

February 12, 2018

Senate Committee on Environment and Natural Resources
Oregon Legislature
Via mail to: senr.exhibits@oregonlegislature.gov

Dear Senators,

The Boeing Company is pleased to offer this written testimony as part of the public hearing for Senate Bills 1541 and 1508. We have a long track record of environmental stewardship and we urge the Legislature to pass SB 1541 and reject SB 1508.

Boeing has had manufacturing operations in Oregon since 1974 and is committed to the health and welfare of our employees, our communities, and the natural environment. Our commitment is demonstrated, in part, by these noteworthy achievements at the Boeing Portland fabrication site in Gresham:

- 15 consecutive years of 100% compliance with our industrial wastewater discharge permit – the longest active compliance streak in the City of Gresham;
- In 2012, designed our chemical processing treatment center to Leadership in Energy and Environmental Design (LEED) Gold standards and our building expansion to LEED Silver standards;
- Recycling and reusing as much as 80% of tank line wastewater via our reverse osmosis system, thus reclaiming about 13 million gallons of water annually (this water would otherwise go to the publicly owned treatment works through the sanitary sewer); and
- Diverting more than 70% of our solid waste to energy recovery, keeping it out of the landfill.

In addition to our Boeing Portland fabrication facility, Boeing has a paint hangar at Portland International Airport (PDX) and subsidiary facilities in Troutdale (Aviall), Wilsonville (Jeppesen), and multiple locations in the Columbia River Gorge (Insitu). Combined, our 2,000-plus employees in Oregon paint commercial jetliners, test unmanned aircraft systems, and produce aerospace parts and software. Boeing spends approximately \$254 million each year with suppliers and vendors in Oregon and thus supports an additional 6,000 jobs indirectly. Our employees are connected to the communities in which they live and annually volunteer over 3,000 hours of their time to Oregon non-profit organizations, as well as funding projects through direct giving and the Boeing Employees Community Fund.

Our Oregon manufacturing facilities limit emissions through work practices, material specifications/limitations, and control devices, including best available and maximum achievable control techniques and technologies. We support standards that protect human health and the environment, while at the same time allow for the growth of our business and the state's economy as a whole. Some important elements of a well-designed air toxics program include:

- Recognizing that the control techniques and technologies required by federal major source National Emission Standards for Hazardous Air Pollutants (NESHAP) Maximum Available Control Technology (MACT) should be



considered Toxics Best Available Control Technology (TBACT) for any source or unit achieving those requirements.

- Acknowledging, as does the EPA, that effective and efficient emission control techniques and technologies include work practices, material specifications/limitations, and control devices
- Barring a requirement for control techniques or technologies beyond TBACT.
- Avoiding a ban on the construction or modification of stationary sources.
- Allowing risk evaluations to be based on ambient air monitoring to the maximum extent feasible.

Boeing does business in other states with robust and mature air toxics programs. The Oregon Department of Environmental Quality (DEQ) has proposed an area multi-source program that is unique among the state programs with which Boeing complies, and it is more restrictive.

Critically, DEQ's proposed area multi-source program:

- Imposes no limits on the size or number of a target areas;
- Appears to preclude development of any new or modified source within 1.5 km of a designated area if the proposed new or modified source could theoretically increase risk at all; and
- Does not allow any such proposed new or modified source to complete a risk reduction project to allow the project to proceed while offsetting the theoretical risk presented.

DEQ's proposed area multi-source program appears to put a moratorium on construction within designated areas without a clear mechanism for reducing risk from sources in the area.

Boeing is concerned with the area multi-source program as described in DEQ's proposed rule. Accordingly, Boeing is cautiously supportive of the legislature's efforts to rethink the proposed area multi-source program to ensure it does not needlessly stifle Oregon's economy.

Oregonians deserve both clean air and a healthy economy. Approximately 80% of air emissions in Oregon come from sources like home heating and on-road transportation, and less than 15% comes from industry. Although SB 1541 would create new costs on business, it would set well-considered health-protective benchmarks, provide agency resources, and afford a measure of regulatory certainty to many important regional employers, such as Boeing and its subsidiaries and suppliers. The legislative process brings a better-balanced approach to air quality considerations in Oregon. We urge the Legislature to pass SB 1541 and reject SB 1508.

Sincerely,

A handwritten signature in blue ink that reads "Steve Shestak". The signature is written in a cursive style and is followed by a long horizontal line that extends to the right.

Steve Shestak
Director, Environment
The Boeing Company