.
- 24 “(D) Department review of ambient monitoring networks installed by a source.
- 25 “(E) Other distinct department activities created by a source or a group of sources if the com-
- 26 mission finds that the activities are unique and specific and that additional rulemaking is necessary
- 27 and will impose costs upon the department that are not otherwise covered by federal operating
- 28 permit program fees.
- 29 “(c) A base fee for a source subject to the federal operating permit program. This base fee shall
- 30 be no more than the fees set forth in subparagraphs (A) to (D) of this paragraph, subject to increases
- 31 as set forth in paragraph [(d)] (e) of this subsection:
- 32 “(A) \$2,700 for the period of November 15, 2007, through November 14, 2008.
- 33 “(B) \$2,900 for the period of November 15, 2008, through November 14, 2009.
- 34 “(C) \$3,100 for the period of November 15, 2009, through November 14, 2010.
- 35 “(D) \$4,100 for the period of November 15, 2010, through November 14, 2011, and for each annual

1 period thereafter.

2 “(d) A specific activity fee to fund the investigation of complaints related to sources  
3 subject to the federal operating permit program. The specific activity fee shall be limited to  
4 a base amount of \$317 plus an additional amount equal to \$0.37 per ton of each regulated  
5 pollutant emitted during the prior calendar year as determined under subsection (2) of this  
6 section, subject to annual fee increases as set forth in paragraph (e) of this subsection.

7 “[d)] (e) An annual increase in the fees set forth in paragraphs (a) to [(c)] (d) of this subsection  
8 by the percentage, if any, by which the Consumer Price Index exceeds the Consumer Price Index  
9 as of the close of the 12-month period ending on August 31, 1989, if the commission determines by  
10 rule that the increased fees are necessary to cover all reasonable direct and indirect costs of im-  
11 plementing the federal operating permit program.

12 “(2)(a) The fee on emissions of regulated pollutants required under this section shall be based  
13 on the amount of each regulated pollutant emitted during the prior calendar year as documented  
14 by information provided by the source in accordance with criteria adopted by the commission or, if  
15 the source elects to pay the fee based on permitted emissions, the fee shall be based on the emission  
16 limit for the plant site of the major source.

17 “(b) The fee required by subsection (1)(a) of this section does not apply to any emissions in ex-  
18 cess of 4,000 tons per year of any regulated pollutant through calendar year 2010 and in excess of  
19 7,000 tons per year of all regulated pollutants for each calendar year thereafter. The department  
20 may not revise a major source’s plant site emission limit due solely to payment of the fee on the  
21 basis of documented emissions.

22 “(c) The commission shall establish by rule criteria for the acceptability and verifiability of in-  
23 formation related to emissions as documented, including but not limited to the use of:

24 “(A) Emission monitoring;

25 “(B) Material balances;

26 “(C) Emission factors;

27 “(D) Fuel use;

28 “(E) Production data; or

29 “(F) Other calculations.

30 “(d) The department shall accept reasonably accurate information that complies with the crite-  
31 ria established by the commission as documentation of emissions.

32 “(e) The rules adopted under this section shall require an additional fee for failure to pay, sub-  
33 stantial underpayment of or late payment of emission fees.

34 “(3) The commission shall establish by rule the size fraction of total particulates subject to  
35 emission fees as particulates under this section.

36 “(4) As used in this section:

37 “(a) ‘Regulated pollutant’ means particulates, volatile organic compounds, oxides of nitrogen,  
38 and sulfur dioxide; and

39 “(b) ‘Consumer Price Index’ has the meaning given in 42 U.S.C. 7661a(b), as in effect on June  
40 20, 2007.”.

41 On page 3, delete lines 1 through 7.

42 In line 8, delete “(1)(a)”.

43 After line 9, insert:

44 “**SECTION 2a.** (1) In addition to and not in lieu of any other fee required by law, an air  
45 contamination source that has been issued or that applies for a permit pursuant to ORS

1 468A.040 or 468A.310, which authorizes the source to emit air contaminants during the period  
2 beginning July 1, 2017, and ending June 30, 2018, shall pay to the Department of Environ-  
3 mental Quality a one-time supplemental fee as provided in subsections (3) and (4) of this  
4 section.

5 “(2) Supplemental fees collected under this section shall be deposited into the State  
6 Treasury to the credit of an account of the Department of Environmental Quality. Moneys  
7 deposited under this subsection are continuously appropriated to the department for the  
8 payment of expenses of the department and the Environmental Quality Commission in de-  
9 veloping and implementing, under ORS 468A.025 (4)(e), a program and rules to reduce the  
10 public health risks of emissions of toxic air pollutants from industrial sources.

11 “(3) The one-time supplemental fee required under this section for a source subject to  
12 the federal operating permit program established pursuant to ORS 468A.310 shall be a base  
13 amount of \$1,256 plus an additional amount equal to \$9.49 per ton of each regulated pollutant  
14 emitted during the 2016 calendar year as determined under ORS 468A.315 (2).

15 “(4) The one-time supplemental fee required under this section for a source subject to  
16 the following permitting requirements under ORS 468A.040 and rules adopted pursuant to  
17 ORS 468A.040 shall be as follows:

18 “(a) For a source subject to a permit regulating basic air contaminant discharges, a  
19 supplemental fee of \$68.

20 “(b) For a source subject to a permit regulating general, class I, air contaminant dis-  
21 charges, a supplemental fee of \$137.

22 “(c) For a source subject to a permit regulating general, class II, air contaminant dis-  
23 charges, a supplemental fee of \$246.

24 “(d) For a source subject to a permit regulating general, class III, air contaminant dis-  
25 charges, a supplemental fee of \$355.

26 “(e) For a source subject to a permit regulating general, class IV, air contaminant dis-  
27 charges, a supplemental fee of \$68.

28 “(f) For a source subject to a permit regulating general, class V, air contaminant dis-  
29 charges, a supplemental fee of \$23.

30 “(g) For a source subject to a permit regulating general, class VI, air contaminant dis-  
31 charges, a supplemental fee of \$46.

32 “(h) For a source that is subject to a permit regulating simple air contaminant dis-  
33 charges and that qualifies to pay a low fee under rules adopted by the Environmental Quality  
34 Commission under ORS 468.065, a supplemental fee of \$364.

35 “(i) For a source that is subject to a permit regulating simple air contaminant discharges  
36 and that qualifies to pay a high fee under rules adopted by the commission under ORS  
37 468.065, a supplemental fee of \$728.

38 “(j) For a source subject to a permit regulating standard air contaminant discharges, a  
39 supplemental fee of \$1,456.

40 “(5)(a) A source that has been issued, on or before the effective date of this 2017 Act, a  
41 permit under ORS 468A.040 or 468A.310 to emit air contaminants during the period beginning  
42 July 1, 2017, and ending June 30, 2018, shall pay to the Department of Environmental Quality  
43 the applicable supplemental fee required under this section no later than 30 days after the  
44 date of the invoice issued by the department for the supplemental fee.

45 “(b) If, on or after the effective date of this 2017 Act, a source submits an application to

1 the department for a permit under ORS 468A.040 or 468A.310 that, if issued by the depart-  
2 ment, would authorize the source to emit air contaminants during the period beginning July  
3 1, 2017, and ending June 30, 2018, the applicable supplemental fee required by this section  
4 shall accompany the application for the permit.

5 “(6)(a) Any rule adopted under ORS 468A.315 regarding late payment of emission fees  
6 shall apply to sources described in subsection (3) of this section in the same manner appli-  
7 cable to sources subject to the fee schedule adopted under ORS 468A.315.

8 “(b) Any rule adopted under ORS 468.065 (2) regarding late payment of emission fees shall  
9 apply to sources described in subsection (4) of this section in the same manner applicable to  
10 sources subject to the fee schedule adopted under ORS 468.065 (2) for permits issued under  
11 ORS 468A.040.

12 “(7) The Department of Environmental Quality may, in the manner provided in ORS  
13 468.070, refuse to issue, suspend, revoke or refuse to renew a permit issued under ORS  
14 468A.040 or 468A.315 for failure to comply with the provisions of this section.”.

15 In lines 38 through 40, restore the bracketed material.

16 In line 38, delete “(8)” and insert “(12)”.

17 In line 41, delete “(12)” and insert “(13)”.

18 In line 44, delete “(13)” and insert “(14)”.

19 In line 45, delete “(14)(a)” and insert “(15)(a)”.

20 On page 4, line 7, delete “(15)” and insert “(16)”.

21 In line 10, delete “(16)” and insert “(17)”.

22 Delete line 14 and insert:

23 “(18) ‘Scrap’ means to destroy, render inoperable and recycle.”.

24 In line 15, delete “(18)” and insert “(19)”.

25 In lines 42 through 44, restore the bracketed material.

26 In line 42, delete “(8)” and insert “(12)”.

27 In line 45, delete “(12)” and insert “(13)”.

28 On page 5, line 3, delete “(13)” and insert “(14)”.

29 In line 4, delete “(14)(a)” and insert “(15)(a)”.

30 In line 11, delete “(15)” and insert “(16)”.

31 In line 14, delete “(16)” and insert “(17)”.

32 Delete line 18 and insert:

33 “(18) ‘Scrap’ means to destroy, render inoperable and recycle.”.

34 In line 19, delete “(18)” and insert “(19)”.

35 On page 6, after line 29, insert:

36 “(3) The commission by rule shall establish standards for the methods of recycling used for  
37 scrapping a motor vehicle, nonroad piece of equipment or engine after a qualifying replacement or  
38 repower.”.

39 In line 30, delete “(3)” and insert “(4)”.

40 On page 7, after line 20, insert:

41 “(3) The commission by rule shall establish standards for the methods of recycling used for  
42 scrapping a motor vehicle, nonroad piece of equipment or engine after a qualifying replacement or  
43 repower.”.

44 In line 21, delete “(3)” and insert “(4)”.

45 Delete lines 40 through 42 and insert:

- 1 “(d) Any other moneys deposited in the fund from any source.”  
2 On page 9, after line 22, insert:  
3 “(E) Vehicles owned and operated by the federal government or a local government.”  
4 On page 10, delete lines 31 through 45 and delete page 11.  
5 On page 12, delete lines 1 through 14.  
6 In line 19, delete “14” and insert “13”.  
7 On page 13, delete lines 22 through 45.  
8 On page 14, delete lines 1 through 42.  
9 On page 15, line 1, delete “16” and insert “14”.  
10 In line 7, delete “17” and insert “15”.  
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