Oregon Department of Environmental Quality

2021 Supplemental Materials

Ways and Means

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AGENCY MISSION AND OVERVIEW

MISSION STATEMENT

DEQ's mission is to be a leader in restoring, maintaining and enhancing the quality of Oregon's air, water and land. DEQ carries out its mission in order to protect public health and the environment for all Oregonians.

STATUTORY AUTHORITY

DEQ administers federal and state laws designed to limit air, water and land pollution in order to protect public health and the environment. The U.S. Environmental Protection Agency (EPA) authorizes the agency to implement federal environmental programs in Oregon. This includes the federal Clean Air and Clean Water Acts, and the Resource Conservation and Recovery Act and Oil Pollution Act, which covers waste management and underground storage tank programs as well as spills of petroleum and hazardous substances. DEQ also works with EPA to implement the federal Superfund program – requiring cleanup of sites with significant contamination. In addition to its responsibilities under federal law, DEQ also implements state programs protecting public health and the environment including the Cleaner Air Oregon air toxics program, waste management and recycling, groundwater protection, greenhouse gas reduction programs, and environmental cleanup activities for smaller contaminated sites.

DEQ's major statutory authorities in the Oregon Revised Statutes are:

Chapter 448 — Operator Certification for Sewage Treatment Works
Chapter 453 — Hazardous Substances
Chapter 454 — Sewage Treatment and Disposal Systems
Chapter 459 — Solid Waste Control
Chapter 459A — Reuse and Recycling
Chapter 465 — Hazardous Waste and Hazardous Materials I
Chapter 466 — Hazardous Waste and Hazardous Materials II
Chapter 467 — Noise Control
Chapter 468 — Environmental Quality Generally
Chapter 468A — Air Quality
Chapter 468B — Water Quality
Chapter 475 — Illegal Drug Lab Cleanup

Federal and state laws are implemented through Oregon Administrative Rules (OARs) adopted by the Environmental Quality Commission. DEQ's rules are found in OAR Chapter 340, Divisions 11 to 180.

The EQC is a five-member citizen commission whose members are appointed by the governor, subject to confirmation by the Senate. The commissioners serve four-year terms at the pleasure of the governor. Commissioners may be reappointed but may not serve more than two consecutive terms. In addition to adopting rules, the EQC also approves the agency's request budget, establishes policy (subject to legislative mandate) and appoints the agency's director (ORS Chapter 468).

STRATEGIC GOALS

Over the next year, DEQ and the EQC are developing a new strategic plan for the agency. In the meantime, the following strategic goals guide the agency's actions, including development of its biennial budget request and reduction options, to ensure that they are in alignment with agency priorities.

- Improve the quality of Oregon's air, water and land resources over time to protect public health and the environment.
- Set standards that are protective of all Oregonians and the air, water and land resources that they depend on.
- Work with federal, state, local, private and community partners to meet standards in ways that are efficient, effective and fair and that recognize historic burdens that have been placed on communities of color and other underrepresented groups and places.
- Sustain a diverse, outcome-oriented workforce and culture.
- Provide ready access to information and services.
- Develop and maintain effective business practices.
- Support effective engagement by tribes, front line communities, business communities, and the public in policy decisions concerning Oregon's environment.

DEQ's headquarters is in Portland, with regional administrative offices in Bend, Eugene and Portland. Field offices are located in Coos Bay, Medford, Pendleton, Salem, The Dalles, and Klamath Falls. DEQ operates Oregon's environmental laboratory located in Hillsboro. The Vehicle Inspection Program operates in the Portland metro area, and in Medford, and includes a technical center and six inspection stations in the Portland area, and one inspection station in Medford.

Air Quality Program. DEQ carries out federal and state laws designed to ensure that all Oregonians are breathing healthy air, and that air quality is not harming our environment. DEQ monitors air quality across Oregon to ensure that it meets or exceeds national health-based standards. In the few areas where national standards are not met, DEQ works with local partners to develop and implement programs that address the causes of non-attainment. The air quality program in Lane County is carried out by the Lane Regional Air Pollution Authority (LRAPA).

Pollution from motor vehicles, wood smoke and wildfires are primary sources of air pollution in Oregon. DEQ operates a vehicle inspection program in the Portland area and in the Rogue Valley that (along with vehicle emissions standards) is key to protecting public health in these areas. DEQ partners with local governments in several areas to reduce pollution from wood stoves. And, DEQ works with the Oregon Department of Forestry and the Oregon Health Authority to help limit impacts from wildfires, including prescribed burning.

In addition to its work in controlling pollution from vehicles, wood stoves and wildfires, DEQ regulates about 2,700 facilities that emit air pollutants. This is carried out through two permitting programs, one under Title V of the federal Clean Air Act, and the other under state law. Existing facilities that present the highest health risks from air toxics also are regulated under the Cleaner Air Oregon program.

DEQ also provides incentives for reducing air pollution – funding for retrofitting and replacing older diesel engines, and rebates for purchase and lease of electric vehicles.

Finally, DEQ is helping Oregonians reduce greenhouse gas emissions through several programs including the Clean Fuels program, the Employee Commute Option program, regulating methane emissions from landfills, and through three new programs to cap and reduce greenhouse gas emissions over time (for large stationary sources, fuel suppliers, and natural gas suppliers). To coordinate the work on greenhouse gas emissions reporting and reduction, along with the Clean Fuels program, DEQ has established an office of Greenhouse Gas Programs, including resources provided by the 2020 Oregon legislature.

The Air Quality program is funded through a variety of fees, including permit fees and vehicle inspection fees, as well as federal grants and General Fund.

Water Quality Program. Federal and state laws require that Oregon's rivers, streams, lakes and Ocean waters be clean – clean enough so that fish and other wildlife thrive, and that people can swim drink water without harming their health. The EQC sets specific water quality standards designed to achieve these outcomes. DEQ monitors water quality across the state and, where data show that standards are not met, develops plans (also known as clean water plans, or Total Maximum Daily Loads ((TMDLs) that show what must be done to meet standards. DEQ also administers more than 3,800 permits that limit wastewater discharges, including both large municipal and industrial treatment systems, and septic system and other on-site sewage treatment and disposal systems. DEQ works closely with the Oregon Department of Agriculture, the Oregon Department of Forestry, the Oregon Watershed Enhancement Board, and the Oregon Department of Fish and Wildlife, as well as the U.S. Forest Service and the federal Bureau of Land Management to control pollution from land and water uses.

The water quality program also is a major source of finance for water quality improvement projects through the Clean Water State Revolving Fund.

The Water Quality program is funded through a variety of permit fees and revenue agreements, federal grants, Lottery Fund and General Fund.

Land Quality Program. This program is a coordinated group of programs involving materials management, solid and hazardous waste management, and remediation of contaminated lands. Land Quality protects human health and the environment by helping Oregonians:

- Produce and use materials more sustainably;
- Reduce the use of toxic chemicals and safely manage the generation of waste;
- Manage materials and waste to minimize the release of toxics to the air, land and water, and to promote the recovery of valuable materials;
- Reduce the risk from exposure to contaminants already in our environment through cleanup of contaminated sites; and
- Prepare for and minimize the danger from spills and other accidental releases of hazardous substances or other emergency events

Land Quality activities touch upon all environmental issues. For example, solid waste reduction can help to reduce GHG emissions, and ensuring compliance with landfill requirements helps contain impacts to the land and prevent hazardous substances from polluting Oregon's rivers and groundwater supplies. Similarly, cleanup of historic pollution ensures people aren't exposed to unhealthy concentrations of hazardous substances in the air or in the soil at specific properties, reduces runoff of harmful chemicals to our rivers and streams and protects against the contamination of drinking water supplies. The cleanup of contaminated properties also promotes economic development and increases local property tax revenue.

The Land Quality program is funded primarily through fees and other funds, including cost recovery for cleanup work. The program also receives federal funds through grant and cooperative agreements, and a very small amount of General Fund.

Laboratory and Environmental Assessment Program. Oregon's environmental lab is committed to providing scientifically sound, timely, safe and efficient analytical services for assessing the quality of Oregon's environment and protecting Oregonians. The lab also has a role in homeland security, analyzing unknown chemicals associated with credible terrorist threats. DEQ works closely with the Oregon Public Health Laboratory in conducting analyses and interpreting results. Both labs are co-located in a state-owned facility in Hillsboro.

Office of Compliance and Enforcement. Budgeted in the Air, Water and Land Quality programs and managed through the Office of the Director, OCE supports DEQ regional offices which work with permittees and other regulated entities to maintain compliance with environmental laws. When voluntary compliance fails, OCE conducts a formal enforcement response for the most significant violations and violators. Formal enforcement usually includes the assessment of civil penalties or issuance of enforcement orders, and can involve criminal cases in cooperation with district attorneys, federal agencies or the Oregon Attorney General.

Agency Management. Agency Management provides leadership, fiscal management, central services and technical support to accomplish DEQ's mission. The Director's Office provides leadership, intra- and inter-agency coordination, Environmental Quality Commission support, review and issuance of agency enforcement actions, and legislative liaison functions. The Central Services Division ensures that DEQ satisfies the legal and administrative requirements relating to human resources, organizational development, policy development and implementation, health and safety, budgeting, accounting, information technology, business systems and outcome based management. The Office of Policy and External Affairs directs the development of the agency's legislative agenda, coordinates closely with other agencies and environmental and business stakeholders, manages DEQ's internal and external communications, and is a point of contact for a legislator or other elected officials and their staff to get information about DEQ or the environment.

DEQ's 21-23 Agency Request Budget prioritizes public health and protecting environmental resources (that lower income and other underrepresented communities are particularly dependent on. This includes improving water and air quality, as well as improving preparedness for major spills and other accidents (such as fires) that can threaten community health. It also includes continuing to respond to the growing climate crisis through the development and implementation of programs to reduce and avoid greenhouse gas emissions. In developing its 21-23 budget request, DEQ considered the following:

- Direction from the Environmental Quality Commission;
- Input from tribes, representatives of communities and local governments, regulated businesses; and the public
- Changes in federal programs, and gaps created by the roll-back of federal environmental protections;
- Environmental justice, including climate justice;
- The need to balance the state's highest environmental needs with the need to maximize limited resources;
- Input from other state agencies, the Natural Resources Cabinet, and the Governor's Office
- Revenue shortfalls, and the effect on critical work

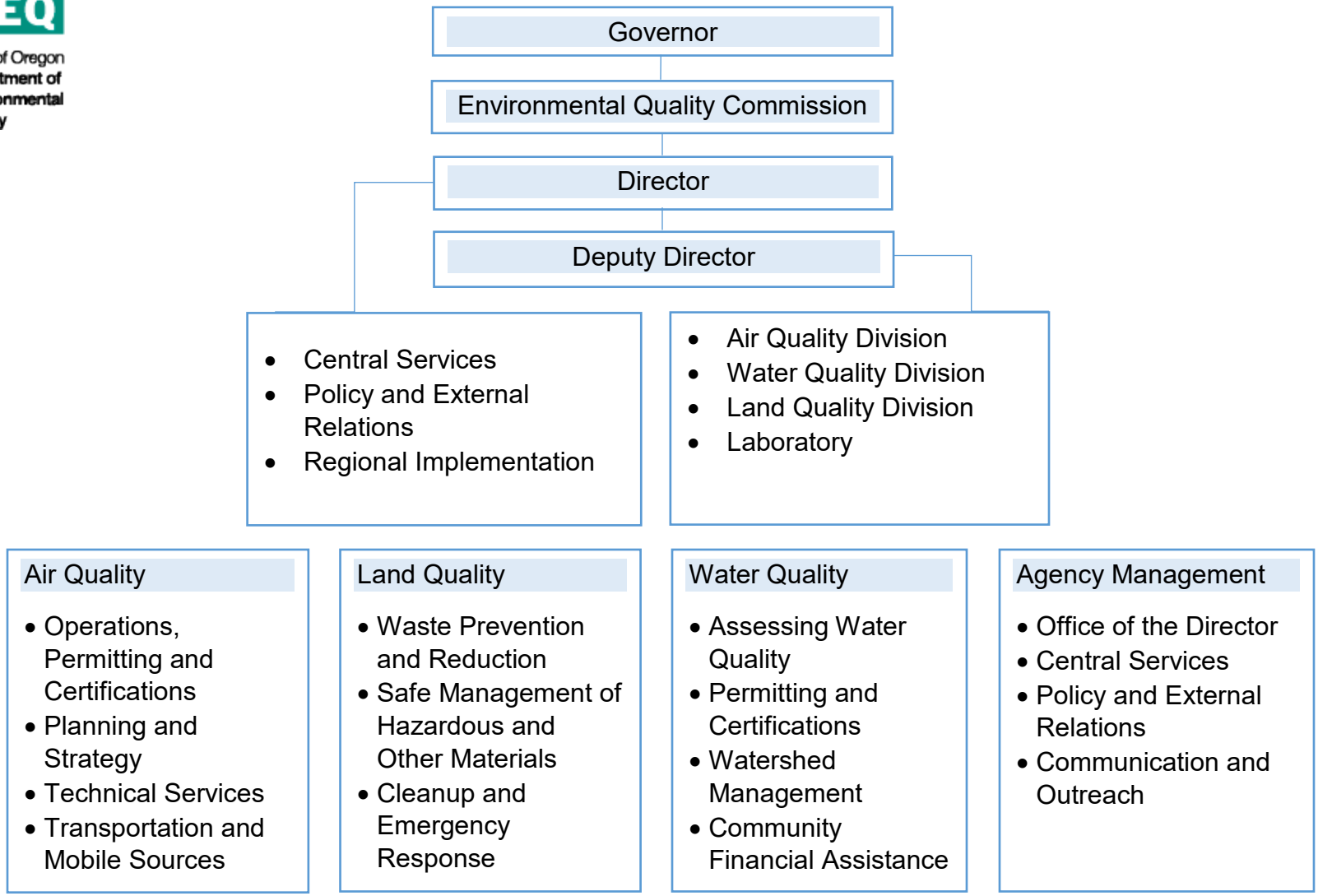
Governor Recommended Budget Link

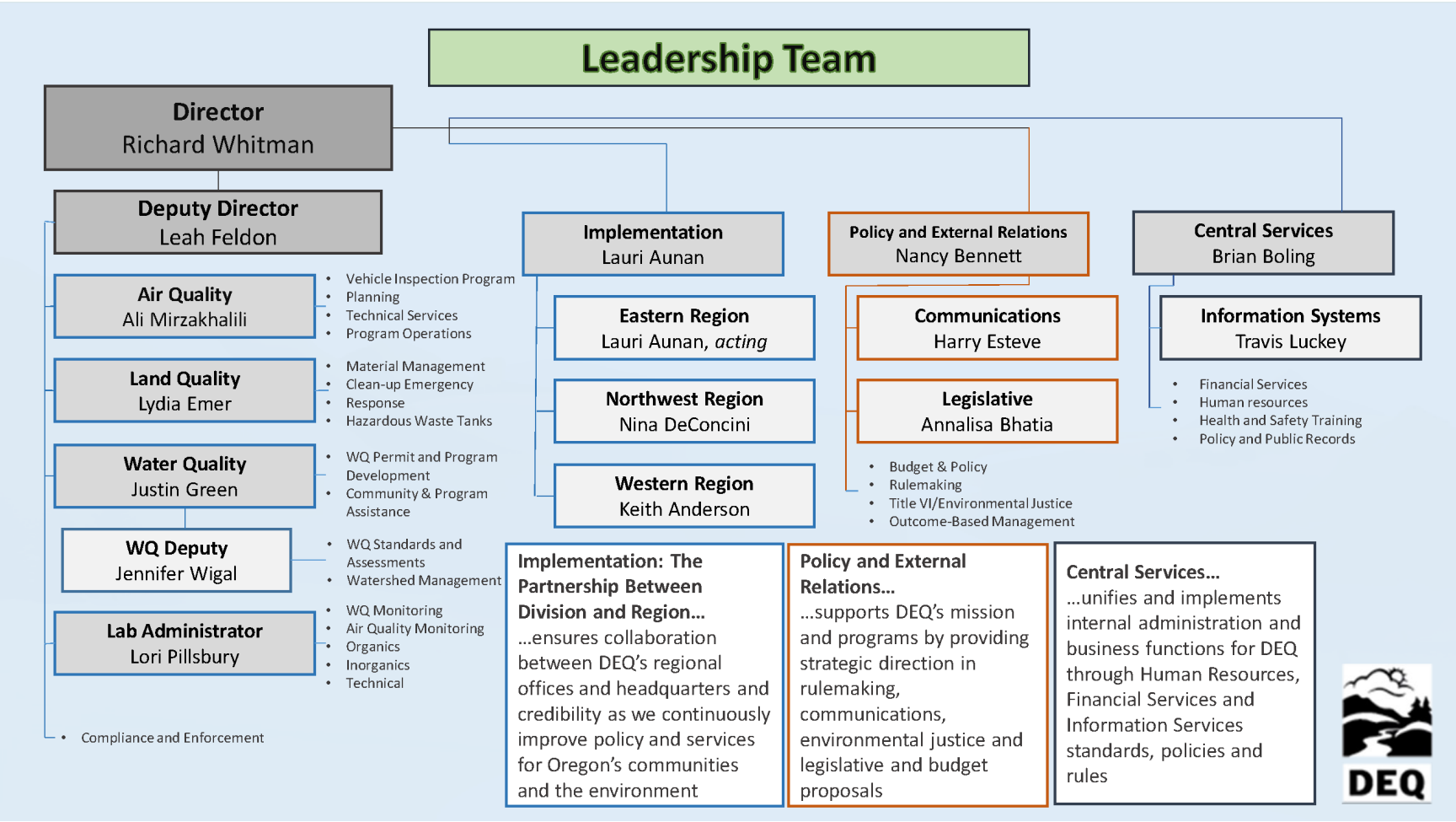
https://www.oregon.gov/deq/FilterDocs/DEQ_2123_GovernorsBudget.pdf

State of Oregon
Department of
Environmental
Quality

State of Oregon Department of Environmental Quality

Agency Organizational Chart



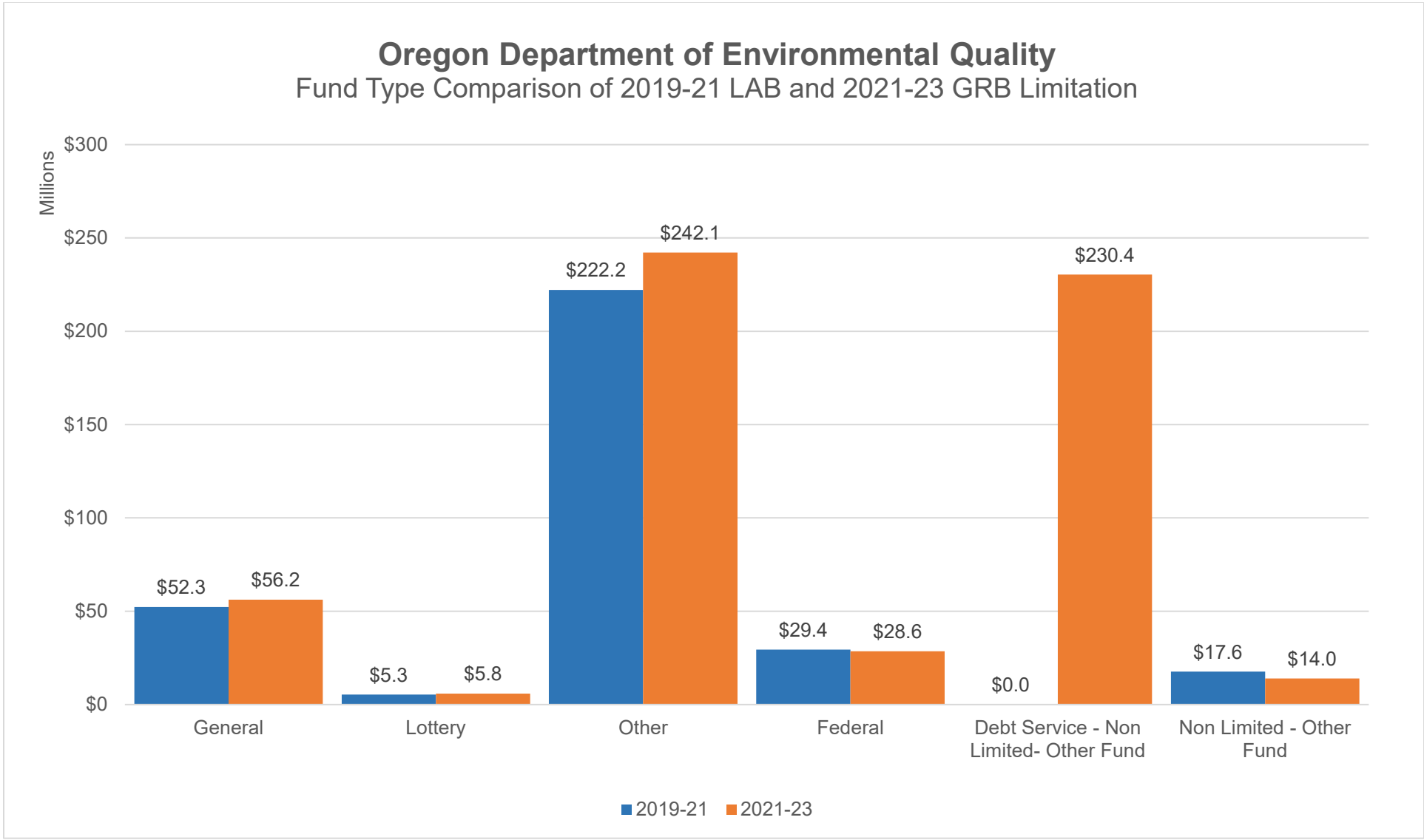

Leadership Team
Director
Richard Whitman
Deputy Director
Leah Feldon
Air Quality
Ali Mirzakhalili
Vehicle Inspection Program
Planning
Technical Services
Program Operations
Land Quality
Lydia Emer
Material Management
Clean-up Emergency
Response
Hazardous Waste Tanks
Water Quality
Justin Green
WQ Permit and Program Development
Community & Program Assistance
WQ Deputy
Jennifer Wigal
WQ Standards and Assessments
Watershed Management
Lab Administrator
Lori Pillsbury
WQ Monitoring
Air Quality Monitoring
Organics
Inorganics
Technical
Compliance and Enforcement
Implementation
Lauri Aunan
Eastern Region
Lauri Aunan, acting
Northwest Region
Nina DeConcini
Western Region
Keith Anderson
Policy and External Relations
Nancy Bennett
Communications
Harry Esteve
Legislative
Annalisa Bhatia
Budget & Policy
Rulemaking
Title VI/Environmental Justice
Outcome-Based Management
Central Services
Brian Boling
Information Systems
Travis Luckey
Financial Services
Human resources
Health and Safety Training
Policy and Public Records
Implementation: The Partnership Between Division and Region…
…ensures collaboration between DEQ's regional offices and headquarters and credibility as we continuously improve policy and services for Oregon's communities and the environment
Policy and External Relations…
…supports DEQ's mission and programs by providing strategic direction in rulemaking, communications, environmental justice and legislative and budget proposals
Central Services…
…unifies and implements internal administration and business functions for DEQ through Human Resources, Financial Services and Information Services standards, policies and rules
DEQ

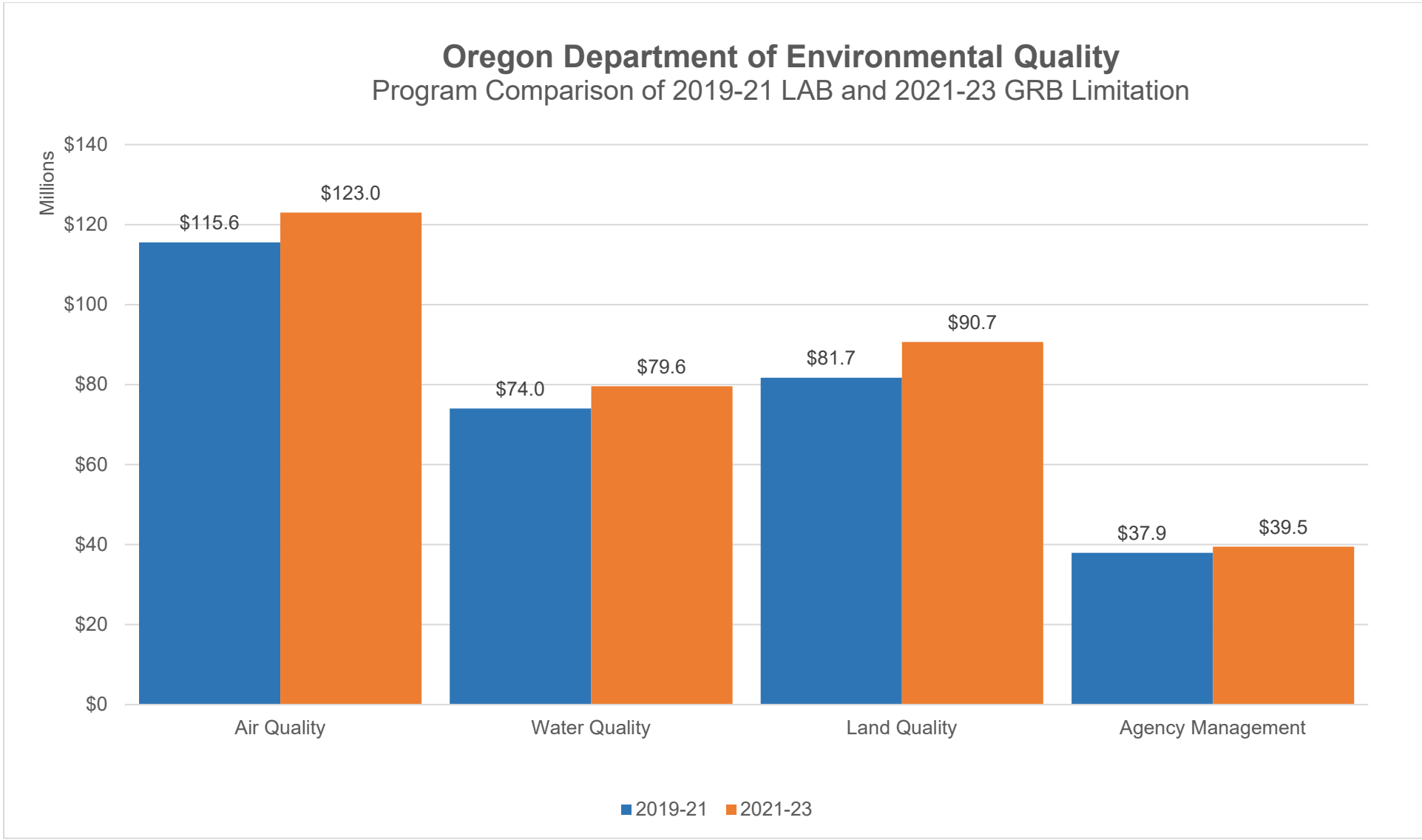
ENVIRONMENTAL QUALITY COMMISSION

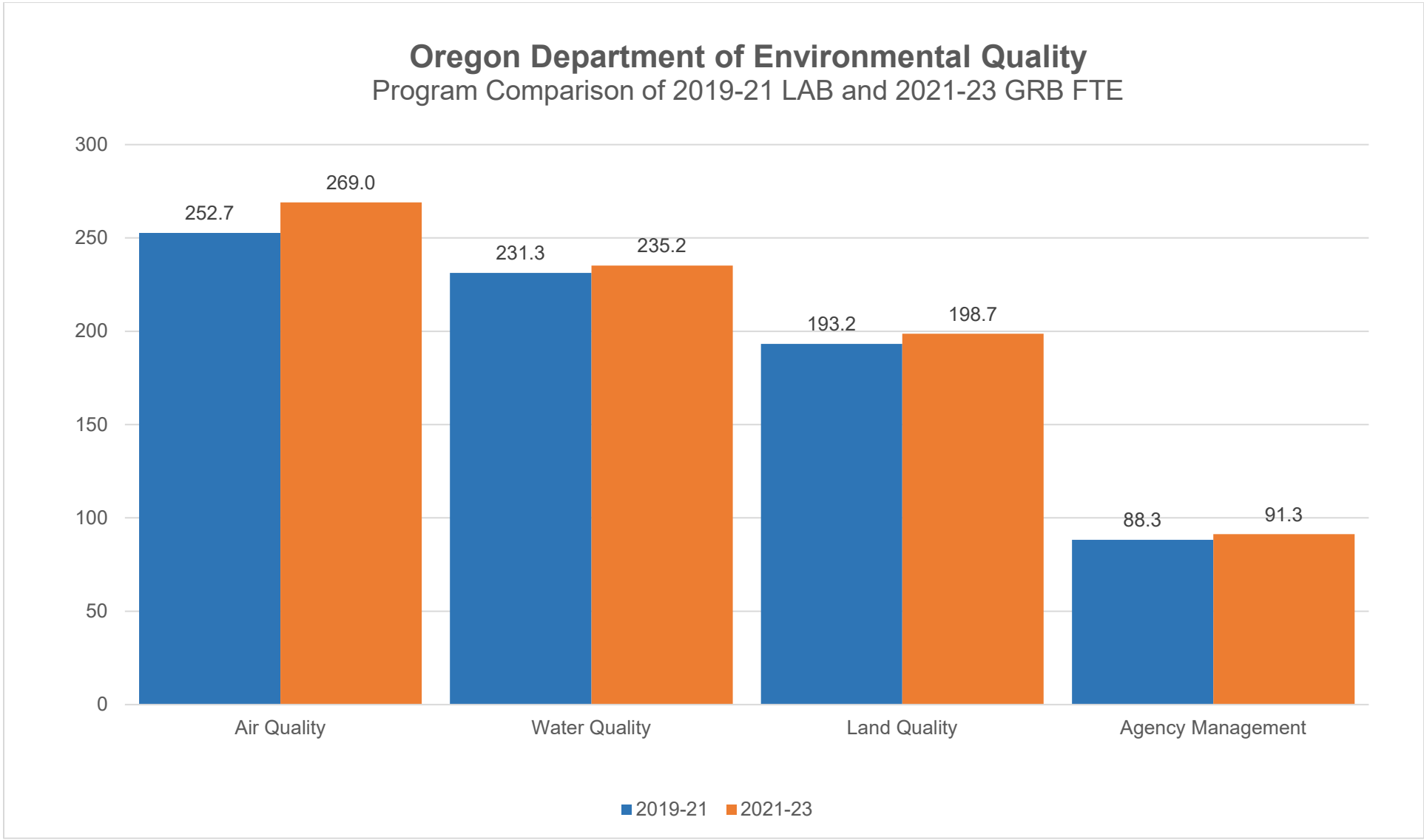
The EQC is a five-member citizen commission whose members are appointed by the Governor, subject to confirmation by the Senate. The commissioners serve four-year terms at the pleasure of the Governor. Commissioners may be reappointed but may not serve more than two consecutive terms. In addition to adopting rules, the EQC also approves the agency's request budget, establishes policy (subject to legislative mandate) and appoints the agency's director (ORS Chapter 468).

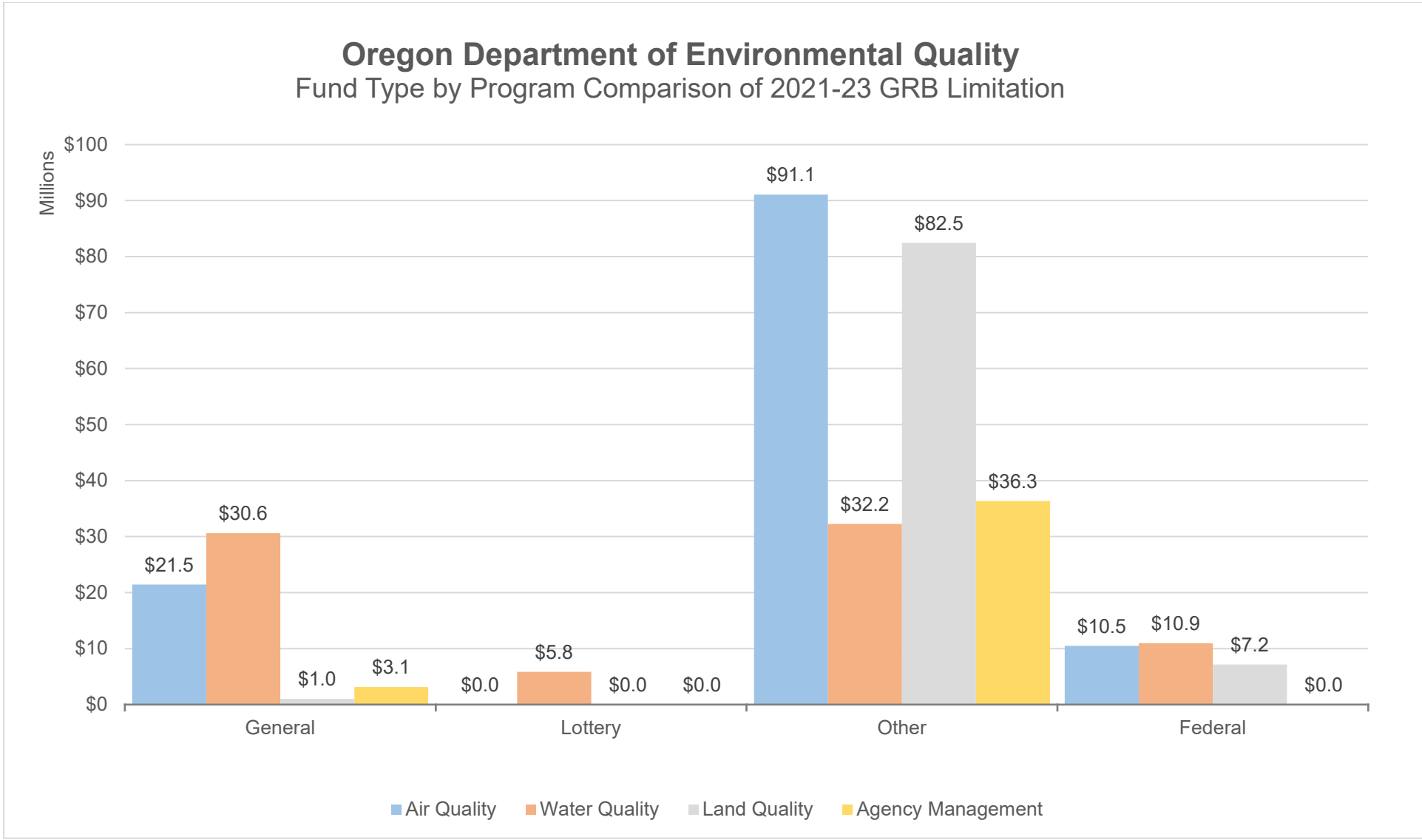
CURRENT MEMBERS (3/30/2021)

- Chair Kathleen George
- Vice-Chair Sam Baraso
- Commissioner Molly Kile
- Commissioner Wade Mosby
- Vacant


Oregon Department of Environmental Quality
Fund Type Comparison of 2019-21 LAB and 2021-23 GRB Limitation
Millions
$300
$250
$200
$150
$100
$50
$0
$52.3
$56.2
$5.3
$5.8
$222.2
$242.1
$29.4
$28.6
$0.0
$230.4
$17.6
$14.0
General
Lottery
Other
Federal
Debt Service - Non Limited- Other Fund
Non Limited - Other Fund
2019-21
2021-23


Oregon Department of Environmental Quality
Program Comparison of 2019-21 LAB and 2021-23 GRB Limitation
Millions
$140
$120
$100
$80
$60
$40
$20
$0
$115.6
$123.0
$74.0
$79.6
$81.7
$90.7
$37.9
$39.5
Air Quality
Water Quality
Land Quality
Agency Management
2019-21
2021-23


Oregon Department of Environmental Quality
Program Comparison of 2019-21 LAB and 2021-23 GRB FTE
300
250
200
150
100
50
0
252.7
269.0
231.3
235.2
193.2
198.7
88.3
91.3
Air Quality
Water Quality
Land Quality
Agency Management
2019-21
2021-23


Oregon Department of Environmental Quality
Fund Type by Program Comparison of 2021-23 GRB Limitation
Millions
$100
$90
$80
$70
$60
$50
$40
$30
$20
$10
$0
$21.5
$30.6
$1.0
$3.1
$0.0
$5.8
$0.0
$0.0
$91.1
$32.2
$82.5
$36.3
$10.5
$10.9
$7.2
$0.0
General
Lottery
Other
Federal
Air Quality
Water Quality
Land Quality
Agency Management

REDUCTION OPTIONS

Activity or Program *(which program or activity will not be undertaken)*	**Describe Reduction**	**Amount and Fund Type**	**Rank and Justification**
Agency Management (004) – Services and Supplies ***GRB Implemented Reduction***	Reduction in S&S support from the GF that supports 0.5 FTE agency auditor. 10% reduction.	GF - $18,000	GR1 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Water Quality (002) – WQ Permitting IT Professional Services ***GRB Implemented Reduction***	This would reduce funding for maintaining and improving WQ Permitting Data systems.	GF - $180,000	GR2 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Land Quality (003) – Services and Supplies ***GRB Implemented Reduction***	This would reduce the Land Quality program's services and supplies budget for the Regional Solutions Team, Ballast water and Portland Harbor.	GF - $65,038	GR3 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Water Quality (002) – Legal Services ***GRB Implemented Reduction***	This position provides legal support and policy review expertise for water quality programs.	GF - $365,559	GR4 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.

Activity or Program *(which program or activity will not be undertaken)*	**Describe Reduction**	**Amount and Fund Type**	**Rank and Justification**
Air Quality (001) – Greenhouse Gas Program ***GRB Implemented Reduction***	Eliminates administrative support functions for Office of GHG Programs, as well as the program support this position will provide for the GHG Reporting Program and the Clean Fuels Program	GF - $176,734	GR5 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Air Quality (001) – Rules Coordinator ***GRB Implemented Reduction***	This is the sole air quality position responsible for tracking and filing air quality rules for ODEQ. The position provides timeline and process support to rule writers. In 2019, the ODEQ air program filed 5 rules. In 2018, air program filed 7 rules. This position tracked the progress during development and filed the rules with the Secretary of State Office.	GF - $287,918	GR6 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Water Quality (002) – Integrated Water Resources Strategy ***GRB Implemented Reduction***	This is one of two DEQ positions to support agency participation in Oregon's Integrated Water Resources Strategy, including: reviewing water right permits and developing conditions to ensure water quality standards are met; supporting Placed Based Planning; working on Water Supply Development Fund Grants; and contributing to interagency process and coordination improvements with Oregon Water Resources and ODFW.	GF - $286,768	GR7 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.

Activity or Program *(which program or activity will not be undertaken)*	**Describe Reduction**	**Amount and Fund Type**	**Rank and Justification**
Cross Program – Regional Solutions Team, Western Region ***GRB Implemented Reduction***	This is one of two Regional Solutions Team positions supporting DEQ's Western Region.	GF - $278,549	GR8 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Cross Program – Regional Solutions Team, Eastern Region ***GRB Implemented Reduction***	This is one of two Regional Solutions Team positions supporting DEQ's Eastern Region.	GF – 278,549	GR9 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Water Quality (002) – Groundwater Monitoring	Eliminates tracking of groundwater trends in ground water management areas.	GF - $311,326	GR10 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Cross Program – Laboratory Information System Support ***GRB Implemented Reduction***	This position provides various IT support functions/needs to AQ and WQ programs.	GF- $343,598	GR11 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.

Activity or Program *(which program or activity will not be undertaken)*	**Describe Reduction**	**Amount and Fund Type**	**Rank and Justification**
Water Quality (002) – Nonpoint Source Pollution Control	This position develops the NPS Annual Report to EPA and provides statewide NPS and TMDL implementation evaluations of agricultural, forestry and urban nonpoint sources. Elimination of this position would require the NPS Annual Report to be developed by a higher level position in the TMDL/NPS Program which would slow the issuance of TMDLs.	GF – $182,889	GR12 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Water Quality (002) – Stormwater ***GRB Implemented Reduction***	This is the one stormwater implementation position in ER, and provides application review, inspections, and DMR reviews. This work may be absorbed by stormwater staff in WR and NWR due to the relatively smaller number of permit registrants in ER.	GF - $227,479	GR13 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Air Quality (001) – Air Toxics	Air Toxics - decreases number of rotating annual air toxics sites (leaving 1 rotating site); eliminating the lab's capability to analyze for CrVI; includes eliminating one site in Eugene (annual being run as a trend).	GF – 203,726	GR14 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.

Activity or Program *(which program or activity will not be undertaken)*	**Describe Reduction**	**Amount and Fund Type**	**Rank and Justification**
Air Quality (001) – Air Toxics	Air Toxics - decreases number of rotating annual air toxics sites (leaving 1 rotating site); eliminating the lab's capability to analyze for CrVI; includes eliminating one site in Eugene (annual being run as a trend).	GF – 276,906	GR15 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Water Quality (002) – Water Quality Standards	This position conducts WQ standards development efforts and fills the technical gap in marine water quality for both the Water Quality Standards and Water Quality Assessment Programs. Without this position, multiple standards and assessment projects will not be accomplished or will be significantly delayed.	GF - $254,690	GR16 – Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Air Quality (001) - Meteorology	Eliminates meteorology work - limits forecasting and air advisory capabilities - meteorological station work would be redistributed to other staff - limits ability to coordinate with meteorologists at other agencies.	GF - $299,883	GR17 - Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.

Activity or Program *(which program or activity will not be undertaken)*	**Describe Reduction**	**Amount and Fund Type**	**Rank and Justification**
Water Quality (002) – Water Quality Permitting Technical Assistance	This position provides compliance, engineering, and technical assistance expertise for WQ permitting projects in NW region.	GF - $353,364	GR18 - Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Water Quality (002) – Stormwater Permitting	This is a one of three stormwater permit writing positions statewide. This reduction will result in a continued backlog of stormwater permits and a reduced ability to provide technical assistance to permit registrants.	GF - $286,768	GR19 - Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Agency Management (004) – Services and Supplies ***GRB Implemented Reduction***	Reduction in S&S support from the GF that supports 0.5 FTE agency auditor- 5% reduction	GF - $8,500	GR20 - Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.

Activity or Program *(which program or activity will not be undertaken)*	**Describe Reduction**	**Amount and Fund Type**	**Rank and Justification**
Air Quality (001) – Cleaner Air Oregon	This position is responsible for coordinating the development of a pilot project established by the legislature in SB 1541 (2018) to evaluate the cumulative public health impacts of air pollution from all sources; including industrial emissions, diesel emissions and wood smoke. Elimination of this position will significantly limit DEQ's ability to implement this legislative directive.	GF - $273,235	GR21 - Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.
Water Quality (002) – Wastewater Permitting	This position provides wastewater permit development and renewal services in Eastern Region. Eliminating this position will have an adverse impact on the program's ability to reduce the NPDES permit backlog.	GF - $351,088	GR22 - Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.

Activity or Program *(which program or activity will not be undertaken)*	**Describe Reduction**	**Amount and Fund Type**	**Rank and Justification**
Air Quality (001) – ACDP Permitting and Inspections	The NRS 3 Air Quality Permit Writer and Inspector position currently writes permits for more-complex Simple and Standard ACDP's, and serves as a technical resource (both externally and internal to DEQ) for more-complex General ACDP's. The work of the incumbent includes new facility permitting, renewals and modifications. The position also conducts compliance inspections and develops referrals for formal enforcement where indicated. Finally, this position serves as the regional SME for metal fabrication and welding facility types. Loss of this position would result in reductions of new, renewal and modification permitting actions, decreased capacity to address permitting backlog, and a reduction in capacity to conduct inspections. Workload, facility and metal fab SME responsibility would be shifted to another permit writer to add to their existing portfolio.	GF - $339,122	GR23 - Least harm to environmental protections. Maintain strategic priorities and least harm to service delivery.

Activity or Program *(which program or activity will not be undertaken)*	**Describe Reduction**	**Amount and Fund Type**	**Rank and Justification**
Water Quality (002) – TMDL / Nonpoint Source Pollution Control	One basin coordinator position (1.0 FTE) that provides expertise and support for TMDL development and implementation efforts, as well as technical assistance, compliance assurance, data collection, event response and stakeholder engagement for projects in Northwest Region.	LF - $256,798	LR1 - Combination of factors: Least harm to environmental protection; Maintain strategic priorities; Least harm to service delivery.
Water Quality (002) – Statewide Groundwater Monitoring	Eliminates the statewide groundwater monitoring program. This program focuses on monitoring activities in areas considered vulnerable for groundwater contamination. The program collects samples from private wells that volunteer for the study and provides data and information to these private well owners.	LF - $219,034	LR2 - Combination of factors: Least harm to environmental protection; Maintain strategic priorities; Least harm to service delivery.

PROPOSED MAJOR DEQ LEGISLATION

Bill Number and Title	Fund Type/Cost
SB 57 – **Hazardous waste fee increase** DEQ proposes to raise its hazardous waste fees to more closely align with program needs and to tie fees in the future with either inflation or the consumer price index. This bill will provide greater stability to program and stakeholders.	Other Fund
SB 58 – **Environmental Data Management System surcharge** This bill would provide DEQ authority to recover ongoing costs by allowing a percentage fee on all invoices generated for customers using EDMS services.	Other Fund
SB 582-1 – **Plastic Pollution and Recycling System Modernization** Recycling has the potential to conserve resources and reduce pollution, but Oregon's policy framework for recycling was constructed decades ago. This bill will address those issues, provide greater certainty for the public, increase access to all parts of Oregon, and include producers in a meaningful role in the system.	Other Fund
SB 5517 – **Fee ratification for Vehicle Inspection Program** Oregon Vehicle Inspection Program, operating in Portland and Medford, is a critical strategy for meeting Oregon's federal Clean Air Act requirements, is cost effective and popular with drivers.	Ratifies fee approved by EQC in May 2020

MAJOR INFORMATION TECHNOLOGY PROJECTS

To provide improved and transparent services to our stakeholders and enhanced business process and practice, DEQ continues to modernize and standardize its business systems infrastructure. We currently have three IT projects anticipated to exceed $1 million: (1) an environmental data management system; (2) a system for management of the Clean Water State Revolving Fund; and (3) a system for operating the state's new Greenhouse Gas Cap and Reduce program.

ENVIRONMENTAL DATA MANAGEMENT SYSTEM

DEQ manages environmental data with antiquated and inefficient systems, and as a result, staff experience numerous problems completing some of the agency's core business functions, including those related to permitting, public data requests, and federally mandated data exchange.

As demands on DEQ have increased, agency-wide and program-specific IT systems have not kept pace nor been able to leverage technology advances now available. Some of the most urgent issues and needs regarding DEQ's current portfolio of environmental data systems include aging and difficult to maintain systems; siloed systems that inhibit data sharing; lack of integrated, standardized technology across systems; and lack of support for electronic invoicing and payment. These challenges have resulted in a backlog of permits awaiting issuance, modification, or renewal, as well as DEQ non-compliance with federal electronic reporting requirements.

Modernizing DEQ's core environmental data systems has been a steady process of careful analysis and planning. DEQ has been coordinating closely with the Oregon Department of Administrative Services, Enterprise Information Services, Cyber Security Services, and Department of Justice.

DEQ created a high-level business case and achieved Stage Gate 1 for an environmental data management system (EDMS) from Oregon State Chief Information Officer in February of 2017. The 2017 Legislature provided $750,000 General Fund, and 2018 Legislature provided $1,083,217 General Fund and $5,017,357 bonding authority that support DEQ's work on the project work through Stage Gate 3. DEQ achieved Stage Gate 3 on April 25, 2019. Continued investment in the EDMS will meet DEQ's need for a shared modern technical platform for data management and business process management across the agency. A more up-to-date, integrated system will streamline data sharing and workflows and increase staff productivity. As a result, DEQ will more easily meet regulations, decrease permit backlogs, and provide quicker and more meaningful communication with external stakeholders.

This project:

- Supports Office of the Governor Executive Order 09-10 regarding "Regulatory Streamlining" by creating a single portal whereby electronic reporting to the DEQ will be easily facilitated, allowing multiple programs and divisions to receive reports and documentation (official records) through the same process, and using the same infrastructure.

- Supports Office of the Governor Executive Order 06-02 regarding "Sustainability for the 21st Century" by reducing (with the eventual goal of eliminating) paper report and document submittals by regulated entities. Some reports include more than 100 pages of information, and sometimes multiple copies are required.
- Aligns with the Governor's priority, "Responsible Environmental Stewardship". Oregon's natural environment is not only beautiful, it is essential to our economy and quality of life.
- This project would also prepare DEQ for implementation of new rules proposed by the governor as part of the Cleaner Air Oregon plan by establishing an efficient framework for environmental permitting and reporting. DEQ could easily enhance the EDMS to support new requirements, rather than trying to expand environmental regulations while still relying on dated systems and inefficient processes.

CLEAN WATER STATE REVOLVING FUND SYSTEM

DEQ implements the federal Clean Water State Revolving Fund (CWSRF) loan program, which provides below-market rate loans for the planning, design and construction of various water pollution control activities. Eligible borrowers must be public agencies, which includes tribal nations, cities, counties, sanitary districts, soil, water conservation, irrigation and various special districts, and certain intergovernmental entities. In Oregon, the CWSRF program has assisted 194 communities, financing over $1.26 billion for pollution control projects since 1989.

DEQ's CWSRF program currently has 11 FTE who manage about $80 million in loan agreements annually and a portfolio of close to $750 million. The program's two loan specialists rely on 36 spreadsheets and two Microsoft Access databases to manage the financial data and ensure that the program meets federal requirements.

Managing the portfolio with spreadsheets and databases is inefficient, complex and labor intensive. The business processes result in a redundant data entry for many data fields, high potential for data entry errors and data security concerns. The use of spreadsheets and databases slows down the loan process, meaning that public agencies don't receive funding as quickly as needed.

DEQ seeks a commercial off-the-shelf system to manage the CWSRF portfolio and meet business needs. The goals are to implement a reliable system that will accurately manage program financial data, improve data security, increase efficiency, interact with State of Oregon and DEQ accounting systems, allow for customers to access data, and improve overall customer service.

This project aligns with the governor's priorities Healthy and Safe Communities, Responsible Environmental Stewardship and A Thriving Statewide Economy. It also supports DEQ priorities to efficiently and responsibly meet environmental standards and emerging needs, and to enhance information security for the agency.

DEQ achieved Stage Gate 1 from Enterprise Information Services on July 3, 2019, and is coordinating closely with EIS and the Oregon Department of Administrative Services towards Stage Gate 2 approval. In addition, DEQ has contracted with a third party firm to conduct comprehensive business analysis on current CWSRF loan applications, data management instruments and business processes as a basis to defining requirements for software system. Pursuing modern CWSRF software supports many of DEQ's values and IRM strategic goals. The CWSRF program has funds for the procurement and maintenance of a COTS system in their administrative fund, which is funded by loan fees. DEQ does not need General Fund for this project.

GREENHOUSEGAS CAP AND REDUCE INFORMATION SYSTEM

On March 10, 2020, Governor Brown signed Executive Order 20-04, directing state agencies to take actions to reduce greenhouse gas (GHG) emissions and consider climate change in agency planning. The Executive Order (E.O.) established science-based GHG emissions reduction goals for the state of at least 45 percent below 1990 levels by 2035 and at least 80 percent below 1990 levels by 2050. The E.O. contains several directives to the EQC and DEQ to take action consistent with existing legal authority to reduce GHG emissions toward meeting the science-based goals. Specifically, the E.O. directs EQC and DEQ to "cap and reduce" GHG emissions from three sectors: large stationary sources, transportation fuels, and liquid and gaseous fuels, including natural gas. DEQ must implement a program to meet these directives no later than January 1, 2022.

As has been documented by the legislature (codified in ORS 468A.200), by the U.S. Environmental Protection Agency, and as referenced in Executive Order 20-04, current levels of greenhouse gas emissions in Oregon are injurious to the public welfare and to human, animal and plant life. The increasing concentration of these emissions in the atmosphere is forcing fundamental changes to the climate in Oregon. Examples include the increasing average temperatures, increasing severity of storms, rising sea levels, ocean acidification and altered seasonal and hydrological cycles. These changes are injuring the public welfare, human health, the environment and property, and are significantly harming the "enjoyment of life and property" in Oregon.

In order to implement a GHG cap and reduce program, DEQ must acquire an information system to:

- Register the regulated entities
- Consolidate relevant greenhouse gas emissions and compliance data into a single location
- Track greenhouse gas emissions compliance obligations by entities
- Track compliance instrument distribution and facilitate trading of such compliance instruments
- Provide reports and business intelligence for DEQ to manage the program

In March 2020, the Emergency Board allocated $5,000,000 to DEQ to implement a greenhouse gas cap and reduce program. $500,000 of the allocated funding was reserved for implementing an information system. When including staff costs and maintenance costs over five years, the estimated cost of this project is $1,000,000.

DEQ has identified three possible avenues for acquiring an information system. This includes joining a nonprofit climate organization that provides services to members in implementing programs similar to a GHG cap and reduce program; requesting proposals for a commercial off-the-shelf (COTS) or custom-built system; or developing a new system by customizing an existing DEQ application using DEQ staff.

This project will employ a strict governance model with monitoring by the DEQ Agency-wide Information Technology Management (DAITM) steering committee and adherence to EIS Stage Gate requirements. This project is in full alignment with DEQ's Information Resource Management Strategic Plan and is a direct response to Strategy One of Governor Brown's Oregon Climate Agenda and Executive Order 20-04.

DEQ is in the process of securing Stage Gate 1 approval and has submitted an IT Investment Form, Complexity Assessment, Business Case, and Project Charter. DEQ is working concurrently with DAS Procurement Services to identify procurement options.

Past policy development efforts have considered options to avoid or minimize effects of emissions reduction programs on communities disproportionately affected by climate change and other pollution. More attention is being focused on cumulative effects of environmental policies on disadvantaged communities as an important baseline to be considered in developing new policies. Policy makers also have considered options to avoid or reduce potential price impacts to lower-income households. DEQ is committed to addressing these issues as an important part of the policy development process.

The Greenhouse Gas Emissions Cap and Reduce Program aims to protect the health of all Oregonians by addressing climate change. Implementation of the Greenhouse Gas Emissions Cap and Reduce Program will include reports and information available to all Oregonians to assess progress of reducing greenhouse gas emissions and addressing climate change. The system will assist the regulated entities by providing a platform facilitate soliciting and offer emission compliance instruments for trade. It will also allow users to view their data to confirm accuracy and completeness and integrate with existing tools currently used for emissions reporting. Project staff will be conducting extensive stakeholder engagement to ensure this project meets the needs of all Oregonians.

Water Quality Program Plan 2021

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DEQ is a leader in restoring, maintaining and enhancing the quality of Oregon's air, land and water.

State of Oregon
Department of Environmental Quality

2021 Water Quality Program summary

The Oregon Department of Environmental Quality's (DEQ) Water Quality Program implements state and federal laws to protect and restore Oregon's rivers, lakes, streams, ocean, estuaries, and groundwater. This report describes the work goals and metrics of DEQ's Water Quality programs for 2021.

The Water Quality Program's mission is to protect, restore and improve Oregon's water quality. Protecting Oregon's rivers, lakes, streams, and groundwater keeps these waters safe for a multitude of beneficial uses, such as drinking water, fish and other aquatic organisms, recreation, the ability to consume fish safely and irrigation. DEQ accomplishes water quality protection, restoration and improvement by:

- Developing and implementing water quality standards and clean water plans
- Regulating sewage treatment systems and industrial and stormwater discharges
- Collecting and evaluating water quality data
- Providing grants and technical assistance to reduce nonpoint pollution sources
- Protecting drinking water sources
- Providing loans to communities to build treatment facilities
- Coordinating with other state and federal agencies to address actions that may impact Oregon waters

The program has locations at DEQ headquarters, three regional water quality sections, and water quality monitoring and assessment within DEQ's Laboratory and Environmental Assessment Division.

The program plays a critical role in achieving the department's mission through policy development, collection and analysis of water quality data, and priorities to improve and protect the quality of water in Oregon's waterways. DEQ staff deliver critical core work by issuing permits and certifications, conducting inspections, carrying out compliance and enforcement, awarding grants and loans for clean water projects, and working with local partners to improve and protect clean water. Overall, the program is working to provide integrated and achievable permits, and to deliver programs and services that protect and enhance state waters to safeguard public health and the environment.

This document provides an overview of the program, including a description of each sub-program and their core work. It also provides a summary of program successes for 2020. Next, there is an overview of Water Quality 2035 Vision five year achievements. The detailed 2021 work plan can be found in Appendix A.

DEQ's One Team for Clean Water Approach

The Water Quality Program staff works together through a set of guiding principles and values to protect, restore, and improve water quality in Oregon.

Guiding principles

- DEQ leads a partnership for clean water for Oregon's environment, communities and economy
- Makes continuous progress toward meeting clean water standards in Oregon
- Leads thoughtful, collaborative development of policy based on sound science
- Delivers strong core work: permitting and certifications, funding, standards, assessments, watershed planning and restoration, environmental data collection, management and access, and compliance and enforcement
- Communicates early and transparently, both internally and externally
- Provides quality and consistency in our work
- Takes timely and responsible actions
- Continually endeavors to improve our process and programs

Learn more about DEQ's Water Quality programs online.

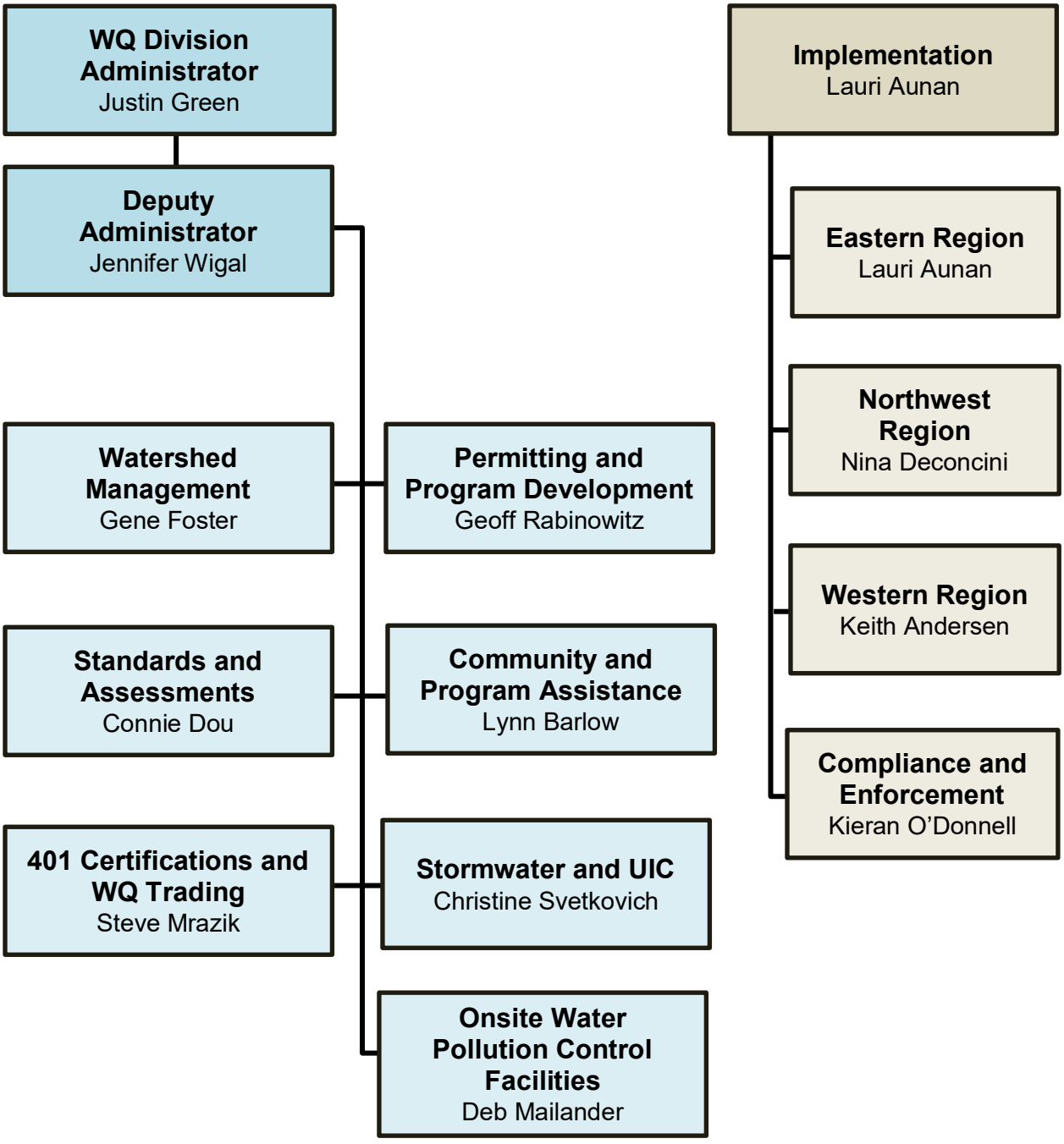
Values

- Environmental results
- Public service
- Partnerships
- Excellence and integrity
- Teamwork
- Employee growth
- Diversity
- Health, safety and wellness
- Economic growth through quality environment

Learn more about DEQ online.

The next section provides a DEQ organizational chart, which outlines the leadership structure for the agency.

Water Quality program organization



Water quality programs

DEQ's Water Quality Program works to further the agency's mission by partnering with tribal governments, local governments, communities, businesses, environmental organizations and the public, and by providing an open, consistent, and effective regulatory process. The program is responsible for providing planning, coordination, compliance and enforcement, and leadership for Oregon's Clean Water Act programs, which include Water Quality Standards, Total Maximum Daily Load, National Pollutant Discharge Elimination System, Wastewater Operator Certification, Clean Water State Revolving Fund, 401 Certifications, and Underground Injection Control. The Water Quality Program is also responsible for developing policy and implementing Oregon's state-initiated programs, such as groundwater protection, biosolids management, water reuse, and regulation of onsite sewage systems.

The program includes 17 sub-programs overseen by the division administrator, deputy division administrator, laboratory administrator, and regional administrators. These sub-programs perform water quality standards and assessment, watershed management, water facilities regulation, wastewater operator certification, 401 certifications for federal projects, groundwater protection, drinking water source protection, water quality grant administration, State Revolving Fund management, water quality data collection and analysis, and administrative functions. The program has a legislatively authorized budget for 232 full-time employees across 12 locations statewide. DEQ's funding comes from Oregon's general fund, other funds (permit fees), and state lottery funds. The program also receives federal funding from the Environmental Protection Agency through the following grants: 106 Water Pollution Control and 319 Nonpoint Source Management Program, both under the Clean Water Act.

Examples of DEQ's program work:

1. Stormwater construction
2. Integrated water resources planning
3. Nonpoint source
4. NPDES MS4 stormwater
5. NPDES industrial wastewater and stormwater
6. NPDES municipal wastewater
7. Underground injection control stormwater
8. TMDL – MOS: margin of safety; LA: load allocation; WLA: waste load allocation; NB: natural background
9. Recycled water
10. Biosolids
11. Industrial pretreatment wastewater treatment
12. 401 certification
13. Sewage and water conveyance
14. Beneficial uses
15. Water pollution control facilities
16. Onsite septic hauling
17. Onsite wastewater system permitting and regulation
18. Ambient monitoring

Sub-program descriptions

Administrator's office

- Provide leadership and oversight of all statewide programs
- Provide program-wide infrastructure through business and strategic planning, professional development coordination, legislative outreach and communications, performance management and rulemaking initiatives
- Develop and update program vision to align with agency goals and priorities
- Budget tracking and implementation
- Approve and track program goals, metrics, and milestones to provide clear expectations and alignment of program work

Water Quality Standards and Assessments

Standards

Establishing water quality standards for surface water is at the core of DEQ's water quality activities. The program establishes standards to protect beneficial uses of water resources, such as aquatic life, fish consumption and recreation. The program uses many tools to meet the standards and protect those uses. Staff perform the following water quality standards activities:

- Conduct standards reviews and rule revisions to establish and update scientifically based water quality standards
- Develop policy and procedures documents to ensure effective and transparent implementation of standards
- Coordinate with the Environmental Protection Agency's water quality standards program and the Oregon Health Authority
- Adopt variances where needed and appropriate. Variances allow regulated dischargers to make progress toward the water quality standard by reducing pollution where attaining the standard is not currently feasible.

Assessments

DEQ prepares an Integrated Report that meets the requirements of the federal Clean Water Act for Sections 305(b) and 303(d) biennially. The report is the cornerstone of the water quality program and provides the foundation for many other water quality regulatory programs. It is an important component of the Clean Water Act framework and provides valuable information on the status of Oregon's waterways. DEQ uses existing data from a variety of sources to assess water quality and biannually evaluate whether waters are meeting standards, which includes the 303(d) list of impaired waterbodies. The assessment helps DEQ use state resources more efficiently by focusing its limited resources on waters that need the most work.

Watershed Management

Total Maximum Daily Load and Water Quality Management Plans

Once a waterbody is identified as not meeting clean water standards and is placed on the 303(d) list, federal law requires states to develop a management plan to meet standards. This plan is called a Total Maximum Daily Load, also known as a clean water plan or TMDL. TMDLs describe the maximum amount of pollutants that can enter the river or stream without violating water quality standards. These contaminants may come from municipal, industrial, commercial, or surface runoff sources, including the naturally occurring background sources. DEQ develops TMDLs on a basin or sub-basin scale.

Implementing a TMDL often leads to revised permit limits when industrial and municipal wastewater permits are renewed. On agricultural land, Area Plans are developed by the Oregon Department of Agriculture's Water Quality Rules and Plans biannual review process. On state and private forestlands, the Department of Forestry has the lead in providing water quality protection through implementation of the Forest Practices Act. In urban areas, local governments take the lead in developing plans for activities not covered by NPDES permits. The U.S. Forest Service and the Bureau of Land Management develop Water Quality Restoration Plans for lands under their jurisdiction.

Under most circumstances, TMDL implementation plans rely on landowners and land managers within a river basin. Local watershed councils, soil and water conservation districts, and other organizations carry out actions to meet the objectives of the TMDL implementation plans.

Section 319 grant and nonpoint source program

Under Section 319, the Environmetnal Protection Agency provides funding to states, territories and tribes to implement a wide variety of activities including technical assistance, financial assistance, education, training, technology transfer, demonstration projects and monitoring to assess the success of specific nonpoint source implementation projects. Each year DEQ issues the 319 nonpoint source implementation grants request for proposal (RFP). The RFP seeks proposals for nonpoint source pollution control projects in priority watersheds.

DEQ Nonpoint Source Program staff work with municipalities, universities, state agencies, nonprofits, watershed associations, regional planning commissions, and other organizations to develop and implement watershed-based plans in priority watersheds. 319 grants support implementation of the watershed based plans, which include TMDL and water quality management plans.

The program leads the development of the state's Nonpoint Source Management Program Plan. The plan is a requirement of the Clean Water Act and details the state's plan for controlling pollution added from nonpoint sources and improving water quality. Each year, DEQ prepares the Oregon Nonpoint Source Pollution Program Annual Report which documents progress in meeting the schedule of actions and milestones contained in the Nonpoint Source Plan. The annual report also includes a summary of annual Nonpoint Source Program activities and accomplishments.

The program produces an annual statewide surface water quality status and trends report to support implementation of the TMDL and nonpoint source programs.

Drinking water protection

Drinking water protection is implemented in Oregon through a partnership between DEQ and the Oregon Health Authority. The program addresses over 2,500 public water systems serving approximately 75% of Oregon's citizens. Under an interagency agreement with OHA and with funding from the Safe Drinking Water Act, DEQ is responsible for source water protection which includes minimizing the risk to the source water before it reaches the surface water intake or groundwater well for a public drinking water system. DEQ uses Clean Water Act tools and pollution prevention to minimize treatment costs and reduce public health risk.

Permitting and program development

The Water Quality Program issues permits that regulate pollution from point sources discharging to Oregon's surface water and groundwater through the Permitting and Program Development section. The term "point source" generally refers to wastewater or stormwater discharged into water or onto land through a pipe or a discernible channel. DEQ issues two types of permits: federal National Pollutant Discharge Elimination System permits when discharging to surface water or state Water Pollution Control Facilities permits to protect groundwater. Under Oregon Revised Statutes, Oregon issues NPDES permits to regulate pollutant discharges to surface "waters of the state" which are more broadly defined than the federal definition of "waters of the United States".

The Water Quality Program issues "individual" permits to single facilities and "general" permits to cover classes or categories of dischargers under a single permit. Individual and general permits are issued for a fixed period of time not to exceed five years for NPDES permits or 10 years for a WPCF permits. The permitting and program development program must carry out the following activities to effectively protect water quality:

- Issue discharge permits that protect or improve the quality of receiving waters, and protect the beneficial uses of those waters (such as drinking, swimming, fishing, and aquatic habitat)
- Inspect facilities and review discharge monitoring reports to ensure adherence to individual and general permit requirements
- Take prompt and appropriate enforcement actions when violations occur
- Provide appropriate technical assistance for regional permit teams, permittees, external stakeholders, and the general public to help assure ongoing compliance with individual and general permits
- Develop policy and guidance for permit writing staff to ensure consistent permit development
- Work with internal and external stakeholders to implement process improvements designed to reduce time for permit development, to improve communication, and to provide permits that communities can successfully implement

The Water Quality Program currently manages more than 5,000 water quality individual permits and general permits (in part administered by other agents). Challenges to implementing the permitting program have increased with the growing number and types of permits and their

increasing complexity. Achievement of program objectives requires effective development and implementation of water quality standards, assessments, TMDLs, and federal regulations. The Permitting and Program Development program includes permits for industrial wastewater, domestic wastewater, application of biosolids, use of recycled and gray water, operation of pre-treatment facilities, discharge of stormwater to surface waters, and discharge to underground injection control systems.

Industrial wastewater

- Issue National Pollution Discharge Ellimination System permits for stream electric power plants, surface water discharges associated with pesticide application, wood processing and finishing, metals manufacturing and various industrial activities
- Issue Water Pollution Control Facility permits for various industrial activities with disposal activities (irrigation, lagoon seepage, etc.) that may impact groundwater
- Provide training, interpretation, and coordination with the Environmental Protection Agency's National Pollution Discharge Ellimination System Program
- Coordinate implementation of surface water quality standards and the National Pollution Discharge Ellimination System permitting program
- Ensure industrial wastewater facility permits are consistent with the Clean Water Act and federal regulations
- Ensure Water Pollution Collection Facility permits are consistent with state groundwater standards

Domestic wastewater

- Work with wastewater utilities and Oregonians to help ensure proper treatment and reuse or disposal of domestic solids and liquids
- Work with internal and external stakeholders through guidance and training for consistency in permit issuance for large publically owned treatment works and small onsite collection systems
- Implement the industrial pretreatment, biosolids management, and recycled water programs
- Develop and implement the state's domestic wastewater Oregon Revised Statutes and Oregon Administrative Rules

Biosolids

Biosolids are the residual solids produced in the treatment of sewage and domestic wastewater that have been subjected to additional treatment such that it can be safely and beneficially used as a soil amendment. All wastewater treatment facilities must manage their solids at some point. The facility can either create biosolids, haul the solids to another permitted facility, or dispose of them at a permitted landfill.

- Develop and implement the state's biosolids program
- Work with wastewater utilities and the agricultural community to ensure proper treatment and management of domestic wastewater solids
- Provide interpretation and coordination of the Environmental Protection Agency's biosolids program with internal and external stakeholders

- Provide training and technical assistance to wastewater operators and local municipalities

Recycled water

Recycled water is effluent from a domestic wastewater treatment system that has been treated sufficiently to safely use for a beneficial purpose. The recycled water program encourages the use of recycled water for domestic, agricultural, industrial, recreational and other beneficial purposes in a manner that protects public health and the environment.

- Develop and implement the state's recycled water program
- Work with wastewater utilities and other stakeholders to ensure proper treatment and management of recycled water
- Provide training and technical assistance to wastewater operators and local municipalities
- Coordinate with other state agencies to ensure the program is protective of public health and the environment

Graywater

Graywater is water discharged from domestic showers, bathtubs, bathroom sinks, kitchen sinks without garbage disposals and laundry facilities. The program encourages the use of graywater for beneficial purposes that do not require potable water, to reduce the demand on drinking water sources.

- Develop and implement the state's graywater program
- Work with counties, municipalities, and private citizens to help ensure proper treatment and reuse or disposal of graywater
- Provide training and technical assistance to counties as well as business and home owners
- Work with internal and external stakeholders to promote safe beneficial reuse of graywater

Pretreatment

- The Industrial Pretreatment Program is designed to reduce the amount of pollutants released into the environment by reducing the level of toxic pollutants discharged by industry and non-domestic sources into municipal sewer systems.
- Objectives of the pretreatment program include: the protection of publicly owned treatment works from pollutants that may cause interference with plant operations; prevention of pollutants from entering receiving waters; improvement of sludge quality for biosolids reuse; and worker safety.

Stormwater

More than 2,400 entities that are covered under DEQ's National Pollution Discharge Ellimination System municipal, construction, and industrial stormwater permits in Oregon. Stormwater duties include:

- Developing, issuing, and renewing National Pollution Discharge Ellimination System stormwater permits for municipal separate storm sewer systems, or MS4s, construction sites, and industrial facilities associated with certain regulated activities.

- Implementing the permits by conducting inspections, technical assistance, and other compliance and enforcement activities under the federal Clean Water Act
- Providing training, interpretation, and coordination with the Environmental Protection Agency's National Pollution Discharge Ellimination System and Compliance and Enforcement Programs
- Developing rules and ensuring program consistency for municipalities, facilities, and construction activities associated with stormwater discharges

Underground injection control

The Underground Injection Control program protects drinking water sources and aquifers by regulating the construction, operation, permitting and closure of injection wells that place fluids underground for storage or disposal.

- There are more than 44,000 Underground Injection Control permits registered in Oregon.
- Federal regulation requires DEQ to keep an updated inventory of all injection wells and report them to the Environmental Protection Agency.
- In Oregon, the majority of systems are associated with stormwater discharge.
- Owners or operators of systems need to obtain a state permit or written DEQ approval to operate qualifying systems that are rule authorized and need written DEQ approval to properly close down an existing system.

Community and Program Assistance

Clean Water State Revolving Fund loans

The Water Quality Program administers the Clean Water State Revolving Fund loan program that is capitalized primarily through loan repayments. Annually, federal appropriations also capitalize the fund in an amount equaling 5 to 7% of funds available to loan. The program assists public agencies with solving water quality problems and applying for financial assistance. DEQ issued its first loan under the program in 1990. Since then, the agency has loaned more than $1.41 billion to more than 200 Oregon communities, counties, irrigation districts, and other public agencies and districts.

For 2021, the loan program will have approximately $213 million available for eligible projects. The agency set aside about $53 million to assist small communities with a population of 10,000 or less. In addition, a portion of the federal grant is set aside for green projects; this amount is currently about $1.79 million. To date, 89% of funded projects address point source improvements, such as wastewater treatment and collection systems, and 11% address nonpoint source projects, including irrigation improvements, stormwater management improvements and stream bank restoration.

Compliance policy and data management

The Water Quality Program periodically inspects permitted facilities and responds to complaints. When a permit violation occurs, DEQ may initiate enforcement action. In addition, as part of its responsibility to implement the federal National Pollution Discharge Ellimination System

program in Oregon, DEQ must provide the Environmental Protection Agency with regular reports on compliance activities. The program also does the following:

- Facilitates statewide coordination of compliance and enforcement activities relating to the state's domestic and industrial wastewater and stormwater programs
- Tracks compliance with the Environmental Protection Agency/DEQ Performance Partnership Agreement by setting statewide goals, reporting annually on DEQ inspections, facilitating discharge monitoring report reviews and enforcement activities, and responding to periodic EPA State Review Framework audits
- Reports National Pollution Discharge Ellimination System permit data to the Environmental Protection Agency, including permit inventories, compliance inspections, enforcement actions and discharge monitoring data
- Plans for future water quality data needs and supports and maintains agency and water quality program data systems

401 certification

Section 401 of the Clean Water Act gives states and authorized tribes the authority to grant, deny, or waive certification of proposed federal licenses or permits that may discharge into waters of the United States. In Oregon, DEQ reviews proposed projects under this requirement, and Section 401 compliance is documented through a water quality certification, issued through the Water Quality Program. Nearly all such federal licenses or permits either come from the U.S. Army Corps of Engineers for dredge and fill activities or from the Federal Energy Regulatory Commission for hydroelectric or other proposed energy projects.

Wastewater operator certification

In 1987, the Oregon legislature adopted a law requiring domestic sewage facilities to operate under the supervision of a certified wastewater operator. The Water Quality Program oversees the development of the requirements for wastewater operator certification, evaluates certification applications, provides standardized exams, and issues certificates to qualified operators. The statewide program supports an estimated 1,600 wastewater treatment plant and collection facility operators. DEQ works in conjunction with the Oregon Health Authority, which certifies drinking water treatment and distribution system operators in Oregon.

Onsite wastewater systems

More than 30% of Oregonians dispose of their wastewater through onsite septic systems, primarily residential systems. DEQ regulates the siting, design, installation and ongoing operation and maintenance of onsite septic systems. Staff within the Water Quality Program manage these regulations. Without careful maintenance, septic systems can fail prematurely and result in a public health hazard caused by surfacing sewage and pollution that can impact streams and groundwater. As of Jan. 1, 2021, DEQ directly manages the onsite program in five counties, referred to as "direct service" counties. Thirty-one counties manage the program under contract with DEQ, referred to as "contract counties."

Rural restaurants, breweries and manufactured home parks often have large onsite wastewater systems or high-strength wastewater. DEQ permits these facilities in all 36 counties using a

Water Pollution Control Facilities Onsite permit. These systems are often complex and require a greater level of evaluation, design, maintenance, and operation.

The Water Quality Program's responsibilities include:

- Processing septic system applications in counties where DEQ provides direct service
- Providing technical assistance and oversight to local governments that contract with DEQ to conduct the onsite program within their jurisdictions
- Providing technical assistance, education and outreach to the public, manufacturers, licensed installers and pumpers, maintenance providers and other organizations
- Implementing and overseeing the licensing program for onsite system installers and septic tank pumpers
- Responding to complaints, such as failing onsite systems and illegal installations of septic systems. Some complaints lead to formal enforcement and others are resolved with cooperation from the violator
- Working with Chemeketa Community College, the Oregon Onsite Wastewater Association and other stakeholders to provide certification and continuing education opportunities for installers and maintenance providers.
- Convening and participating in stakeholder conferences and meetings to provide education and outreach
- Reviewing new products for use in septic systems in Oregon

Water quality monitoring

DEQ's Laboratory and Environmental Assessment Division collects and analyzes water samples to support DEQ's Water Quality Program. DEQ augments its water quality data by using monitoring data from a wide variety of sources, including watershed councils and federal agencies.

Water quality monitoring data provides the foundation for water quality management by providing information on the status and trends in water quality and identification of issues of emerging concern in Oregon. Monitoring is conducted to determine if water quality supports beneficial uses and if water quality standards are met. Streams that do not meet water quality standards are placed on the 303(d) list and will have Total Maximum Daily Loads developed for them. In order to develop Total Maximum Daily Loads, studies must be conducted to determine the sources and quantities of pollutants affecting the water body and how those vary over time.

Water quality monitoring activities include:

- Routine water quality monitoring at 160 locations throughout the state
- Monitoring for pesticides and emerging contaminants at public water supply source areas
- Supporting the Pesticide Stewardship Partnership program by working with local stakeholders to collect stream samples from watersheds during pesticide application periods and analyzing the samples. Information is used to guide voluntary changes and local development of best management practices
- Monitoring at Groundwater Management Areas
- Monitoring harmful algae blooms in rivers, streams, and lakes when requested by the Oregon Health Authority

- Implementing the Beach Bacteria Monitoring Program in partnership with the Oregon Health Authority.
- Providing instrumentation, technical support, training, and data management support to watershed councils for their water quality monitoring projects.
- Developing a strategy for monitoring Oregon's waters
- Implementing the statewide toxics monitoring trending network.
- Implementing a statewide groundwater monitoring program
- Implementing the Environmental Protection Agency's National Aquatic Resource Surveys in Oregon
- Providing quality assurance sampling at approximately 30 landfills in Oregon
- Supporting studies to determine the relationship between water quality, habitat conditions and biological conditions, and assisting a variety of special studies, including:
    - Collecting monitoring data in support of Total Maximum Daily Load program needs in basins around the state
    - Compliance monitoring studies to determine compliance with permit conditions
    - Measuring the effectiveness of water quality protection programs and measures
    - Monitoring to support evaluation of water quality complaints and investigations

Resource assessment and technical support

DEQ's Laboratory Resource Assessment and Technical Support section provides data analysis, review, and reporting for the Water Quality Program which includes:

- Annual reporting of key performance measures
- Reporting on water quality toxics monitoring
- Reporting on statewide groundwater monitoring
- Data analysis to generate the Integrated Report on impaired waters of the state
- Data processing and analysis to support the volunteer monitoring program
- Technical assistance to the permitting program

Additionally, the resource assessment and technical support program manages all water quality data for the agency through a public access system, called the Ambient Water Quality Monitoring System.

2020 Water Quality Program Successes

Administrator's Office

- Multi-agency per- and poly-fluorinated substances (PFAS) coordination
- Provide technical assistance to affected communities from 2020 wildfires and the COVID-19 pandemic
- Emergency response and Incident Command System mobilized Water Quality staff for the COVID-19 pandemic and wildfire recovery
- Developed COVID-19 priority risk assessment inspection/fieldwork coordination and approvals
- Provided quarterly Water Quality Program Live Streams webinars for all Water Quality staff

Water Quality Standards and Assessments

Standards

- Completed the rulemaking for the Oregon Environmental Quality Commission's adoption to designate Crater Lake and Waldo Lake as Outstanding Resource Waters.
- Completed the Lower Willamette Cold Water Refuge Plan that establishes its importance for the conservation of salmon and steelhead species in the Willamette River.
- Completed a procedure document to apply dissolved oxygen standards efficiently and consistently by DEQ programs.
- The Variance Authorization rule and Willamette Basin Mercury Multiple Discharger Variance was adopted by the Oregon Environmental Quality Commission on Jan. 24, 2020.
- DEQ's collaboration with the Environmental Protection Agency to ensure the federal aluminum criteria for Oregon is clear, protective and implementable by permit holders.
- Completed a report evaluating new national recommended criteria for four toxics substances and selenium.
- Developed project plan and initiated a statewide fish and aquatic life use update.
- Developed project plan and initiated water quality standard triennial review.

Assessments

- Submitted the 2018/2020 Integrated Report to the Environmental Protection Agency for final approval in April 2020.
- Obtained the Environmental Protection Agency's approval of the 2018/2020 Integrated Report on November 12, 2020.
- Prioritized short and long term priorities for 2022 Integrated Report Methodology updates.
- Completed outreach for 2022 Integrated Report methodology updates.
- Prepared 2022 Integrated Report Methodology for public comment in January 2021.
- Prepared 2022 Call for Data in February 2021.

Watershed Management

- Temperature Total Maximum Daily Load replacement projects: completed the call for data and continue to meet interim milestones for achieving the court ordered schedule for reissuance of temperature Total Maximum Daily Loads
- Continued development of Total Maximum Daily Loads for the Coquille, Upper Yaquina, and Powder/Burnt Rivers
- The region Total Maximum Daily Load and Nonpoint Source Program staff performed: review of Total Maximum Daily Load implementation plans; Total Maximum Daily Load annual reports; Oregon Department of Agriculture area plans; complaint response and enforcement actions; OWRD Division 33 reviews; and OWEB grant reviews. As an example, Western region staff responded to 196 water quality complaints in 2020.
- Completed the 2019 Nonpoint Source Annual Report and received satisfactory progress notification from the Environmental Protection Agency for the 2020 implementation of the Nonpoint Source Management Program Plan
- Completed the annual Oregon statewide status and trends report
- Provided Source Water Assessment updates to public water systems that contain information on geographic setting and point and non-point pollution risks to drinking water supplies. All assessments for systems using surface water were completed in 2020 and DEQ staff also assisted the Oregon Health Authority in completing assessments for systems using groundwater.
- Provided technical assistance to public water systems, local partners and their communities to improve or protect drinking water quality including connecting them with state and federal funding sources and assisting water systems and communities affected by 2020 wildfires.

Permitting and Program Development

- Action taken on 43 total National Pollution Discharge Ellimination System individual permits for issuance, modification (major/minor), and termination
- Renewed three general permits (700-PM, 900-J and 2000J).
- Finalized and posted the 2020 annual water quality NPDES permitting program report
- Updated the annual NPDES individual permit issuance plan for 2021 and the five-year (2021-2026) National Pollution Discharge Ellimination System individual permit issuance plan that includes all 330+ individual permits
- Completed significant revisions to the National Pollution Discharge Ellimination System Individual Permit template for major and minor domestic permits in January and July 2020 as well as revisions to the fact sheet template.
- Developed key processes for permit development (reasonable potential analysis, data gap analysis, and subject matter experts)
- Conducted three annual pretreatment program audits
- Reviewed 27 biosolids management plans, six industrial solids plans, 28 recycled water use plans and seven industrial water use plans statewide
- Issued a total of nine new and renewal Water Pollution Control Facility permits
- Inspected 25 Water Pollution Collection Facility facilities
- Registered four staff for the next Environmental Protection Agency Permit Writing Course which will be conducted remotely

Stormwater

- Processed and issued permit coverage for 371 1200-C construction stormwater general permit applications
- Renewed the 1200-C construction stormwater general permit
- Conducted 42 industrial, 80 construction and five municipal stormwater inspections
- Renewed Oregon Department of Transportation's municipal separate storm sewer system permit, commonly called an MS4 Phase I permit
- Action taken on five Water Pollution Collection Facilities Underground Injection Control permit applications for issuance, modification and other regulatory options

401 Water Quality Certification

- The 401 Water Quality Certification Program (dredge and fill) issued over 250 certifications, conducted 83 inspections to ensure compliance, and supported more than 15 outreach sessions in 2019.
- The 401 Water Quality Certification Program (hydro) issued two significant certification decisions in 2019 for the Hells Canyon complex and for the Klamath Dam removal.

Community and Program Assistance

Clean Water State Revolving Fund (program)

- Signed 21 new loan agreements, the largest number of new loans in one year since 2010.
- Received 11 new loan applications in 2020.
- 55% of new loan applicants resulted from One Stop outreach.
- Technical Assistance and Outreach: Staff attended three tradeshows and provided technical assistance to 10 potential borrowers and to more than 90 current applicants and borrowers.
- The program remains financially stable with current projected solvency for at least 60 years at 2020 funding and repayment levels.
- The program has met all Oregon Secretary of State and the Environmental Protection Agency audit requirements.

Compliance Policy and Data Management

- As of August 2020, 99% of individual National Pollution Discharge Ellimination System permit holders are enrolled in electronic DMR reporting. The team successfully enrolled an additional 100 individual National Pollution Discharge Ellimination System permit holders in electronic reporting in 2020, allowing DEQ to exceed the nationwide goal of at least 95% of individual National Pollution Discharge Ellimination System permit holders submitting discharge monitoring report data electronically.
- The team, in collaboration with Permitting and Program Development, has begun collecting additional National Pollution Discharge Ellimination System permit data electronically, including effluent characterization data, monitoring required for permit

applications, Tier 1 Toxics data, Whole Effluent Toxicity test results, and other required monitoring and reporting.

Onsite Wastewater Systems

- Upgraded the residential onsite database was to improve master record-keeping and provide for electronic submission of Alternate Treatment Technologies and other mandatory alternative systems reports as well as online fee payment and integrated record keeping. This new initiative will go into effect with the January 2021 reporting and will increase efficiencies for DEQ and the public as well as improving agency compliance tracking.
- Completed transfer of administration of the residential onsite programs for Curry and Josephine counties. The counties will operate the program jointly. Updated county contracts were also executed for Clatsop, Crook, and Jefferson counties. Currently 31 of Oregon's 36 counties administer their onsite residential programs. DEQ continues to administer the program for Baker, Coos, Jackson, Union, and Wallowa counties.
- Between January and October 2020, DEQ agents conducted 273 site evaluations, issued 673 permits (new construction and repairs), and approved 597 authorization notices. That is a 6% increase in activity over the prior year.
- Reviewed all discharge monitoring reports for the Water Pollution Control Facility Large Onsite program in 2020 and documented 228 missing DMRs and permit violations. Notices of these violations were sent out to 99 permittees that did not submit a discharge monitory report and 129 permittees with flow and/or effluent exceedances. Due to limited staffing combined with pandemic travel restrictions, enforcement inspections were constrained. However, in comparison with 2019 when DEQ documented and issued notice letters for 326 such permit violations, it suggests that our increased remote review efforts are resulting in improved compliance over time.
- Issued 19 new facilities Water Pollution Control Facility Onsite permits.
- One of the Water Pollution Control Facility Onsite program goals was to take action on 40 permits that were due to expire in 2020. Of these, 7 have been renewed, 29 are in the renewal process or administratively extended, 2 were terminated, 1 expired, and 1 was referred for enforcement.

Water Quality Monitoring

- Safely brought in over 5,000 samples representing 30,000 analyses in the pandemic environment.
- Completed the 2020 Water Quality Monitoring Strategy for DEQ.
- Worked in partnership with Oregon Department of Agriculture, Oregon Health Authority, Oregon Water Resources Department and Oregon Department of Fish and Wildlife to collect water quality data for refining watershed models, protecting drinking water supplies, protecting recreational water uses, understanding wildfire impacts on water quality, and understanding water quality conditions for aquatic life.

Fact Sheet

2020 Water Quality NPDES Permitting Update: By the Numbers

State of Oregon
Department of Environmental Quality

Water Quality Permitting and Program Development
700 NE Multnomah St., Suite 600
Portland, OR 97232
Phone: 503-229-5589
800-452-4011
Fax: 503-229-6124
Contact: Geoff Rabinowitz

www.oregon.gov/DEQ

DEQ is a leader in restoring, maintaining and enhancing the quality of Oregon's air, land and water.

DEQ's Water Quality Program's mission is to protect, restore, and improve Oregon's water quality. Protecting Oregon's rivers, lakes, streams, and groundwater quality keeps these waters safe for a multitude of beneficial uses, such as drinking water, protecting fish and other aquatic organisms, recreation, the ability to consume fish safely and irrigation. In part, DEQ fulfills its mission by regulating sewage treatment systems and industrial and stormwater discharges.

In March 2020, the permitting team transitioned to work almost entirely from home and challenges in completing inspections due to COVID-19 travel restrictions arose, yet the number of permit actions taken have accelerated.

Total Number of Permits

Number of NPDES Permits/ Permit Registrants	ER	NWR	WR	HQ Staff	Statewide
Individual wastewater permits - major	13	24	30	0	67
Individual wastewater permits - minor	53	69	129	0	251
General wastewater permit registrants	68	78	205	12	363
Construction stormwater permits	164	571	531	0	1,266
Industrial stormwater permit	43	516	490	0	1,049
Municipal stormwater permits	1	7	21	0	29
Total	**342**	**1,265**	**1,406**	**12**	**3,025**

***Numbers as of December, 2020**

Permit Actions

During federal fiscal year 2020, DEQ completed 44 permit actions and issued two additional general permits. This compares to 23 permit actions in 2019, 32 permit actions in 2018 and four permit actions in 2017.

Individual Permitting Highlights:

- City of Portland – Columbia Boulevard Wastewater Treatment Plant – Renewed permit for the largest volume domestic wastewater discharger in Oregon.
- Klamath Falls area permits renewed – City of Klamath Falls, South Suburban Sanitary District, Jeld-Wen, and Columbia Forest Products, which was the oldest administratively continued NPDES permit in Oregon, last issued in 1984.
- Oregon Department of Transportation -- Renewal of the statewide MS4 permit, which was last issued in 2000.

General Permitting Highlights:

In 2020, four general permits were renewed/issued:

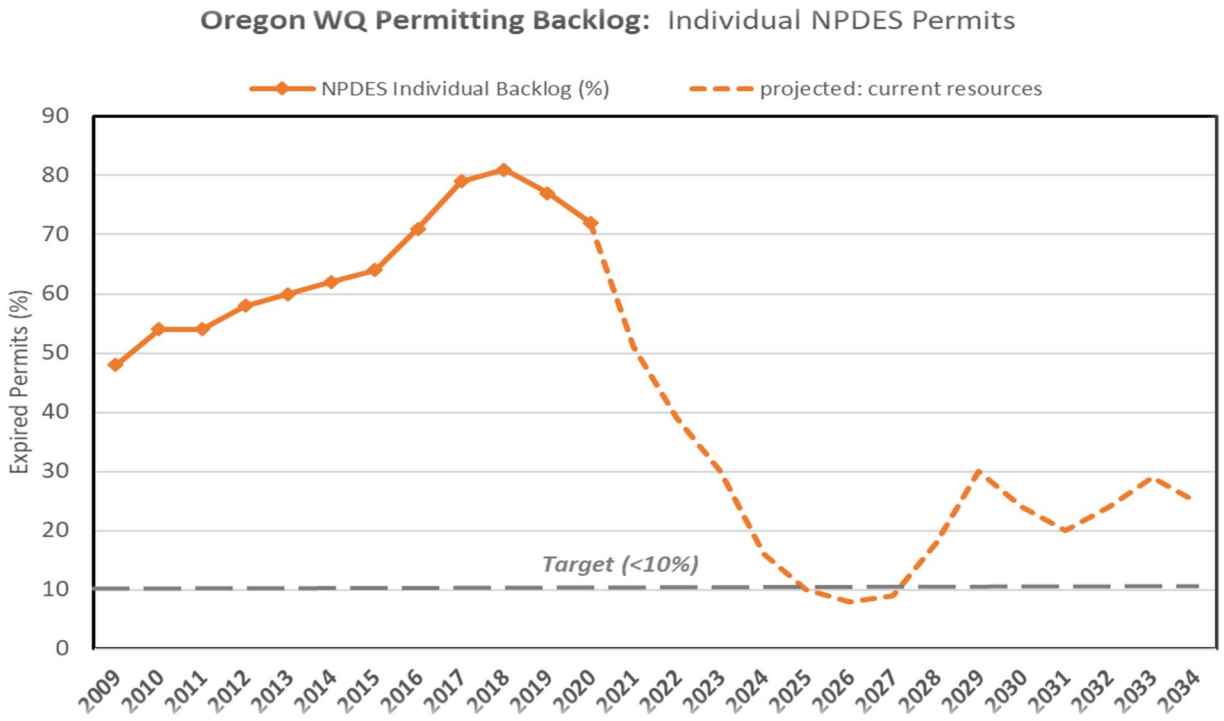
- In-stream placer mining (700PM)
- Seafood processing (900J)
- Pesticide use for irrigation systems (2000J)
- Construction stormwater (1200-C with DEQ issuing permit coverage to 371 new permit applicants)

In 2021, DEQ plans to renew the following general permits:

- Petroleum hydrocarbon cleanup (1500A)
- Pesticide application (2300A)
- Confined Animal Feeding Operation, which is issued jointly with the Oregon Department of Agriculture.
- Industrial stormwater (1200-Z)
- Construction stormwater (1200-CN and 1200-CA)

Permit Issuance Plans:

DEQ regulates discharge of pollutants to waterways by issuing federal National Pollutant Discharge Elimination System (NPDES) permits to point source discharges of wastewater and stormwater. Under the federal NPDES permit program, permits are normally issued for a five-year term. However, as of December 2020 approximately 70 percent of NPDES permits in Oregon have not been renewed on time. These out-of-date permits remain in effect, but may not contain conditions that reflect updated standards and water quality conditions. DEQ used external consultants in 2016 and 2018 to help develop a focused path forward for minimizing this backlog through permitting process changes.



DEQ's Water Quality NPDES Individual Permit Issuance Plan for FFY 2021 and the Water Quality NPDES Individual Five-year Issuance Plan for 2021-2026 can be found on the DEQ Water Quality permitting webpage. DEQ also plans to develop a Five-Year General Permit Issuance Plan in 2021.

Inspections

Permit Type			2018	2019	2020
Wastewater	NPDES	Individual	77	56	22
		General	0	1	0
Stormwater	NPDES	Individual	3	0	2
		General	147	132	108
		Total	**227**	**189**	**138**

Note: Totals include all site visit types and exclude 401 certification, UIC rule authorized, and onsite permits. Numbers are through Nov. 9, 2020

Discharge Monitoring Reports

Number of DMRs Submitted Annually	ER	NWR	WR	Statewide
NPDES individual permit DMRs (via NetDMR)	1,129	2,246	2,852	6,227
NPDES general permits DMR review (via paper)	156	680	1,381	2,217

Note: Totals include DEQ-administered permits/permit registrants only. Numbers are through Nov. 9, 2020

Non-Formal Enforcement

Permit Type			2018				2019				2020			
			PEN	WL	WLOTC	2018 Total	PEN	WL	WLOTC	2019 Total	PEN	WL	WLOTC	2020 Total
Wastewater	NPDES	Individual	19	43	25	88	19	24	9	52	19	44	13	76
		General	5	—	2	7	5	1	3	9	—	2	1	3
Stormwater	NPDES	Individual	—	—	—	—	—	—	1	1	—	—	—	—
		General	27	63	147	303	33	42	86	186	21	18	68	114
		Total	**51**	**106**	**174**	**331**	**57**	**67**	**99**	**223**	**40**	**64**	**82**	**186**

Note: Totals include enforcement actions issued between Jan. 1, 2018 and Nov. 9, 2020, for NPDES and WPCF permits and permit registrants and exclude enforcements related to onsite wastewater treatment systems and unpermitted facilities.

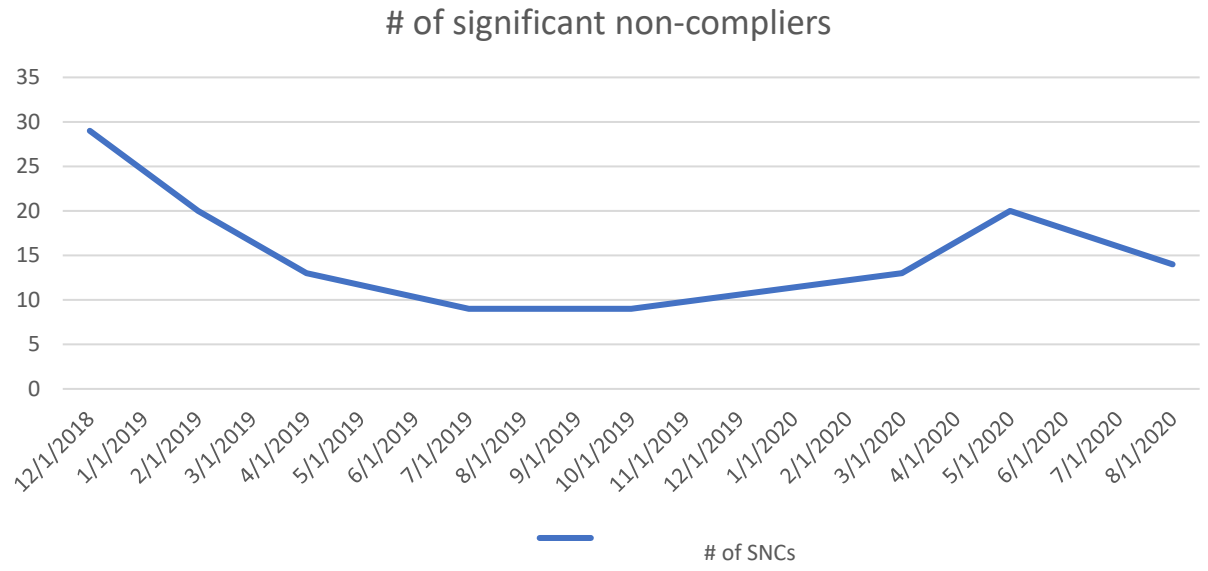
Formal Enforcement

ACES Program	2018		2019		2020	
	# of FEAs	Total Assessed Penalty Amount	# of FEAs	Total Assessed Penalty Amount	# of FEAs	Total Assessed Penalty Amount
WQ Permitting	37	$532,928	24	$233,751	28	$117,082
Stormwater	64	$759,910	90	$1,464,630	43	$1,041,539
Total	**101**	**$1,292,838**	**114**	**$1,698,381**	**71**	**$1,158,621**

Note: 2020 data is current to Nov. 16, 2020. Formal enforcement actions means notice of civil penalty assessment and order, upfront mutual agreement and final order, and expedited enforcement offer. Stormwater data includes formal enforcement actions (including expedited enforcement orders) issued by the Office of Compliance and Enforcement for violations referred by DEQ regional offices and DEQ's agents. It does not include the expedited enforcement orders issued by DEQ regional staff. Total assessed penalty amount means the civil penalty assessed at the time the formal enforcement is issued. It does not reflect the amount of civil penalty agreed upon after settlement or the amount actually paid.

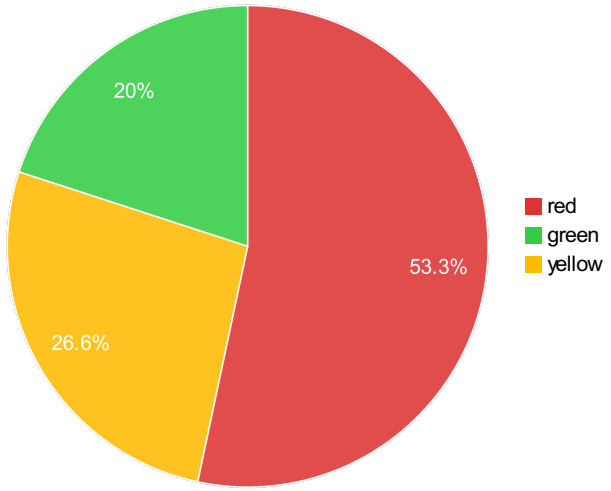
Significant Non-Complier Reduction in Oregon

Over the past two years DEQ and EPA have worked together to address permitted facilities that trigger the significant non-complier designation for non-compliance. Since that time, the number of such designated facilities has declined:



Alternative formats
DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email deqinfo@deq.state.or.us.

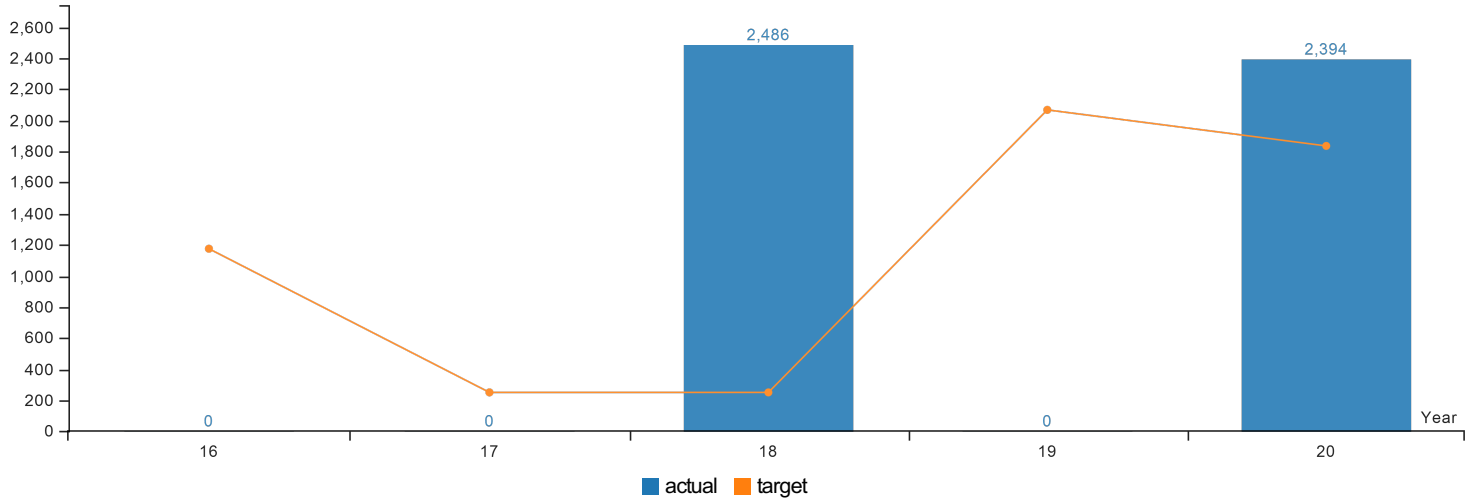
KPM #	Approved Key Performance Measures (KPMs)
1	AIR QUALITY DIESEL EMISSIONS - Quantity of diesel particulate emissions (in tons).
2	AIR QUALITY CONDITIONS - National Standards: Number of days when air is unhealthy for sensitive groups and all groups.
3	AIR QUALITY - AIR TOXICS - Air Toxics Trends in Larger and Smaller Communities
4	Permit Timeliness - Issuance of new permits - Percentage of new air quality permits that are issued within timeliness targets.
5	Permit Timeliness - Issuance of Permit Modifications - Percentage of air quality permit modifications issued within the target timeliness period.
6	Permit Timeliness - Current Permits - Percent of air quality permits that are current (not on administration extension)
7	PERMIT TIMELINESS - Percentage of individual wastewater discharge permits issued within 270 days.
8	UPDATED PERMITS - Percent of total wastewater permits that are current.
9	WATER QUALITY CONDITIONS - Percent of monitored stream sites with significantly increasing trends in water quality.
10	CLEANUP - Properties with known contamination cleaned up
11	MATERIALS MANAGEMENT - Waste generation
12	MATERIALS MANAGEMENT - Waste recovery
13	CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.
14	ERT - Percent of local participants who rank DEQ involvement in Economic Revitalization Team process as good to excellent.
15	BOARDS AND COMMISSIONS - Percent of total best practices met by the Environmental Quality Commission.



Performance Summary	Green	Yellow	Red
	= Target to -5%	= Target -5% to -15%	= Target > -15%
Summary Stats:	20%	26.67%	53.33%

KPM #1	AIR QUALITY DIESEL EMISSIONS - Quantity of diesel particulate emissions (in tons).
	Data Collection Period: Jan 01 - Jan 01

** Upward Trend = negative result*



Report Year	2016	2017	2018	2019	2020
Quantity of diesel particulate emissions (in tons)					
Actual	0	0	2,486	No Data	2,394
Target	1,175	250	250	2,069	1,837

How Are We Doing

Diesel particulate matter is a known human carcinogen. Although there is a particular health risk for those exposed to diesel particulate in the workplace, about 92 percent of Oregon's population face an exposure health risk of some kind, based on the 2011 U.S. Environmental Protection Agency National Air Toxics Assessment, the most recent data available.

The measure reflects the anticipated decline in diesel engine emissions over time attributable to following factors:

1. The natural turnover of older, higher emitting trucks and equipment
2. The early replacement and retrofitting of older diesel trucks and equipment that occur because of grants the agency distributes

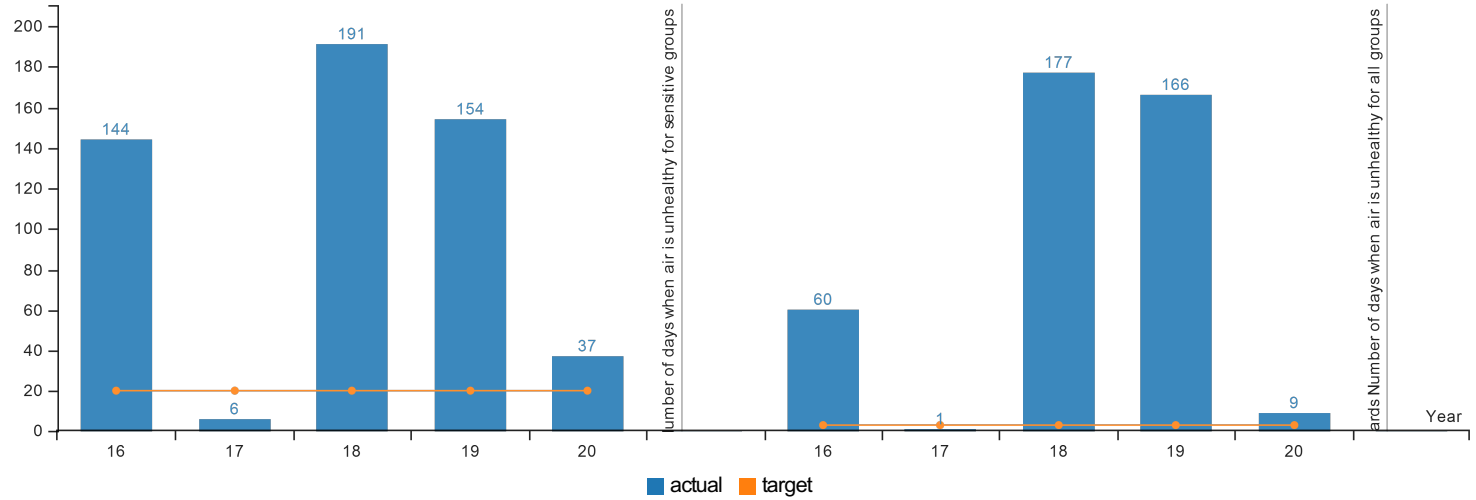
Diesel engine emissions in Oregon remain slightly above the target. DEQ derives the data for this measure from an assessment of all air pollutants from all sources in the state that EPA compiles every three years called the National Emissions Inventory (NEI). The 2017 calendar year is the latest data available for this report, that data was released in 2020.

Factors Affecting Results

In 2019 the legislature adopted HB 2007. The legislation aims to further reduce diesel engine emissions through a variety of regulations and incentives. Major elements of the bill include:

- A requirement that certain medium and heavy duty diesel trucks registered in Clackamas, Multnomah and Washington counties be 'clean diesel' (model year 2007 or 2010) by 2029.
- Direction to DEQ to disburse remaining Volkswagen settlement funds (about $53 million) through a competitive grant program for replacing or retrofitting older diesel trucks.
- A requirement that clean diesel construction equipment be used on public works projects valued above $20 Million in Clackamas, Multnomah and Washington Counties.

KPM #2	AIR QUALITY CONDITIONS - National Standards: Number of days when air is unhealthy for sensitive groups and all groups.
	Data Collection Period: Jan 01 - Jan 01



Report Year	2016	2017	2018	2019	2020
a. National Standards Number of days when air is unhealthy for sensitive groups					
Actual	144	6	191	154	37
Target	20	20	20	20	20
b. National Standards Number of days when air is unhealthy for all groups					
Actual	60	1	177	166	9
Target	3	3	3	3	3

How Are We Doing

NOTE: The 2020 report is based on data from calendar year 2019

DEQ strives to fully protect public health for sensitive populations from outdoor air pollution. The measure was developed in 2006 to reflect the annual trend in actual air quality for the general population. This measure indicates that air quality is unhealthy for sensitive populations on some days in some places. The majority of the unhealthy for sensitive groups air days are caused by elevated fine particulate levels resulting from wildfires, forestry burning, woodstoves and other combustion sources.

Oregon's number of days when air was unhealthy for sensitive groups (based on the criteria pollutants) went down from 154 days in 2018 to 37 in 2019. Data is collected in 30 of the cities or airsheds across the state.

In 2019, Oregon recorded nine days when air was unhealthy for all groups or worse, down from 166 day in 2018. The unhealthy or worse air days occurred in four cities or air sheds. Wildfire smoke impacted southern Oregon communities for about one week in 2019.

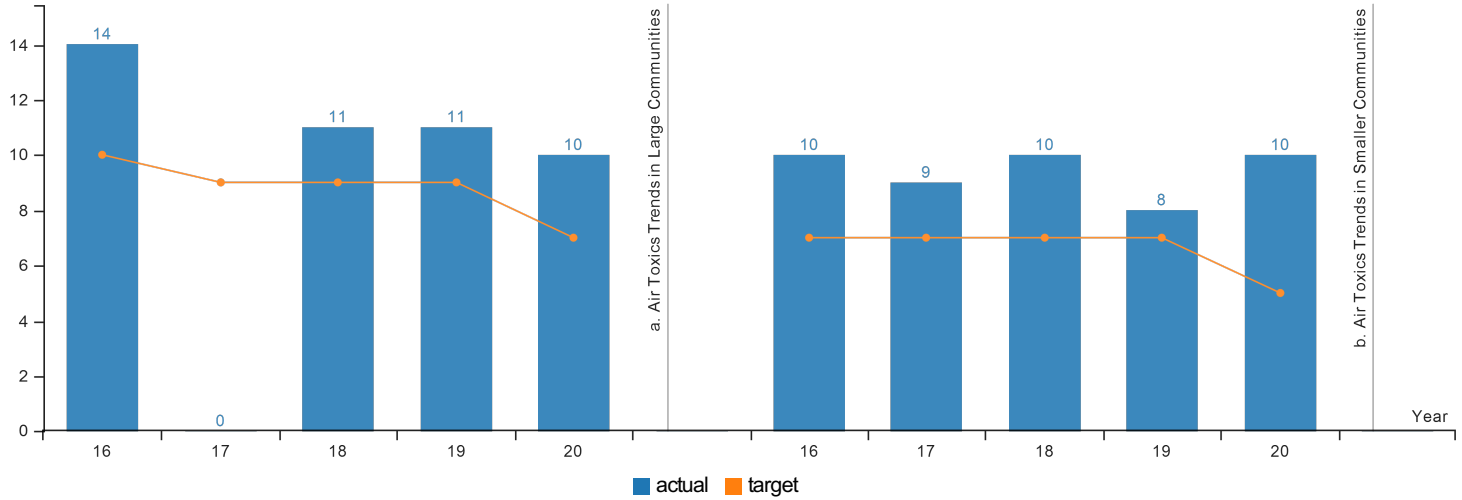
Factors Affecting Results

The primary factors for the worsening trends in unhealthy air days in the past five years are wildfire smoke impacts. 2019 did not see as many impacts as 2015, 2017, and 2018. Out of the 37 unhealthy for sensitive group days in 2019, 15 were from wildfire smoke. The remaining 22 days were primarily from particulate matter during fall and winter stagnation events or from prescribed burning. 2019 also had an increase in prescribed burning to prevent massive wildfires.

Air pollution levels caused by man-made sources are affected by the amount of pollution generating activity occurring in each community, the amount of resources dedicated to pollution reduction and in many cases simply the weather. Very cold winters with periods of severe air stagnation can greatly intensify and increase fine particulate levels in communities. In the summer, prolonged periods of very hot temperatures combined with poor ventilation can intensify and increase ground level ozone (smog) pollution. Federal, state and local air pollution reduction programs, such as woodstove curtailment, education, cleaner car standards, and industrial emission controls, all work together to reduce air pollution. Air quality monitoring also plays a vital role in allowing DEQ and local governments to assess air quality and health risk conditions in communities and respond appropriately. Each wildfire season brings different air pollution impacts depending on the frequency, location, and duration of wildfires. The air pollution trends presented in this Key Performance Measure reflects all these factors. In addition, medical research on the health effects of air pollution continues to advance, and EPA may continue to make national ambient air quality health standards more protective based on that science.

On October 1, 2015, EPA strengthened the National Ambient Air Quality Standards (NAAQS) for ground-level ozone to 70 parts per billion (ppb) from 75 ppb, based on extensive scientific evidence about ozone's effects on public health and welfare. All communities in Oregon except the Portland Metro area currently meet the standard; however, Medford, Salem and Hermiston are close to the standard with annual averages ranging between 65 ppb and 69 ppb. The Portland Metro area is currently over the standard at 72 ppb. Wildfire smoke contributed to this violation of the standard to some extent.

KPM #3	AIR QUALITY - AIR TOXICS - Air Toxics Trends in Larger and Smaller Communities
	Data Collection Period: Jan 01 - Jan 01



Report Year	2016	2017	2018	2019	2020
a. Air Toxics Trends in Large Communities					
Actual	14	0	11	11	10
Target	10	9	9	9	7
b. Air Toxics Trends in Smaller Communities					
Actual	10	9	10	8	10
Target	7	7	7	7	5

How Are We Doing

NOTE: 2020 report year is based on data from calendary year 2019.

Air toxics are chemicals in the air we breathe that are known or suspected to cause cancer as well as other detrimental health effects in people. Using current medical studies, DEQ has established threshold levels (i.e. air toxic benchmarks) for a variety of airborne toxic chemicals that represent levels of acceptable risk to the public. DEQ's KPM goal is to reduce monitored levels of five representative toxics - benzene, acetaldehyde, formaldehyde, arsenic and cadmium - down to the slight risk level one time above the benchmark for each pollutant by 2020. Meeting the air toxics KPM goals would be a partial indication of reduced risk to public health from the chemicals tracked. There are many other air toxics that can cause risk to public health. The benchmarks serve as clean air goals not regulatory standards. They are based on very protective concentrations at which sensitive members of the population would experience a negligible increase in risk of additional cancers or other health effects. The values for this measure are obtained by dividing the average annual monitored concentrations by DEQ benchmark values for each pollutant.

Large Communities: Between 2004 and 2016, DEQ gathered data for this measure at North Roselawn Street in Portland. Emissions during construction of housing adjacent to this monitor in 2016 rendered the data non-representative and interfered with sample collection. The new building also made the site unsuitable for future use. As a result, DEQ relocated the monitoring site 0.2 miles away at the Humboldt School on N. Gantenbein Avenue. This location is in the same North/Northeast quadrant of Portland in the same type of inner city neighborhood. In calendar year 2017, DEQ collected 10 months of data at the Humboldt School location. The 2017 KPM is based on those 10 months of data.

The Humboldt School site is representative of a Portland typical inner city neighborhood. Tracking air toxics trends in Portland provides information about changes in risk to Oregon's most populated and developed areas, communities with populations of 50,000 or more. Air toxics, as measured by trends in the five tracked pollutant concentrations, have improved significantly from an average concentration of 32 times above the health benchmark in 2004 to 10 times above the benchmark in 2019.

Annual average levels of benzene, arsenic, acetaldehyde and formaldehyde in Portland decreased from 11 in 2018 to 10 in 2019.

Smaller Communities: From 2004 until the fall of 2016 data for this measure was gathered at a mostly residential area on Ash Street in La Grande. The monitoring station was moved in September 2016 because of interference from burning immediately next to the site. The new site, La Grande H and N Avenue is at an elementary school on the east side of La Grande. Both the old and new sites are representative of typical smaller community neighborhoods. La Grande is a small community not influenced by surrounding development or heavy industrialization. Compared to larger communities, such as Portland, fewer air toxics in La Grande come from vehicle emissions. An interstate highway runs through La Grande, and it is a regional freight distribution center, but there are lower levels of congestion and traffic volume. Air toxics, as measured by trends in the five tracked pollutant concentrations, have improved from an average concentration of 15 times above the health benchmark in 2004 to about 10 times above the benchmark in 2019.

Annual average levels of benzene, arsenic, acetaldehyde and formaldehyde in La Grande increased from 8 in 2018 to 10 in 2019.

Factors Affecting Results

Large Communities: In an urban area like Portland, air toxics are most influenced by emissions from cars and trucks, with additional influence from residential wood burning and, on a neighborhood level, emissions from industry and commercial activities. Portland is an ozone maintenance area in which industry has been required to control volatile organic compounds, many of which are also air toxics. Weather patterns, such as winter-time stagnation, high summer-time temperatures, and natural events, such as wildfires, can be significant factors resulting in elevated air toxics concentrations.

Smaller Communities: Of the five tracked pollutants in La Grande, benzene and acetaldehyde pose the most potential risk to public health. Benzene is 4 times the benchmark and acetaldehyde is 3 times the benchmark. Sources of benzene in La Grande are residential wood combustion, cars and trucks, leaks in the gasoline distribution system, fossil fuel combustion for heat and energy, industrial emissions, wild fires and background levels that presumably come from other developed areas.

Sources of the five pollutants in the KPM:

Benzene

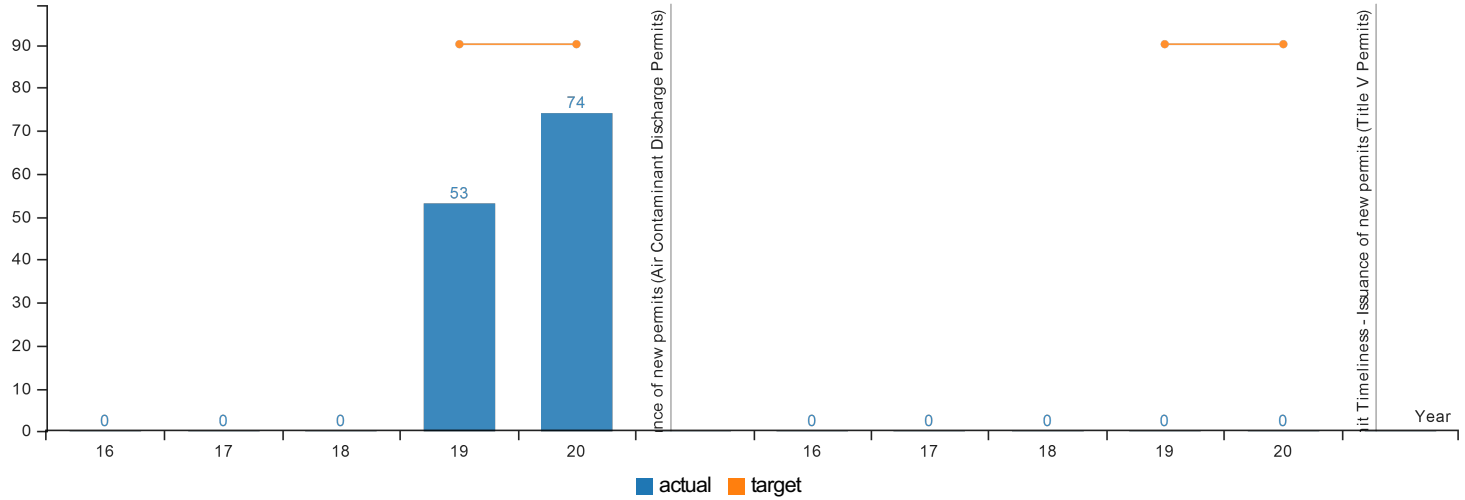
Sources of benzene are cars and trucks, leaks in the gasoline distribution system, residential wood combustion, fossil fuel combustion for heat and energy, industrial emissions, wild fires, and background levels that presumably come from other developed areas. Decreases in benzene are largely attributable to cleaner vehicle engines with improved fuel economy and federally mandated reduction of benzene in gasoline that took effect in 2011 and 2012. However, reductions may be offset by local increases in driving and additional vehicles related to population growth.

Acetaldehyde and formaldehyde are produced by wood and fossil fuel combustion, but the largest quantities of these pollutants are produced through chemical formation in the atmosphere. Precursors in the chemical formation process are volatile organic compounds emitted from wood and fossil fuel combustion and vegetation. Acetaldehyde and formaldehyde values have not changed significantly since 2004. Pollutants formed through a complex secondary process are more difficult to decrease through emission reduction strategies than pollutants controlled at their primary sources.

Arsenic is predominantly from engines burning fossil fuels, natural gas and other petroleum products, and glass and metals industries. Arsenic values have dropped from a high of nine times above the benchmark in 2004 to levels fluctuating around four or five times above the benchmark for the last six years in Portland. DEQ expects that arsenic levels in Portland will decrease as the vehicle fleet continues to turn over to new and cleaner vehicles and fuel efficiency improves. Arsenic in Portland is also influenced by background concentrations because arsenic is present in local volcanic soils that become airborne as dust. Arsenic levels in La Grande have remained at the clean air goal of one time above the benchmark for the past ten years.

Levels of cadmium have ranged from four times above the benchmark in 2005 to levels fluctuating between one and two times above the benchmark since 2010. In 2017, cadmium was below the benchmark for the first time since air toxics trend monitoring began in Portland. Between 2012 and 2016, DEQ investigated unidentified sources of cadmium in the Portland area. In 2016, DEQ in collaboration with federal moss researchers, identified art glass manufacturers as a significant source of cadmium in Portland. The agency has since adopted rules specific to Colored Art Glass Manufacturers which controlled cadmium emissions from those sources, and may have resulted in the historic low level recorded at the monitor in 2017. There is no cadmium measured in La Grande.

KPM #4	Permit Timeliness - Issuance of new permits - Percentage of new air quality permits that are issued within timeliness targets.
	Data Collection Period: Jan 01 - Dec 31



Report Year	2016	2017	2018	2019	2020
Permit Timeliness - Issuance of new permits (Air Contaminant Discharge Permits)					
Actual	No Data	No Data	No Data	53%	74%
Target	TBD	TBD	TBD	90%	90%
b. Permit Timeliness - Issuance of new permits (Title V Permits)					
Actual	No Data	No Data	No Data	No Data	0%
Target	TBD	TBD	TBD	90%	90%

How Are We Doing

Note: The 2020 report is based on 2019 calendar year data.

DEQ requires Air Contaminant Discharge Permits when sources, of any size, construct or modify their facilities. These permits are also required for the operation of medium-sized point sources and the operation of some smaller-sized point sources that emit specified hazardous air pollutants. DEQ also operates the Title V (TV) Permit program, which is required by the federal Clean Air Act for major sources emitting traditional "criteria" or hazardous air pollutants. Oregon's largest industrial facilities tend to be the source of these emissions.

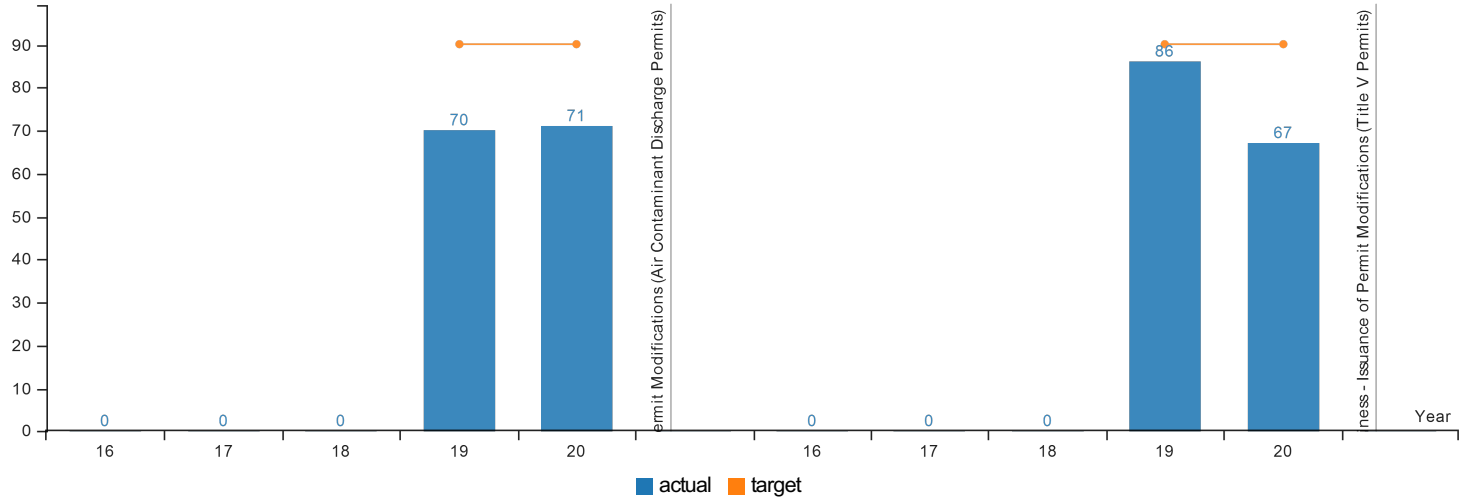
In 2019, 74% of ACDP sources and 0% of TV new permits were issued on time. DEQ sets processing targets for the different types of permits, with a range from 30 days for the simplest permits to 365 days for the most complex permits. DEQ issued one new TV permit in 2019 and missed the timeliness target (within 365 days of application receipt) by approximately 30 days.

DEQ's goal is that 90 percent of ACDP and TV permits are current. A recent performance audit conducted by the Secretary of State identified several key factors contributing to DEQ's inability to complete permit activities within timeliness targets. These factors are discussed in the "Factors Affecting Results" section.

Factors Affecting Results

As mentioned above, the Oregon Secretary of State's recent performance audit revealed a permit renewal backlog. Auditors identified a number of root causes, including the following primary factors:

KPM #5	Permit Timeliness - Issuance of Permit Modifications - Percentage of air quality permit modifications issued within the target timeliness period.
	Data Collection Period: Jan 01 - Dec 31



Report Year	2016	2017	2018	2019	2020
Permit Timeliness - Issuance of Permit Modifications (Air Contaminant Discharge Permits)					
Actual	No Data	No Data	No Data	70%	71%
Target	TBD	TBD	TBD	90%	90%
b. Permit Timeliness - Issuance of Permit Modifications (Title V Permits)					
Actual	No Data	No Data	No Data	86%	67%
Target	TBD	TBD	TBD	90%	90%

How Are We Doing

Note: The 2020 report is based on 2019 calendar year data.

DEQ requires Air Contaminant Discharge Permits when sources, of any size, construct or modify their facilities. These permits are also required for the operation of medium-sized point sources and the operation of some smaller-sized point sources that emit specified hazardous air pollutants. DEQ also operates the Title V (TV) Permit program, which is required by the federal Clean Air Act for major sources emitting traditional "criteria" or hazardous air pollutants. Oregon's largest industrial facilities tend to be the source of these emissions.

In 2019, 71% of ACDP sources and 67% of TV permit modifications were issued on time. DEQ sets processing targets for the different types of permits, with a range from 30 days for the simplest permits to 365 days for the most complex permits.

DEQ's goal is that 90 percent of ACDP and TV permits are current. A recent performance audit conducted by the Secretary of State identified several key factors contributing to DEQ's inability to complete permit activities within timeliness targets. These factors are discussed in the "Factors Affecting Results" section.

Factors Affecting Results

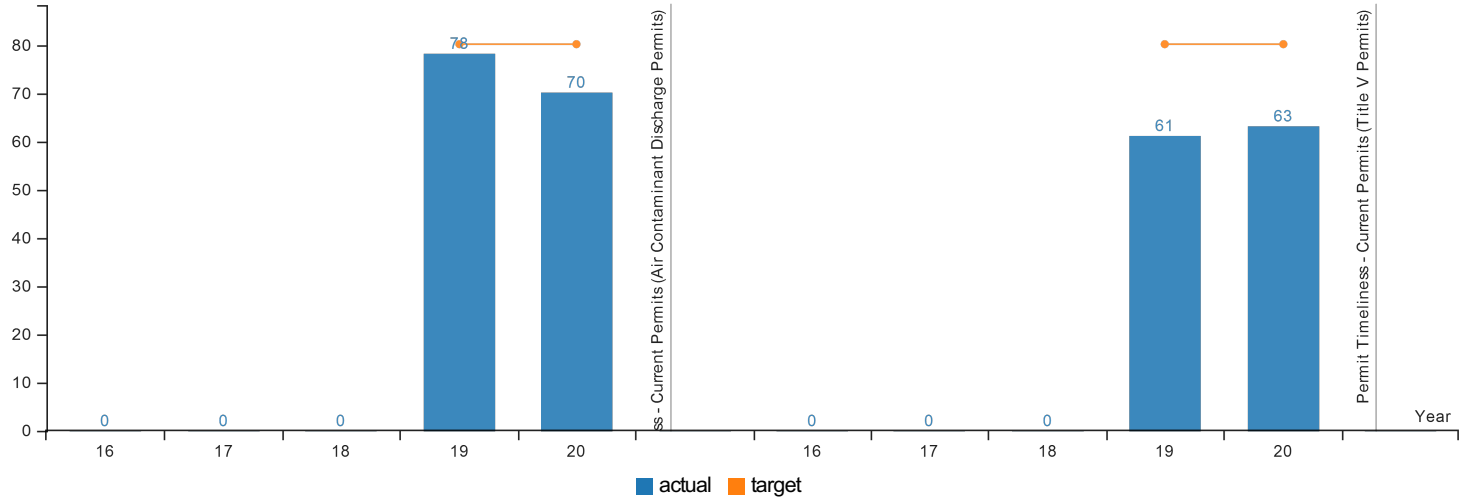
As mentioned above, the Oregon Secretary of State's recent performance audit revealed a permit renewal backlog. Auditors identified a number of root causes, including the following primary factors:

- Pre-application guidance and tools available for the regulated community are outdated or not easy to use
- Competing demands such as compliance inspections and responding to complaints take away time from permit writing
- Position cuts due to revenue shortfalls have led to unmanageable workloads

DEQ agreed with the results of the audit and has been working to address its findings since early 2019. Key initiatives currently underway include:

- A comprehensive process improvement effort to develop more efficient internal processes
- Redesigning the permitting program webpage for improved usability
- Updating key guidance documents that assist permit writers and sources interpret rules and requirements

KPM #6	Permit Timeliness - Current Permits - Percent of air quality permits that are current (not on administration extension)
	Data Collection Period: Jan 01 - Dec 31



Report Year	2016	2017	2018	2019	2020
Permit Timeliness - Current Permits (Air Contaminant Discharge Permits)					
Actual	No Data	No Data	No Data	78%	70%
Target	TBD	TBD	TBD	80%	80%
Permit Timeliness - Current Permits (Title V Permits)					
Actual	No Data	No Data	No Data	61%	63%
Target	TBD	TBD	TBD	80%	80%

How Are We Doing

Note: The 2020 report is based on 2019 calendar year data.

DEQ requires Air Contaminant Discharge Permits when sources, of any size, construct or modify their facilities. These permits are also required for the operation of medium-sized point sources and the operation of some smaller-sized point sources that emit specified hazardous air pollutants. DEQ also operates the Title V (TV) Permit program, which is required by the federal Clean Air Act for major sources emitting traditional "criteria" or hazardous air pollutants. Oregon's largest industrial facilities tend to be the source of these emissions.

In 2019, 70% of ACDP sources and 63% of TV sources were operating under a current permit. The remaining sources were operating under a permit on administrative extension. Sources are allowed to operate with an expired permit (i.e. permit on administrative extension) so long as the source submits a permit renewal applicaiton before it expires.

DEQ's goal is that 80 percent of ACDP and TV permits are current. A recent performance audit conducted by the Secretary of State identified several key factors contributing to DEQ's inability to renew existing permits in a timely fashion. These factors are discussed in the "Factors Affecting Results" section.

Factors Affecting Results

As mentioned above, the Oregon Secretary of State's recent performance audit revealed a permit renewal backlog. Auditors identified a number of root causes, including the following primary factors:

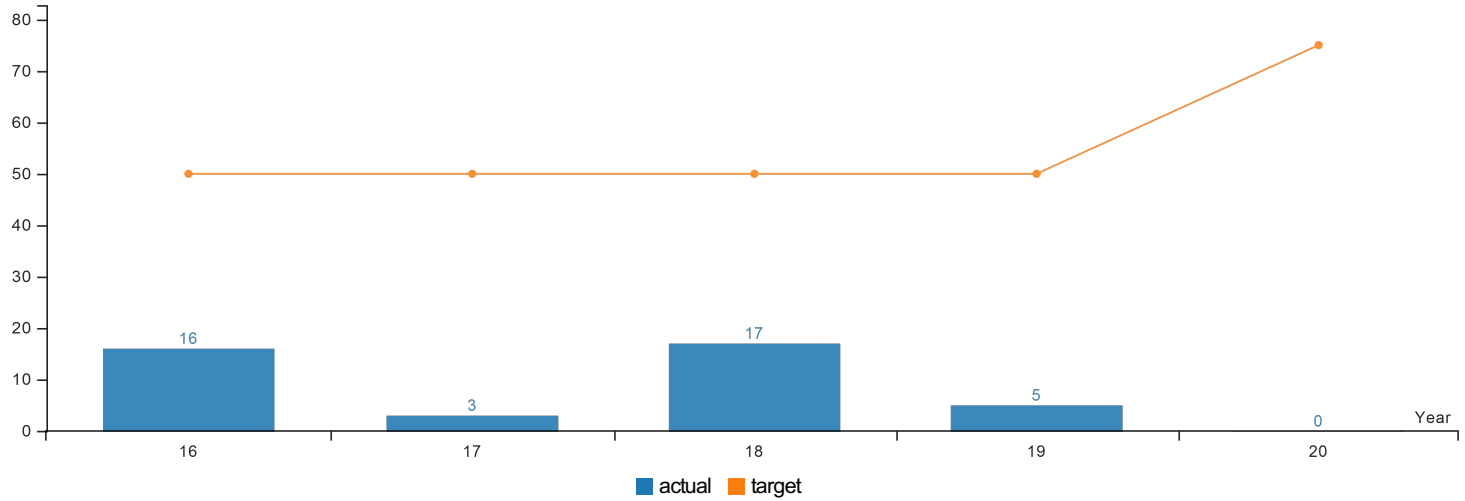
- Pre-application guidance and tools available for the regulated community are outdated or not easy to use
- Competing demands such as compliance inspections and responding to complaints take away time from permit writing
- Position cuts due to revenue shortfalls have led to unmanageable workloads

DEQ agreed with the results of the audit and has been working to address its findings since early 2019. Key initiatives currently underway include:

- A comprehensive process improvement effort to develop more efficient internal processes
- Redesigning the permitting program webpage for improved usability
- Updating key guidance documents that assist permit writers and sources interpret rules and requirements

KPM #7	PERMIT TIMELINESS - Percentage of individual wastewater discharge permits issued within 270 days.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2016	2017	2018	2019	2020
Percentage of individual wastewater discharge permits issued within 270 days					
Actual	16%	3%	17%	5%	No Data
Target	50%	50%	50%	50%	75%

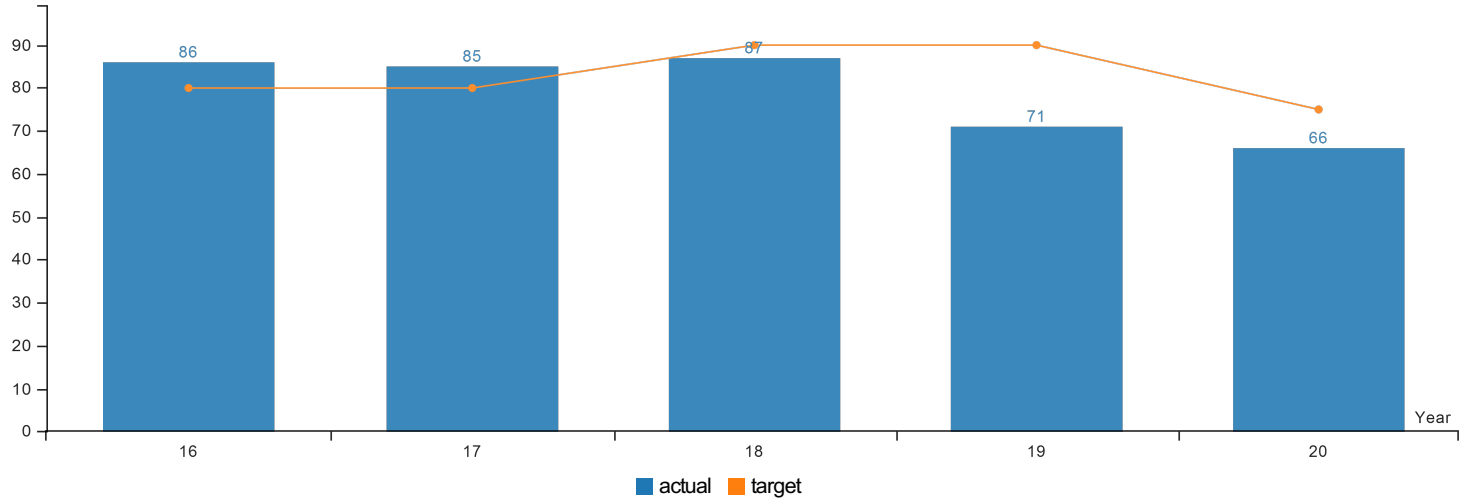
How Are We Doing

Due to the 270 lag time required to analyze this KPM, data for the the 2020 Report will not be available until October 2020. This KPM will be updated at that time.

Factors Affecting Results

KPM #8	UPDATED PERMITS - Percent of total wastewater permits that are current.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*



Report Year	2016	2017	2018	2019	2020
Percent of total wastewater permits that are current					
Actual	86%	85%	87%	71%	66%
Target	80%	80%	90%	90%	75%

How Are We Doing

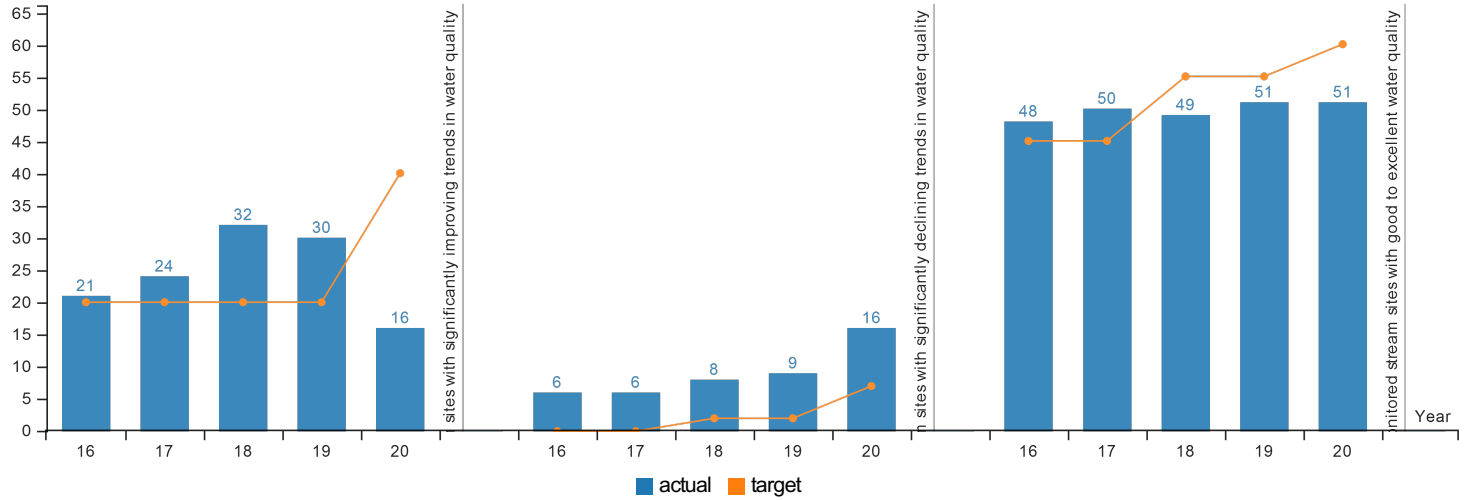
At the end of December 2019, DEQ had 66 percent of permitted sources assigned to current general and individual permits, which falls short of the 75 percent target established for the 2019 reporting period. This metric includes National Permit Discharge Elimination System permits (NPDES) and Water Pollution Control Facility (WPCF) permits, both individual and general, but excludes onsite septic system permits and coverages under the 700PM general permit for placer mining.

While the overall percent of current permitted sources has declined over the past two years, the actual number of individual permits that are current has remained stable. The large backlog of administratively continued permits remains a critical focus for permitting program efforts. As a result of devoting resources to this problem the NPDES Individual permit backlog that had been growing for many years, has been reduced from over 80% in 2018 to under 77% by the end of 2019. New resources authorized by the 2019 Legislature for the permitting program will accelerate implementation of program improvements recommended by third party consultant evaluations of the NPDES program.

Factors Affecting Results

The complexities of technical and legal issues encountered during permit development continue to affect DEQ's ability to issue permits in a timely manner. Moreover, DEQ’s focus on implementing the recommendations for improvements to the individual NPDES program has resulted in less effort on issuing general permits and WPCF permits. However, process improvements and a more focused yet balanced approach that has been implemented over the past two years is resulting in an increase in permitting efficiency and effectiveness. Some staff turnover is causing a temporary decrease in some program metric areas, but overall the program is seeing a clearly defined upward trajectory. Staff turnover has been primarily with permit writers and not the technical subject matter experts. This is allowing for the consistency and quality of the permits to remain stable or improve in some areas.

KPM #9	WATER QUALITY CONDITIONS - Percent of monitored stream sites with significantly increasing trends in water quality.
	Data Collection Period: Oct 01 - Sep 30



Report Year	2016	2017	2018	2019	2020
a. Percent of monitored stream sites with significantly improving trends in water quality					
Actual	21%	24%	32%	30%	16%
Target	20%	20%	20%	20%	40%
b. Percent of monitored stream sites with significantly declining trends in water quality					
Actual	6%	6%	8%	9%	16%
Target	0%	0%	2%	2%	7%
c. Percent of monitored stream sites with good to excellent water quality					
Actual	48%	50%	49%	51%	51%
Target	45%	45%	55%	55%	60%

How Are We Doing

Data analyzed for the 2019 water year indicates that Oregon waters did not meet the new targets established for KPM 9 this cycle. The percent of monitored sites with a significantly improving trend in water quality dropped from 30% during water year 2018 to 16% during water year 2019. This percentage is below the target of 40% for sub-measure 9a, double the previous target. This metric is expected to decline as water quality improves in the state; as a larger number of water bodies improve and remain in good quality, their quality metric will ideally hold steady. The largest improvement occurred at Rhea Creek in the Umatilla Basin. DEQ attributes the improvement to agricultural Best Management Practices (BMPs) associated with the Agricultural Water Quality Management Act.

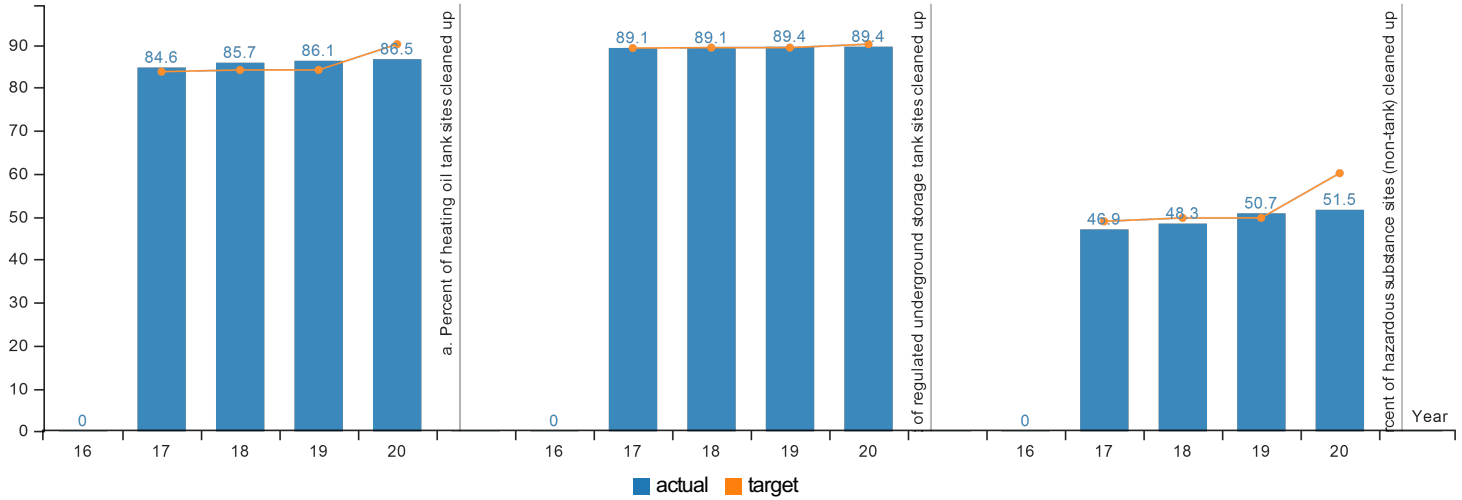
The percent of monitored sites with a significantly declining trend in water quality increased from 9% in water year 2018 to 16% in water year 2019. This percentage is above the new target of 7% for sub-measure 9b, up from 2% during the last reporting cycle. The site with the steepest decline in water quality was in the South Fork Coquille River near Broadbent. DEQ attributes this in part to active bank erosion and to outdated municipal wastewater treatment nearby. A Total Maximum Daily Load (TMDL) project is planned for 2020 that will help reach the water quality goals for the South Fork Coquille. Finally, despite remaining at 51% from the last reporting cycle, the percentage of monitored sites with excellent or good water quality was below the new target for sub-measure 9c of 60%.

Factors Affecting Results

Improvements in best management practices in agricultural lands continued to be a major factor for the increasing trends in water quality across the state. Additional factors for the improvements to water quality were improved irrigation practices, better water withdrawal and release management from dams, and the implementation of TMDLs. Ongoing and planned TMDL projects around the state will have significant impact on the water quality in the coming years. The TMDLs are focused on reducing in-stream temperature, enhancing riparian vegetation, stabilizing channel morphology, and reducing phosphorous loading. Each of these issues are in line with the sub-indices that contributed to the drop in sub-measure 9a indicating their importance to the health of Oregon's waters.

Ongoing challenges to reduce the percent of streams with declining water quality (or to increase the percent of streams with excellent water quality) can be attributed to various factors. These factors include natural conditions (wildfires, drought, and tidal influence), agricultural practices (crop rotation, agricultural runoff, riparian vegetation loss), and waste management issues that may include outdated wastewater facilities, failing septic systems, or illegal, long-term camping sites that have no waste management. Some of these factors can be easily mitigated while others are long term or natural occurrences. The data also shows that sedimentation and runoff is contributing to the changes seen in sub-measures 9a and 9b. DEQ continues to work with partner agencies and stakeholders to make progress in the management of municipal stormwater and non-point source areas, including agricultural and forest lands. Particularly in areas where DEQ relies on voluntary actions to achieve water quality improvements, focused outreach and incentivizing the continuation and expansion of the best management practices could improve temperature, erosion, and other pollution pressures It is important to communicate water quality information, both success and failures, with other management organizations, like our federal partners, cities and counties to help target actions and keep DEQ and its partner organization's activities focused on the improvement of Oregon's waters.

KPM #10	CLEANUP - Properties with known contamination cleaned up
	Data Collection Period: Jan 01 - Jan 01



Report Year	2016	2017	2018	2019	2020
a. Percent of heating oil tank sites cleaned up					
Actual	No Data	84.60%	85.70%	86.10%	86.50%
Target	TBD	83.60%	84%	84%	90%
b. Percent of regulated underground storage tank sites cleaned up					
Actual	No Data	89.10%	89.10%	89.40%	89.40%
Target	TBD	89.10%	89.20%	89.20%	90%
c. Percent of hazardous substance sites (non-tank) cleaned up					
Actual	No Data	46.90%	48.30%	50.70%	51.50%
Target	TBD	48.80%	49.60%	49.60%	60%

How Are We Doing

This measure tracks the total number of sites cleaned up as a percentage of contaminated sites in DEQ's hazardous substance cleanup and tanks databases. Tank sites include heating oil tanks (HOTs) and regulated commercial underground storage tanks (USTs), both of which involve releases of fuel. Hazardous substance sites include a variety of industrial/commercial facilities with known releases of metals, chlorinated solvents, PCBs and other hazardous chemicals. The higher the cleanup percentage, the better we are doing.

The targets for Heating Oil Tanks and hazardous substance sites were much higher for 2020 than previous years. While overall percentages for both targets improved over time, DEQ did not meet the new ambitious targets. As of Dec. 31, 2019, DEQ's Heating Oil Tanks program had overseen and/or approved the cleanup of 86.5% percent of reported HOT releases, slightly below the target of 90 percent. For regulated tanks, DEQ has completed cleanup at 89.4 percent of reported UST releases, nearly reaching the target of 90 percent. The Cleanup program had made no-further-action decisions at 51.5 percent of known hazardous substance sites, which is below this year’s target of 60 percent, but above results for previous years

Factors Affecting Results

Each year DEQ identifies additional sites that need cleanup, creating a "moving target" as the total number of sites increases. This number is hard to project into the future because it depends as much or more on economic activity than on agency actions. Nevertheless, DEQ has completed enough cleanups to increase the cleanup percentage. This is especially true for HOT cleanups, which typically occur during residential property sales.

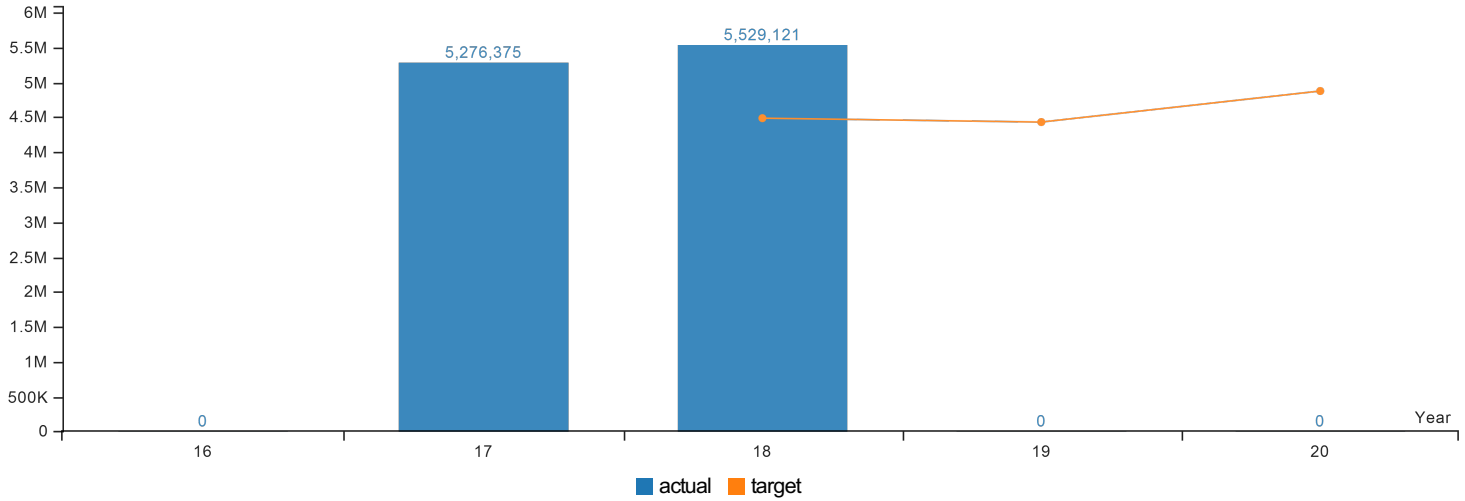
Hazardous substance sites may include a range of contaminants and are often more challenging than petroleum cleanups. State law requires property owners to report and clean up spills of oil or hazardous substances that exceed a reportable quantity, as well as any releases from USTs. State law also requires disclosure of HOTs during a property sale and releases exceeding a reportable quantity to be reported to DEQ. Many hazardous-substance sites come to DEQ's attention during due-diligence investigations by prospective purchasers, following the discovery of past releases (which did not require reporting to DEQ when they occurred). Over the years, contamination from these properties may have migrated significantly in soil, surface water or groundwater, sometimes beyond property lines. In contrast, required reporting at UST sites typically leads to quicker and simpler cleanups than at hazardous-substance sites, where contamination may have been present long before DEQ became aware of it.

DEQ works collaboratively with responsible parties to clean up contaminated properties in a timely and cost effective manner. The cleanup program uses risk-based guidance to aid cleanup decisions, targets hot spots of contamination, uses settlements to fund additional cleanups, and partners with Business Oregon to assist parties in funding investigation and cleanup actions. DEQ's Prospective Purchaser Agreement program encourages cleanup and redevelopment by providing liability relief for those wanting to buy contaminated property. In addition, DEQ has promoted Heating Oil Tank cleanups by allowing contractors registered with DEQ to certify that cleanups meet Oregon standards.

Note: Data shown in report year 2020 reflects cleanup efforts as of December 31, 2019.

KPM #11	MATERIALS MANAGEMENT - Waste generation
	Data Collection Period: Jan 01 - Jan 01

** Upward Trend = negative result*



Report Year	2016	2017	2018	2019	2020
Waste generation					
Actual	No Data	5,276,375	5,529,121	No Data	No Data
Target	TBD	TBD	4,482,885	4,427,312	4,871,739

How Are We Doing

Data for the 2020 Report (2019 data) will not be available until the end of calendar year 2020.

Waste generation is the total amount of material in the waste stream whether disposed, recycled or otherwise recovered. It can be seen as an index reflecting Oregon's consumption of materials and products, but does not include industrial or agricultural materials.

Oregon Revised Statue 459A.010 sets goals that for calendar years 2025 through 2049, total general solid waste generation shall be 15 percent below the total general solid waste generation for calendar year 2012, and that for calendar year 2050 and subsequent years, total general solid waste generation shall be 40 percent below total general solid waste generation for calendar year 2012. The targets for this measure are based on reducing the total general solid waste generation from the actual generation as measured in 2012 to 15 percent less by 2025 and 40 percent less by 2050.

From 1993 through 2006, total waste generation rose steadily. For the next three years, waste generation fell sharply, but leveled off and then began increasing slowly. Waste generation began increasing quickly again in 2015 through 2018, in contrast to legislated goals calling for reductions in generation.

Factors Affecting Results

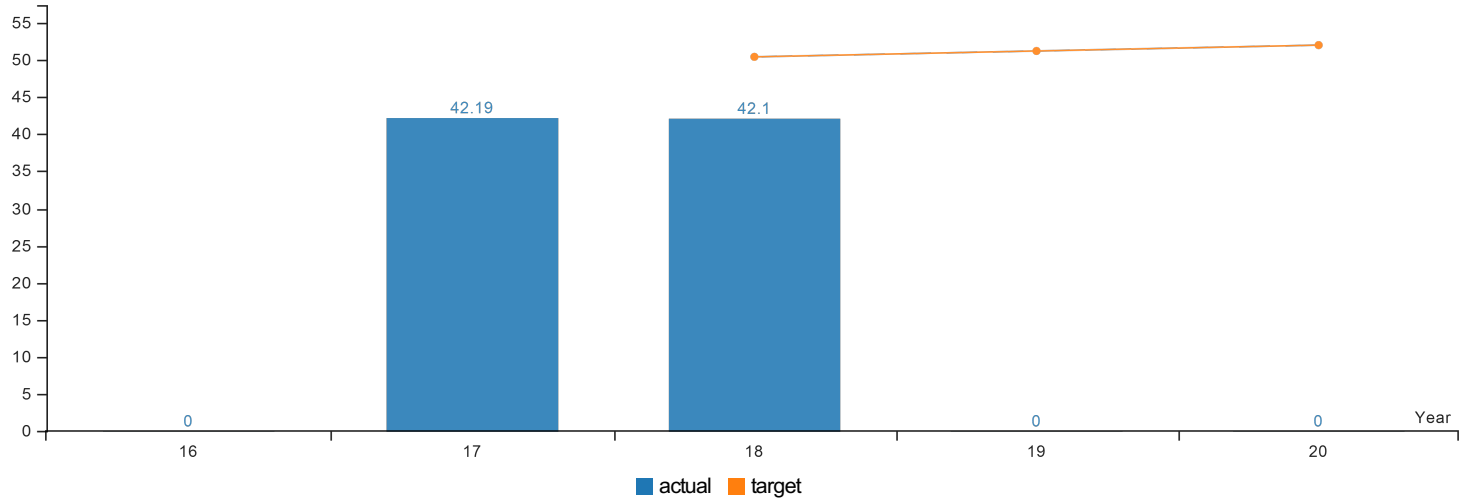
Waste generation is tied to the economy, as increased income leads to increased construction and increased purchase of goods. Population increases generally increase the generation of solid

waste, and other factors can also play a role. The decline of Oregon waste generation in 2006-2009 was likely related mainly to the recession and steep decline in building construction and employment from 2007 through 2010. Another major factor playing a role was the decline in newspapers, magazines and other printed material as people moved more to the Internet as a source of information and advertising. Since 2010, however, the Oregon economy has been more active, leading to increased consumption and increased waste generation, especially in the last five years.

The 2021 report will show impact of the economic slowdown due to the Covid-19 pandemic on waste generation.

KPM #12	MATERIALS MANAGEMENT - Waste recovery
	Data Collection Period: Jan 01 - Jan 01

** Upward Trend = positive result*



Report Year	2016	2017	2018	2019	2020
Percent of waste recovered					
Actual	No Data	42.19%	42.10%	No Data	No Data
Target	TBD	TBD	50.42%	51.21%	52%

How Are We Doing

Data for the 2020 Report (2019 data) will not be available until the end of calendar year 2020.

The waste recovery rate is the percentage of material in the municipal waste stream which is recycled or otherwise recovered. Recycling and other recovery have environmental benefits when it prevents the extraction and processing of virgin material, though individual materials differ greatly in these benefits. Oregon Revised Statue 459A.010 sets goals that by 2020, the recovery rate of material from general solid waste shall be at least 52 percent, and by 2025, it shall be at least 55 percent. As discussed below though, recovery rates are much lower now than they were in 2015 when the new statewide recovery goals took effect.

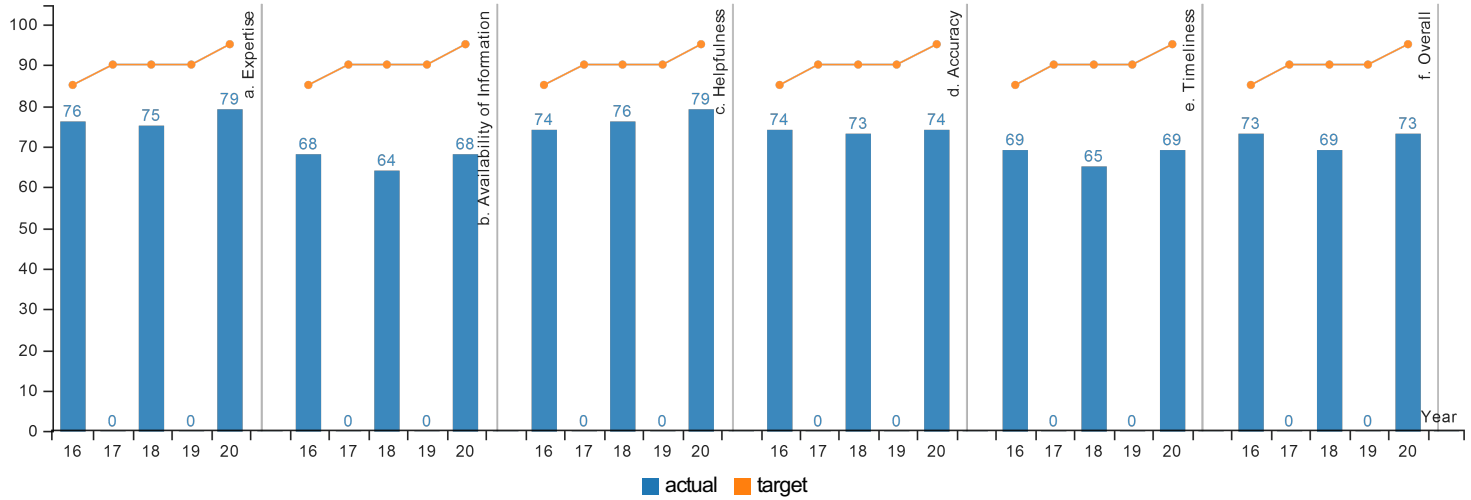
Factors Affecting Results

When the Oregon Legislature passed SB 263 in 2015 establishing the same recovery goals as later adopted as KPM 11, none anticipated that by the end of the year, the paper mill that was the largest user of mixed residential paper and of recovered wood waste would close, and that other large users of wood waste would switch to natural gas. Thus, at a time when construction activities were again taking off in Oregon, the largest markets for using the wood waste generated by that construction disappeared, likely leading to increased disposal of wood waste as well and decreased recovery. Oregon's recovery rate declined nearly 4 percentage points in 2016 as a result. Paper recycling was not much affected at the time, as Chinese buyers purchased the paper that had

been going to the now-closed Oregon paper mill.

The situation changed in late 2017, and 2018 with China announcing and implementing increased inspections and strong restrictions on the importation of recyclable material. Since China was by far the largest importer of these materials in the world, this caused a huge drop in the recycling price paid for mixed paper and mixed plastic worldwide, and in Oregon directly lead to the disposal of approximately 16,000 tons of collected mixed paper and plastic over a 2-year period, and a reduction in the types of plastic recycled in many parts of the state. Partially offsetting this, recycling under the Oregon Bottle Bill increased substantially due to the doubling of the refund value from 5 to 10 cents in 2017 and the addition of juices, teas, and many other beverages to the bottle bill in 2018. Plastics recycling under the Bottle Bill increase 81% between 2016 and 2018, and aluminum and glass redemptions also increased, but for plastics, the decline in collection through curbside and other programs resulted in an overall drop in plastics recycled.

KPM #13	CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.
	Data Collection Period: Jan 01 - Jan 01



Report Year	2016	2017	2018	2019	2020
a. Expertise					
Actual	76%	No Data	75%	No Data	79%
Target	85%	90%	90%	90%	95%
b. Availability of Information					
Actual	68%	No Data	64%	No Data	68%
Target	85%	90%	90%	90%	95%
c. Helpfulness					
Actual	74%	No Data	76%	No Data	79%
Target	85%	90%	90%	90%	95%
d. Accuracy					
Actual	74%	No Data	73%	No Data	74%
Target	85%	90%	90%	90%	95%
e. Timeliness					
Actual	69%	No Data	65%	No Data	69%
Target	85%	90%	90%	90%	95%
f. Overall					
Actual	73%	No Data	69%	No Data	73%
Target	85%	90%	90%	90%	95%

How Are We Doing

DEQ surveys its air and water quality permit holders biennially, as required by the 2005 Legislature of all state agencies, and uses the results to inform improvements to overall customer service. The measure identifies the percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" in the following service categories: overall service, timeliness, accuracy, helpfulness, expertise/knowledge and availability of information. The target is 95 percent of customers rating service as "good"or "excellent" in all categories.

The 2020 survey yielded ratings that are nearly the same as those from the 2018 survey, with scores in all catagories increasing slightly. Ratings in all categories are below the 95 percent target. The survey instrument also gathers comments that provide some insight into what our customers think of our services. The majority of comments reflect satisfaction with the helpfulness, responsiveness and expertise of agency staff. The most frequently cited concerns related to permit timeliness, a desire for increased technical assistance, and IT/website design.

Factors Affecting Results

DEQ's survey results remain consistent over time, with the majority of our customers rating services as good to excellent for all service categories, though ratings fall below of the 95 percent goal. DEQ's issues with permit timeliness affect our overall customer score.

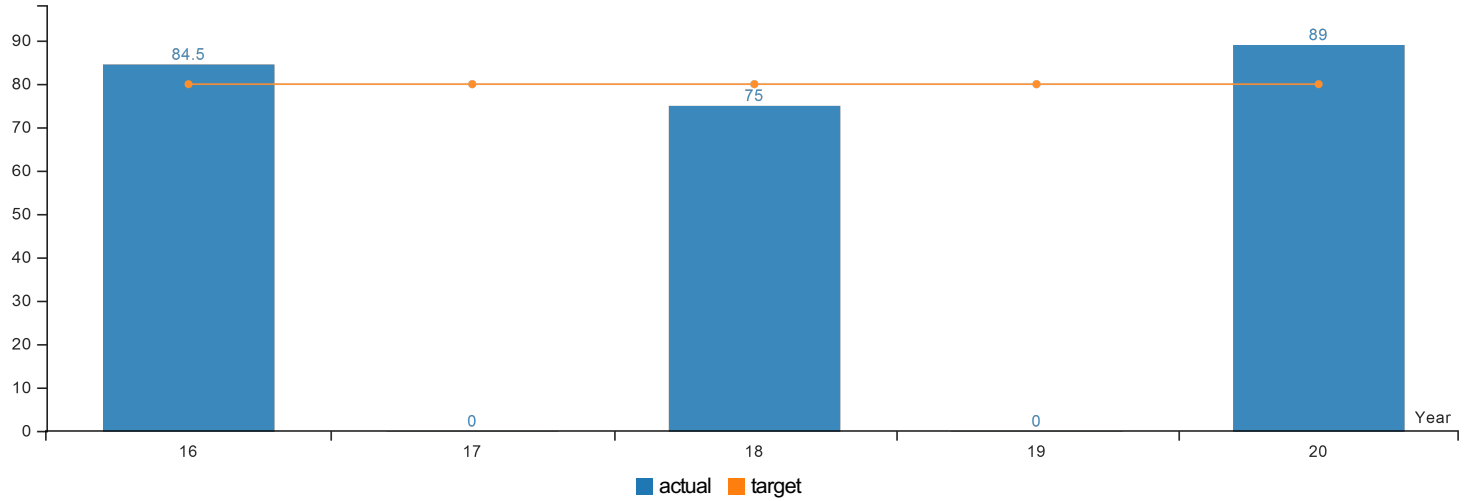
DEQ recognizes the need to improve permit timeliness. In 2016, DEQ hired an independent consultant to review the water quality permit program. The consultant's review highlighted some reasons for permitting delays, including implementing new water quality standards or clean water plans, compliance schedules and facility plans. The consultant made recommendations related to permitting process improvement, workload analysis, organizational structure and policy development. DEQ directed resources toward implementing recommendations including better defining the permitting process. Progress on permit backlogs is being made, but there is still ongoing work in this regard.

The Oregon Secretary of State audited DEQ's air quality permitting process to determine how DEQ can improve its air quality permitting process. The audit report cited a number of factors that affect timely permit development including competing priorities, position cuts, inconsistent guidance for staff and applicants, and increased time for the public engagement process. Recommendations in the report included evaluating permit writer workloads and staffing, clarifying the public engagement process, providing better guidance to permit writers and businesses, and conducting a process improvement effort.

Some survey respondants expressed frustration with the difficulty of finding information related to particular permits on the website or with lack of ability to upload documents or make payments to DEQ online. This capability is being developed as part of DEQ's Environmental Data Management System. The agency is in the process of developing and implementing this project.

KPM #14	ERT - Percent of local participants who rank DEQ involvement in Economic Revitalization Team process as good to excellent.
	Data Collection Period: Jan 01 - Jan 01

** Upward Trend = negative result*



Report Year	2016	2017	2018	2019	2020
Percent of local participants who rank DEQ involvement in Economic Revitalization Team process as good to excellent					
Actual	84.50%	No Data	75%	No Data	89%
Target	80%	80%	80%	80%	80%

How Are We Doing

The Governor's Office conducts a biennial survey to measure customer satisfaction with Regional Solutions Team services. The most recent survey was completed in July 2020, and the Governor's Office will conduct the next survey in 2022. This year, the Governor's office changed the survey to reflect the Audits Division of the Office of the Secretary of State's recommendation of soliciting more feedback and increase the response rate. The overall response rate on the survey went from 188 to 257.

The survey question related to DEQ performance ask for written comments instead of a numerical ranking of excellent, good, fair, poor, or don't know. DEQ used the overall RST ranking for quality service as our performance measurement. The overall RST ranking for quality of service as good to excellent was 89%.

Prior to Covid-19 pandemic, DEQ staff were co-located with the Governor's Coordinator and other agencies' teams (DLCD, ODOT, Housing, and Business Oregon) at Regional Solutions Centers at Oregon colleges or nearby communities. We focused on coordination of agencies on regional projects, identification of financial and project support to communities, removal of obstacles, and issuance of permits. Beginning in March 2020, the RST met virtually with communities and switched our focus to health measures and economic recovery.

There were several comments related to DEQ's performance as a RST member. Below is summary of some of the survey feedback.

1. Responsive and creative
2. Cooperative mindset and problem solvers
3. Highly qualified and focus on good service
4. Provided ok service

5. Interactions go smoother
6. Assists with navigating DEQ's resources
7. Not very good to work with
8. Thorough with information provided
9. Helped moved permits along
10. Little quicker and more clearer with information or services

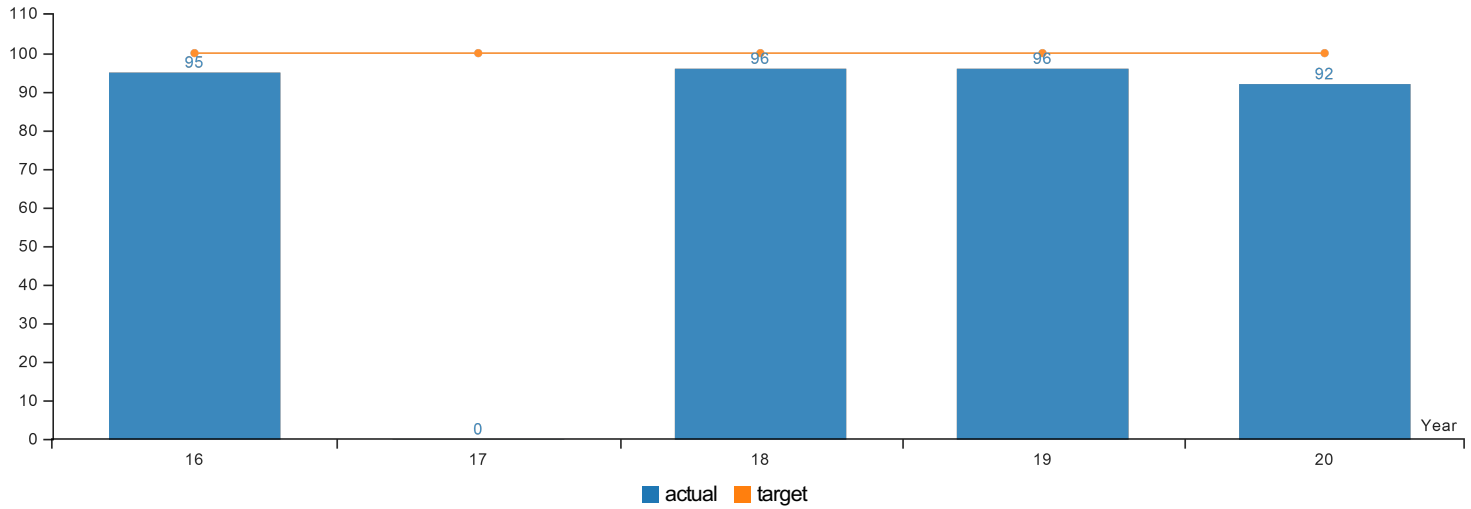
Factors Affecting Results

DEQ will not be able rank our involvement as a RST member due to the significant changes made to the survey in 2020. The survey was sent to a boarder audience - federal, state, and local officials, non-profits, special districts, universities, philanthropies, chambers of commerce, tribes, state legislators, non-governmental agencies, and businesses - receiving 257 responses total. Unlike prior years, which contained a question related to DEQ exclusively, 2020 included multiple agencies in its performance question. The performance question for state agencies' involvement was further changed from a quantitative to qualitative question: "Did your experience with Regional Solutions include work with the Oregon Department of Land Conservation and Development, Department of Environmental Quality, Oregon Department of Transportation, Business Oregon or another state agency? What agency did you work with and how was your experience with that agency while working with Regional Solutions, in comparison to regular interactions with that agency?" These changes made evaluating the overall responses and ranking DEQ's performance impratical.

Nevertheless, DEQ's overall performance was strong as reflected in the survey comments. We will continue to be part of a multi-agency group that assists local communities and business navigate the regulator process and move projects forward.

KPM #15	BOARDS AND COMMISSIONS - Percent of total best practices met by the Environmental Quality Commission.
	Data Collection Period: Jan 01 - Jan 01

** Upward Trend = positive result*



Report Year	2016	2017	2018	2019	2020
Percent of total best practices met by the Environmental Quality Commission					
Actual	95%	0%	96%	96%	92%
Target	100%	100%	100%	100%	100%

How Are We Doing

The commission continues to demonstrate a high level of success in meeting its target, based on an annual self-evaluation of best practices administered as a written survey of the five EQC members. The survey asks the commissioners to evaluate the past meeting year when considering their responses, so these results reflect responses pertaining to EQC meetings held Jan. 1, 2019 through Dec. 31, 2019.

Factors Affecting Results

These are preliminary results, tallied in August 2020. Three of five commissioners responded and their responses are included in this report. Final results and EQC discussion will occur at the September 2020 meeting. This KPM will be updated accordingly.

PROPOSED SUPERVISORY SPAN OF CONTROL REPORT

In accordance with the requirements of ORS 291.227, the Department of Environmental Quality presents this report to the Joint Ways and Means Committee regarding the agency's Proposed Maximum Supervisory Ratio for the 2019-2021 biennium.

Supervisory Ratio based CHRO data

The agency actual supervisory ratio as of 12/31/2020 is 1: 10.88
(Date) (Enter ratio from last Published DAS CHRO Supervisory Ratio)

The Agency actual supervisory ratio is calculated using the following calculation;

____69_____ = _____66_____ + _____3_____- (____1____)
(Total supervisors) (Employee in a supervisory role) (Vacancies that if filled would perform a supervisory role) (Agency head)

_____751_____ = _____648_____ + _____103_____
(Total non-supervisors) (Employee in a non-supervisory role) (Vacancies that if filled would perform a non- supervisory role)

The agency has a current actual supervisory ratio of-
1:___10.88_____ = _____751_____ / ____69_____
(Actual span of control) (Total non - Supervisors) (Total Supervisors)

When determining an agency maximum supervisory ratio all agencies shall begin of a baseline supervisory ratio of 1:11, and based upon some or all of the following factors may adjust the ratio up or down to fit the needs of the agency.

← Narrow Span		Wide Span →
High	**RISK TO PUBLIC/EMPLOYEE SAFETY**	Low
Dispersed	**GEOGRAPHIC LOCATION(s) OF SUBORDINATES**	Assembled
Complex	**COMPLEXITY OF DUTIES/MISSION**	Not complex
Low	**BEST PRACTICES/INDUSTRY STANDARDS**	High
Small	**AGENCY SIZE/HOURS OF OPERATION**	Large
Many	**NON AGENCY STAFF/TEMPORARY EMPLOYEES**	Few
High	**FINANCIAL RESPONSIBILITY**	Low
← More Supervisors		Fewer Supervisors →

Ratio Adjustment Factors

Is safety of the public or of State employees a factor to be considered in determining the agency maximum supervisory ratio? **Yes**

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

DEQ has a variety of programs that impact the safety of the public and risk the safety of DEQ employees who conduct that work in the Air Quality, Land Quality and Water Quality programs.

DEQ responds to emergency situations involving the release of pollutants and dangerous substances. Spills, leakages and major environmental events can occur at any time and at any location in Oregon. Once onsite, DEQ activates an appropriate response to mitigate risk to human health and the environment. Staff respond from the nearest DEQ office equipped to handle the size and nature of the event. Managers must also respond in a timely manner, so having trained managers in the near vicinity is important to public health and safety oversight for employees responding as well.

DEQ staff are distributed throughout the state with six offices/facilities having five staff members or less and six offices and VIP Clean Air Stations having more than five, but less than ten in each facility. Ensuring adequate managerial oversight to oversee emergency response situations and day-to-day oversight at the office makes a supervisory ratio of 1:11 difficult to maintain.

DEQ has several Policy Options Packages under consideration. The inclusion of these packages will affect the supervisory to staff recommendation. This impact will be discussed at the conclusion of this document.

Is geographical location of the agency's employees a factor to be considered in determining the agency maximum supervisory ratio? **Yes**

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

DEQ has seven VIP Clean Air Stations located throughout the Portland Metro area, one Clean Air Station in Medford, three regional offices (Eugene, Bend and Portland) and eight smaller offices statewide. Supervisors must travel long distances to interact with their staff in the smaller offices. Managerial oversight and emergency response requirements noted above necessitate having managers onsite or within a reasonable distance of these smaller offices.

The smaller DEQ offices are geographically dispersed with six offices/facilities having five staff members or less and six offices and VIP Clean Air Stations having more than five, but less than ten in each facility. Ensuring adequate managerial oversight to oversee emergency response situations and day-to-day oversight at the office makes a supervisory ratio of 1:11 difficult to maintain.

DEQ has several Policy Options Packages under consideration. The inclusion of these packages will affect the supervisory to staff recommendation. This impact will be discussed at the conclusion of this document.

Is the complexity of the agency's duties a factor to be considered in determining the agency maximum supervisory ratio? **Yes**

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

DEQ has four major programs (Air Quality, Water Quality, Land Quality, and Agency Management). In each major program area there are multiple sub programs, each with its own set of complexities. Specialized managerial knowledge of each program is critical to ensure DEQ is operating within the legal framework established for DEQ for this highly technical work. This includes fiduciary responsibility for federal grants and grant reporting and the use of dedicated state funding.

Each of DEQ's programs are not mutually exclusive and the work in one program may have environmental impacts on another. The level of interaction and overlapping responsibilities increases the complexity for DEQ. DEQ supervisors are responsible for the management of staff and understanding broader DEQ work to manage overlapping policy and procedure questions and providing final guidance for how an Air issue, Water issue or Land issue should be resolved. Most DEQ supervisors must be technically competent in their area of responsibility to accomplish the policy or technical work in addition to their supervisory duties.

DEQ employs professional level and scientific staff, relying on technical and scientific data to determine appropriate courses of actions to take. Supervising these staff requires a specific skillset and the ability to review highly technical information takes more time than reviewing other type of documents.

Are there industry best practices and standards that should be a factor when determining the agency maximum supervisory ratio? **No**

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

Is size and hours of operation of the agency a factor to be considered in determining the agency maximum supervisory ratio? **Yes**

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

Although much of DEQ operates during standard business hours, some DEQ staff must be ready to respond to emergency situations 24 x 7, not only in the metropolitan areas, but to the remotest regions of the state. This results in DEQ having staff on call 24 hours per day, 7 days per week, 52 weeks per year. This is a relatively minor impact on the span of control, but is important to understand.

Additionally, DEQ has Vehicle Inspection stations, whose operating hours are as follows:

Portland Metro:

Tues, Thurs, Fri: 8:30 a.m. - 5:30 p.m., Wed: 8:30 a.m. - 7 p.m., Sat: 8:30 a.m. - 1 p.m.

Scappoose:

Fri: 8:30 a.m. - 5:30 p.m., Sat: 8:30 a.m. - 1 p.m., Closed: Sunday - Thursday and holidays

Medford:

Mon-Fri: 8:30 a.m. to 5:30 p.m.

These hours of operation, combined with the locations and size of the offices suggest a higher ratio that 1:11.

Are there unique personnel needs of the agency, including the agency's use of volunteers or seasonal or temporary employees, or exercise of supervisory authority by agency supervisory employees over personnel who are not agency employees a factor to be considered in determining the agency maximum supervisory ratio? **No**

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

Is the financial scope and responsibility of the agency a factor to be considered in determining the agency maximum supervisory ratio? **Yes**

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

DEQ is responsible for serving every Oregonian every day of the year. The budget structure includes more than 140 funding streams each with their own limitations, rules and reporting requirements. There are four major program areas with more than 50 Operating Subprograms. Within each program are multiple sub programs each with their own rules, funding sources and complexities. Employees must know each separate sub program and their supervisor must also be able to guide the employee or answer questions they may have as to how to apply the appropriate funding to the appropriate programs and operating subprograms, as well as determine if the funding is legally authorized for specific instances.

In addition, the central office staff for each program must keep up with ever changing federal regulations as well track and report on numerous grants. This suggests a higher ratio than 1:11.

Based upon the described factors above the agency proposes a Maximum Supervisory Ratio of 1: 10.25.

Unions Requiring Notification: AFSCME

Date unions notified_____3/1/2021_____

Submitted by: ___Michael Premo_____ **Date:__3/1/2021_____**

Signature Line Michael Premo **Date** 3/1/2021

Signature Line _____ **Date _____**

Signature Line _____ **Date _____**

Signature Line _____ **Date _____**

Department of Environmental Quality

2017 - 2019 Biennium — **Agency Number: 34000**

Department-Wide Priorities for 2017-19 Biennium

1	2	3	4	5	6	7	8	9	10	11	12	13	14	16	17	18	19	20	21	22
Priority (ranked with highest priority first)		**Dept. Initials**	**Program or Activity Initials**	**Program Unit/Activity Description**	**Identify Key Performance Measure(s)**	**Primary Purpose Program-Activity Code**	**GF**	**LF**	**OF**	**NL-OF**	**FF**	**NL-FF**	**TOTAL FUNDS**	**FTE**	**New or Enhanced Program (Y/N)**	**Included as Reduction Option (Y/N)**	**Legal Req. Code (C, D, FM, FO, S)**	**Legal Citation**	**Explain What is Mandatory (for C, FM, and FO Only)**	**Comments on Proposed Changes to CSL included in Agency Request**
Dept	Prgm/ Div																			
1	1	DEQ	Air Quality - Climate and Toxics	DEQ monitors the air to identify areas that exceed or are close to exceeding federal standards for particulate, ozone, air toxics and the state's greenhouse gas that cause serious health problems. Air pollutants come from small sources (such as woodstoves, open burning, fuel distribution and combustion, consumer product use, commercial solvent use and asbestos) as well as industrial sources. These sources also emit greenhouse gases that contribute to climate change. DEQ develops and implements clean air plans and programs to address all forms of pollution. Currently, DEQ, in coordination with Oregon Health Authority, is implementing new regulations known as Cleaner Air Oregon that will set limits on air emissions from industrial sources based on risks to human health. The department is also in the process of developing a new program to cap, regulate and reduce greenhouse gas emissions from large stationary sources,	34000-08,09,10 (OBM#75,76)	9	21,008,664	-	51,843,337	-	9,982,264		$ 82,834,265	112.40	Y	Y	FM	Federal Clean Air Act, 42 USC sections 7401 et seq; ORS 468A	Under the Clean Air Act, EPA sets air quality standards to protect public health. States are required to monitor air quality within their jurisdictions and use the data to determine if areas meet the standards. If standards are not met, states are required to develop State Implementation Plans to attain and maintain air quality standards. SIPs must include programs to enforce the state's air quality rules and must be continuously updated to address new requirements and reflect current air quality conditions. Oregon has delegated authority from EPA, and the Environmental Quality Commission formally approves each SIP.	**GRB Reductions:** Revenue Shortfall Package 070 eliminates $31,850 in federal limitation related to attorney general fees and other services and supplies. **GRB Additions (Policy Pkgs)**: General Fund: **PP#111** adds $1,986,382 to fund the implementation of greenhouse gas reductions and adds 2 positions (2.0 FTE); **PP#113** adds 2 positions (1.0 FTE, $365,236) to support diesel reduction strategies. Other Fund: **PP#114** adds additional limitation to the Asbestos program ($600,000) which equates to an approximate 30% increase in fee revenue that will be established through a rulemaking and approved by the Environmental Quality Commission.
2	1	DEQ	Land Quality - Emergency Response	Under Oregon's Emergency Management Plan, DEQ is the lead state agency for responding to incidents involving spills of hazardous chemicals and oil. We also work with other agencies and industry to plan for and prevent spills of oil and hazardous chemicals.	0	8	462,967	-	4,969,814	-	56,132		$ 5,488,912	16.60	Y	N	S	ORS 466.605-680 (hazardous materials) and ORS 468B.300-500 (oil)		**GRB Reduction:** Package 90 reduces salary and wages by increasing the vacancy savings rate by 3%. It also eliminates $1,559,486 ($369,398 in General Funds, $1,085,540 in Other Funds, and $104,548 in Federal Funds) reducing 1.07 FTE (0.47 General Funded and 0.60 Other Funded). **ARB Reductions:** None **ARB additions (Policy Packages):** Packages 132, 133 and 134 request a combination of fees and general fund to maintain current service level and add five new positions (5.0 FTE) to mitigate, prepare, respond to and recover from releases of oil and hazardous materials from commercial vessels, trains, pipelines, trucks and industrial facilities located along navigable waterways and inland waters of the state and other culturally, economically or ecologically sensitive environments.
3	1	DEQ	Water Quality - TMDLs	DEQ develops and carries out clean water plans (known as "Total Maximum Daily Loads" or "TMDLs" under the federal Clean Water Act) to reduce water pollution and meet clean water standards	34000-5 (HLO#1)	9	8,854,062	1,320,556	2,115,809	-	3,549,986		$ 15,840,413	45.37	Y	Y	FM, S	Section 303(d) of the federal Clean Water Act; 33 USC §1313; ORS 468B	33 USC §1313 requires states to establish total maximum daily loads for waters that do not meet water quality standards and which do not assure protection of beneficial uses, including fish and drinking water.	**GRB Reduction/Restoration:** Revenue shortfall package 070 eliminates three positions (3.0 FTE) that support TMDL development and nonpoint source pollution control efforts statewide, implement water quality and biological data collection efforts used for assessing watershed health. DEQ is requesting to restore these positions in policy option package 125. Package 090 recommends eliminating an Integrated Water Resources Strategy position (1.0 FTE). **GRB Additions (Policy Packages):** The GRB recommends funding half of package 121 (1.44 FTE) from the Agency Request Budget. In the ARB, package 121 requested to establish four new permanent positions (2.88 FTE) to build capacity to improve water quality in areas where standards are not being met by developing and implementing clean watershed plans known as TMDLs (Total Maximum Daily Loads). The GRB recommends package 125, which requests to restore the three positions eliminated in revenue shortfall package 070.
4	2	DEQ	Water Quality - Nonpoint Source	Rainwater washing over driveways, streets, roofs, lawns, rural lands and construction sites picks up soil, garbage and toxics. Surface water runoff is the largest source of pollution to Oregon's waters. This program controls pollution from surface water runoff and works with communities on projects to improve water quality.	34000-10 (OBM 79)	9	181,047	-	330,876	-	2,298,061		$ 2,809,984	4.87	N	Y	FM, S	Federal Clean Water Act; 33 USC §1329; ORS 468B	33 USC §1329 requires the governor of each state to prepare and submit to EPA for approval a management program for controlling pollution added from nonpoint sources to the navigable waters within the state and improving the quality of such waters.	**GRB Reduction/Restoration:** Revenue shortfall package 070 package eliminates approximately $630,000 of special payment limitation related to federal Clean Water Act Section 319 Nonpoint Source Implementation grants to reflect the long, gradual reduction in appropriations to Oregon. **GRB Additions (Policy Packages):** None.

Department of Environmental Quality

2017 - 2019 Biennium — **Agency Number: 34000**

Department-Wide Priorities for 2017-19 Biennium

1	2	3	4	5	6	7	8	9	10	11	12	13	14	16	17	18	19	20	21	22
Priority (ranked with highest priority first)		**Dept. Initials**	**Program or Activity Initials**	**Program Unit/Activity Description**	**Identify Key Performance Measure(s)**	**Primary Purpose Program-Activity Code**	**GF**	**LF**	**OF**	**NL-OF**	**FF**	**NL-FF**	**TOTAL FUNDS**	**FTE**	**New or Enhanced Program (Y/N)**	**Included as Reduction Option (Y/N)**	**Legal Req. Code (C, D, FM, FO, S)**	**Legal Citation**	**Explain What is Mandatory (for C, FM, and FO Only)**	**Comments on Proposed Changes to CSL included in Agency Request**
Dept	Prgm/ Div																			
5	2	DEQ	Air Quality - Permitting	Industrial facilities emit air pollutants that can impact human health and the environment, and contribute to climate change. DEQ issues air quality permits to regulate air pollution from industrial facilities and ensures compliance with permit requirements. Industrial air permits help to provide clean and healthy air for Oregonians. Includes implementation of planned Cleaner Air Oregon rules.	34000-01,02,12 (OBM#10a,75,76)	9	2,179,816	-	22,067,468	-	504,353	-	$ 24,751,636	78.38	N	Y	FM	Federal Clean Air Act, 42 USC sections 7401 et seq; ORS 468 and 468A	The Title V Permit program is required by the federal Clean Air Act for operating major sources of traditional "criteria" or hazardous air pollutants. The Air Contaminant Discharge Permit program applies to construction of new and modified point sources of all sizes as well as operation of medium sized point sources that are not subject to Title V. ACDPs are used to approve construction of major new sources of air pollution as required by the federal Clean Air Act. ACDPs are also used to meet requirements of the State Implementation Plan and to assure that a source does not inadvertently exceed Title V permitting thresholds. Oregon has delegated authority from EPA.	**GRB Reductions: None** **GRB Additions (Policy Packages): None**
6	3	DEQ	Water Quality - Permitting & Certifications	DEQ issues water quality permits to protect Oregon's waterways. These permits regulate discharges from sewage treatment plants and industrial facilities, and stormwater runoff from industrial and construction activities. This program also certifies wastewater treatment plant operators, and controls pollution from in-water work such as dredging and filling activities and placement and operation of hydroelectric facilities.	34000-3 (OBM 10(b)); 34000-4	9	12,183,489	838,052	25,340,004	-	1,441,041		$ 39,802,586	117.72	Y	Y	FM, S	33 USC §1342; 33 USC §1341; ORS 468B	DEQ is delegated authority to administer the National Pollutant Discharge Elimination System Program. Any applicant for a Federal license or permit to conduct any activity including, but not limited to, the construction or operation of facilities, which may result in any discharge into the navigable waters, shall provide the licensing or permitting agency a certification from the State.	**GRB Reductions:** Revenue shortfall package 070 reduces 2.0 FTE that are budgeted on Federal Fund due to flat or declining federal funding. Package 090 recommends eliminating a stormwater implementation position (1.0 FTE), a legal services position (1.0 FTE), and $180,000 of IT Professional Services. **GRB Additions (Policy Packages):** Package 098 of the GRB recommends transferring the Mineral Land Regulation and Reclamation program of 11 positions (5.5 FTE) from DOGAMI to DEQ for the second year of the biennium beginning July 1, 2022. The Governor's Recommended Budget does not recommend three packages that DEQ proposed in its Agency Request Budget: Package 120 requested six new permanent positions (4.26 FTE) to improve DEQ's regulation of wastewater and stormwater discharges, including improved permit timeliness and quality. Package 122 requested two new permanent positions (1.50 FTE) to ensure that onsite septic systems are properly functioning, and that water pollution and public health risks are prevented. Package 123 requested one new permanent position (0.75 FTE) to track changes in state and federal rules and laws, develop proposed rule changes, help with complex project issues, work on adaptive management procedures, and support enhanced tribal engagement for the water quality certification program.
7	2	DEQ	Land Quality - Solid Waste	DEQ regulates solid waste disposal and promotes waste reduction, reuse and recycling.	34000-09 (OBM 84)	9	991,850	-	29,418,853	-	-		$ 30,410,703	77.00	N	N	FM, S	Federal Resource Conservation and Recovery Act, 42 USC sections 6941-6949a; ORS 459 and ORS 459a	RCRA Subtitle D regulates landfills at the state level. Through EPA's "determination of state adequacy," DEQ is responsible for municipal solid waste landfill permit program. Includes permit issuance, compliance oversight, groundwater monitoring, facility closure and post closure care.	**GRB reduction:** None **ARB reductions:** None **ARB additions (Policy Packages):** Policy package 130 (LC 466) requests authorization and resources (.94 FTE) to create and manage a drug manufacturer product stewardship program.

Department of Environmental Quality

2017 - 2019 Biennium **Agency Number: 34000**

Department-Wide Priorities for 2017-19 Biennium

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Dept	**Prgm/ Div**																			
8	4	DEQ	Water Quality - Monitoring	DEQ monitors rivers, streams, lakes, groundwater areas and beaches. Data is analyzed to identify water quality pollution problems, identify causes and sources of pollution, develop effective pollution control strategies, and evaluate how programs are working to restore and maintain clean water. DEQ makes data available to the public through web-based resources, and exchanges data with permittees and EPA.	34000-10 (OBM 79)	9	6,611,256	3,666,043	2,956,502	-	2,820,489		$ 16,054,291	40.79	N	Y	FM, S	Federal Clean Water Act; 33 USC §1313; ORS 468	33 USC §1313 requires each state to identify waters within its boundaries for which effluent limitations are not stringent enough to implement any water quality standard applicable to those waters, and to identify waters or parts thereof within its boundaries for which controls on thermal discharges are not stringent enough to assure protection of beneficial uses.	**GRB Reduction/Restoration:** Revenue shortfall package 070 eliminates two positions (2.0 FTE) at the DEQ Laboratory that provide data management services that support evaluation and use of volunteer monitoring data; and support the laboratory's ability to analyze water, tissue and sediment samples via the high resolution GCMS technology. DEQ is requesting to restore these positions in policy option package 125. Revenue shortfall package 070 reduces Federal Fund limitation due to declining federal special project funding. **GRB Additions (Policy Packages):** Package 125 requests to restore the position eliminated in revenue shortfall package 070. The GRB does not recommend the following package that DEQ proposed in the ARB: Package 160 requested $550,000 to increase the base amount of funds the DEQ laboratory receives to address ongoing needs to maintain and replace aging equipment.
9	3	DEQ	Air Quality - Vehicle Inspection Program	Vehicles are the number one source of air pollution in Oregon's metropolitan areas. DEQ controls air pollution from vehicles through a Vehicle Inspection Program in the Portland and Rogue Valley areas.	34000-01,09,10 (OBM#75)	9	357,914	-	30,241,868	-	-	-	$ 30,599,782	111.07	Y	Y	FM	Federal Clean Air Act, 42 USC sections 7401 et seq; ORS 468A	Vehicle inspection is a key part of Portland and Medford's clean air plans that are required by the federal Clean Air Act and approved by EPA as part of Oregon's State Implementation Plan. Oregon has delegated authority from EPA.	**GRB Reductions:** None **GRB Additions (Policy Package)**: **PP #110** adds 8 positions (8.0 FTE) to maintain an effective Vehicle Inspection Program ($1,344,336)
10	5	DEQ	Water Quality - Standards	DEQ develops clean water standards as benchmarks to protect Oregon's water. Clean water standards tell us if we can allow more growth (and the pollution that comes with growth) in a watershed and still maintain waters that are safe for drinking, swimming, irrigation, fish consumption and other beneficial uses.	34000-10 (OBM 79)	9	2,435,577	-	472,825	-	438,597		$ 3,346,998	9.95	N	Y	FM, S	Federal Clean Water Act; 33 USC §1313; 33 USC §1315; ORS 468B	33 USC §1313 requires the governor of a state or the state water pollution control agency of a state to periodically (but at least once each three year period) review applicable water quality standards and, as appropriate, modifying and adopting standards.	**GRB Reductions:** None. **GRB Additions (Policy Packages):** None.
11	6	DEQ	Water Quality - Onsite sewerage	DEQ protects people's health from untreated sewage. (1) Set standards for proper design and installation of septic systems. (2) Issue permits for proper septic system installation.	0	10	206,774	-	4,137,390	-	34,036		$ 4,378,199	14.93	N	Y	S	ORS 454		**GRB Reduction/Restoration:** None. **GRB Additions (Policy Packages):** None.

Department of Environmental Quality

2017 - 2019 Biennium — **Agency Number: 34000**

Department-Wide Priorities for 2017-19 Biennium

1	2	3	4	5	6	7	8	9	10	11	12	13	14	16	17	18	19	20	21	22
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12	7	DEQ	Water Quality - Groundwater & Drinking Water Protection	Help Oregon citizens and communities protect their public drinking water by: helping communities develop local Drinking Water Protection Plans to prevent pollution of their public water systems; working with communities to improve the groundwater management areas; and regulating underground injection control systems.	0	10	1,909,301	-	2,395,576	-	315,842		$ 4,620,719	14.44	N	Y	FM, S	42 USC §300j-13; 42 USC §300h-1; ORS 468B	Oregon has primacy for implementing some parts of the Safe Drinking Water Act, including Underground Injection Control program.	**GRB Reductions:** None. **GRB Additions (Policy Packages):** None.
13	3	DEQ	Land Quality - Clean Up	DEQ oversees environmental cleanup of sites contaminated by toxic substances.	34000-07 (OBM 85)	9	3,799,366	-	46,427,327	984,300	5,368,993		$ 56,579,986	87.57	N	N	D, FM, FO, S	26 U.S.C. 9508; ORS 465.101 - 992	FM: For Superfund sites, pay match (10% of EPA's remedial action costs) and long-term O&M costs. FO: Ensure that UST leaks are reported and cleaned up per federal and DEQ requirements. Other cleanups: assess and evaluate potentially contaminated sites; provide state input for development of remedies for National Priorities List sites; maintain guidance documents; other deliverables as agreed to.	**GRB reduction:** None **ARB Reduction/Restoration:** None. **ARB Additions (Policy Packages)** Policy package 136 requests limited duration positions and limitation to increase use of the Solid Waste Orphan fund by inventorying, prioritizing and providing cleanup oversite at qualified disposal sites and promoting awarewness of this resource for Oregon communities.
14	8	DEQ	Water Quality - Clean Water State Revolving Fund	DEQ provides low-interest loans to help communities finance clean water projects.	34000-10 (OBM 79)	9	272,001	-	6,792,819	243,015,755	44,772		$ 250,125,347	18.07	Y	N	FO,D, S	Federal Clean Water Act; 33 USC §1383; ORS 468	A state must establish a water pollution control revolving loan fund that complies with all of the appropriate federal requirements before it may receive a capitalization grant.	**GRB Reduction:** None. **GRB Additions (Policy Packages):** Package 124 seeks $1,599,000 in limitation for the procurement of off-the-shelf loan management software to replace DEQ's manual and outdated systems with a secure system that will increase efficiency, improve customer service and reduce risk for material errors.
15	4	DEQ	Land Quality - Hazardous Waste	DEQ regulates hazardous waste generators and facilities to prevent contamination from toxic chemicals.	34000-08	9	628,105	-	8,756,214	-	1,247,443		$ 10,631,762	27.86	N	N	FM, S	Federal Resource Conservation and Recovery Act, 42 U.S.C. sections 6921 et seq.; ORS 465.003 - .037; ORS 466.005 - .530	To maintain delegation to conduct federal program in Oregon DEQ must: Inspect Large Quantity Generators at least once every 5 years; permit Treatment, Storage and Disposal facilities; require generators to manage and transport hazardous waste according to DEQ and federal ...	**GRB reduction:** None **ARB Reduction/Restoration:** None. **ARB Additions (Policy Packages)** There are no policy packages for this program, however there is an administrative fee increase in the ARB.
16	5	DEQ	Land Quality - Tanks	DEQ regulates storage of hazardous materials in underground tanks to prevent leaks and contamination. Includes larger tanks regulated under federal law as well as heating oil tanks.	0	9	201,298	-	4,158,343	-	480,651		$ 4,840,292	17.22	N	Y	FM, S	Federal Resource Conservation and Recovery Act, Title 42 sections 6991 et seq; ORS 466.706 - .995	To maintain state program authorization, DEQ must ensure compliance with federal and DEQ standards for UST installation and operation and financial responsibility requirements (providing resources for cleanups should leaks occur) and inspect every facility at least once every 3 years.	**GRB reduction:** None **ARB Reduction/Restoration:** None. **ARB Additions (Policy Packages)** Policy Package 131 (revenue only) requests a fee increase to support current service level funding. This will allow DEQ to provide adequate oversight and auditing of licensed contractors who clean up leaking tanks.
							62,283,485	5,824,651	242,425,025	244,000,055	28,582,660	-	$ 583,115,876	794.24						

Prioritize each program activity for the Department as a whole

Document criteria used to prioritize activities:

-Protection of public health and safety
-Fulfilling federal mandates for which we have delegation from US EPA
-Programs that address pollution from many small sources
-Programs that provide incentives and support for economic growth
-Services that don't need to be provided by DEQ

7. Primary Purpose Program/Activity Exists

1 Civil Justice
2 Community Development
3 Consumer Protection
4 Administrative Function
5 Criminal Justice
6 Economic Development
7 Education & Skill Development
8 Emergency Services
9 Environmental Protection
10 Public Health
11 Recreation, Heritage, or Cultural
12 Social Support

Legal Requirement Code

Constitutional
Federal
Debt Service

OTHER FUNDS ENDING BALANCES FOR 004 - AGENCY MANAGEMENT

Other Fund Type	Program Area (SCR)	Treasury Fund #/Name	Category/Description	Constitutional and/or Statutory reference	2019-21 Ending Balance		2021-23 Ending Balance		Comments
					In LAB	Revised	In CSL	Revised	
OF Limited	004 - AM	4100/4200 Agency Management	Operations	HB 5017 section 2 subsection 5	5,080,035	3,508,914	5,766,185	5,207,337	$3M = 2 months balance Need greater than 2 month balance to cover annual assesments from Sec. of State, Oregon Library etc. The rules that apply to Federal Funds extend to Indirect Funds, and hence revenues cannot be used for any other purpose in accordance with DEQ annual indirect rate agreements with EPA. Revenues cannot be removed from this fund IAW provisions of Office of Management and Budget (OMB) Circular A-87.
OF Limited	004 - AM	4990 Bond Fund Admin	Operations	Bond Fund Administration (ORS 468.230)	19,159	75,167	41,023	41,023	$12,000 = 2 month minimum Revenue derived from bond proceeds, which are transfered into this fund, with limitations on use related to bond transactions. DEQ has decided to maintain bond proceeds in the bond proceeds account and shift revenues as expenditures in the bond fund admin fund dictate, effectively maintaining a zero balance.
OF Limited	004 - AM	4070 Tax Credits	Operations	Pollution Control Tax Credit Fees (ORS 468.165)	183,607	199,747	182,554	199,747	This program has sunset. The balance was to cover any ongoing administrative costs.
OF Limited	004 - AM	4180/4280 EDMS Bond Proceeds	Operations	Bond Proceeds	0	1,604,229	1,604,229	0	This amount was to be spent in 19-21 but contract delays required us to carry it over and spend in 21-23. The limitation for this is in pkg 140

OTHER FUND ENDING BALANCES FOR 001 - AQ

									(j)
Other Fund Type	Program Area (SCR)	Treasury Fund #/Name	Category/Description	Constitutional and/or Statutory reference	2019-21 Ending Balance		2021-23 Ending Balance		Comments
					In LAB	Revised	In CSL	Revised	
OF Limited	001-AQ	1110-ACDP Fees	Operations	Air Contaminant Discharge Fees (ORS468.065)	3,281,010	1,626,097	1,815,700	2,204,821	Need approximately $2,200,000 ending fund balance to support the program until the annual permit fees are collected in December of each year. Small amounts of General and Federal funds support this program, but a fee supported ending balance is necessary to support the program. The fee increase approved by the legislature that was to be implemented in July 2020 has been delayed as well as the hiring of the positions associated with that fee increase.
OF Limited	001-AQ	1120-AQ Indirect Sources	Operations	Oregon Low Emission Vehicle Fees (ORS 468.065)	349,368	613,352	221,774	249,320	Need approximately $250,000 in ending fund balance to support the program. Invoice payment are due June 30 each year.
OF Limited	001-AQ	1130-AQ Emissions Title V Fees	Operations	Title V Permit Fees (ORS 468.065)	1,081,944	3,173,806	89,902	519,162	According to the Federal Clean Air Act, Title V fees can only be used for Title V work. Fees are the sole source of funding for this work. Focus on the Cleaner Air Oregon work during the 17-19 biennium shifted FTE away from Title V, creating a larger than expected beginning balance for 19-21. The agency declined to do the statuatory CPI fee increase in 2020 due to the project ending balance. 2021 invoices, which are based on emissions from calendar year 2020 could be less than forecasted due to CVOID-related business closures and curtailment. Additionally, the agency anticipates a substantial reduction in revenue next biennium as the program's largest fee-payer (PGE's Boardman coal-fired power plant) will cease operation. Invoicing for this program is done annually, therefore approximately $3,000,000 in ending balance is needed for cash flow purposes.
OF Limited	001-AQ	1140-Asbestos Cert Fees	Operations	Asbestos Certification Fees (ORS 468A.750)	165,999	1,326,901	(1,010)	235,238	An ending balance of $750,000 is necessary to support program operations. Work in this program increases in the summer months (largely construction based work) which requires sufficient funds be available for enforcement and other uptick in work. Additionally, technology upgrades continue to be necessary for this program which requires fee funding. DEQ intends to seek legislative authorization for a fee increase during the 2021 session to be implemented in 2022.
OF Limited	001-AQ	1310-Vehicle Inspection Program	Operations	Vehicle Inspection Certification Fees (ORS 468A.400)	354,680	2,899,000	1,602,920	1,323,723	An ending balance of approximately $3,000,000 is necessary in this fund for operational purposes. This is a large program that has numerous facilities and FTE, which can result in large, unplanned expenditures. The EQC has approved a temporary fee increase to raise sufficient fees to cover 19-21 expenditures and to leave a sufficient ending balance. The agency will propose to make that fee increase permanent. The VIP testing stations have been closed since March 17, 2020 due to Covid-19. They are anticipating to re-open fully by July, but final reopen plans are pending.
OF Limited	001-AQ	1400 - AQ Receipts Authority	Operations	AQ Receipts Authority (ORS 468.065)(2)	92,680	269,867	60,796	69,338	This funds is revenue agreements from other governement entiteis and supports laboratory work. The fund balance is spent down seasonally when more work is required.
OF Limited	001-AQ	1420- Gas Vapor Recovery	Operations	Gas Vapor Recovery (ORS 468.065)(2)	0	63,700	2,651	9,459	An ending balance of approximately $30,000 is necessary to support the ongoing operations of this program due to unpredictable revenue timing.
OF Limited	001-AQ	1430-Greenhouse Gas	Operations	Greenhouse Gas Reporting Fees 468A.050(4)	574,264	936,240	302,635	374,901	An ending balance of approximately $200,000 is necessary for this program as invoicing is done annually. Current vacancies in the program are increasign the ending balances.
OF Limited	001-AQ	1460-Clean Diesel/VW	Operations	Volkswagon Mitigation Trust ORS 468A.801 - 805	23,539	800,000	20,821,971	20,930,379	This fund is limited in it's use and is largely passthru dollars to other government and non-government units for replacement of diesel school busses. A small portion, 15%, is available to support the administration of the program. It is anticipated that all available funds for grants will be exhausted.
OF Limited	001-AQ	1470-Zero Emission Incentive	Operations	Zero Emissions and Electronic Vehicle Rebates OAR 340-270-0010	0	2,304,306	1,659,569	1,676,474	This fund is limited in it's use and is largely passthru dollars to other government and non-government units for EV Rebate Incentives. The program was delayed in it's deployment due to legislation, and rebates are just starting to be issued (January 2019). A small portion, 10%, is available to support the administration of the program. It is anticipated that all available funds for rebates will be exhausted.
OF Limited	001-AQ	1480-Cleaner Air Oregon	Operations	Cleaner Air Oregon Fees OAR 340-216-0060; 340-220-0050(4); 340-220-0090	4,145,600	1,900,000	6,848,524	7,034,466	An ending balance of approximately $2,000,000 is necessary due to the invoicing cycle of this program. When proposing Cleaner Air Oregon fees, the agency negotiated with fee-payers a statutory provision that prohibits any increase for five years. A larger than normal ending balance in the early years was intentional and built-in to the fee proposal to ensure the agency could balance the budget as costs increase year-over-year while not raising fees until 2024. The ending balance reflected in this chart is not correct due to an error on the revenue in the ARB and will be corrected in the LAB.
OF Limited	001-AQ	1510 - Field Burning	Operations	Field Burning (ORS 468.065)	121,250	120,000	125,440	519,162	This fund contains revenue agreements with the Bureau of Land Management and the Forrestry Department for activities related to wild fires. Due to the seasonality of such events, balances build up but are then expended during the summer months.
OF Limited	001-AQ	1520 - Backyard Burning Fees	Operations	Backyard Burning Fees (ORS 468.065)	2,861	10,192	2,443	2,861	The agency no longer operates this program.

OTHER FUNDS ENDING BALANCES FOR 003 - LAND QUALITY

Other Fund Type	Program Area (SCR)	Treasury Fund #/Name	Category/Description	Constitutional and/or Statutory reference	2019-21 Ending Balance In LAB	2019-21 Ending Balance Revised	2021-23 Ending Balance In CSL	2021-23 Ending Balance Revised	Comments
OF Limited	003 - LQ	3330 Highway Spill Fund	Operations	Petroleum Product Withdrawal Delivery Fees (ORS 465.ORS 465.101 – 465.131)	95,086	40,000	138,039	101,504	Need excess ending fund balance ($100,000) due to funds expended before billing, and collections often delayed. Costs and revenue dependent on widely varying number and extent of spills; revenues vary with ability to pay, extent of insurance coverage. Assuming COVID impacts to collections.
OF Limited	003 - LQ	3400/3410/3430 Hazardous Substance Remedial Action Fund (HSRAF)	Operations	Hazardous Substance Remedial Action Fund (ORS 465.381)	2,231,314	1,800,000	(39,417)	1,038,648	Assuming negative COVID impacts to cost recovery. Need 4 month ending fund balance ($3.9 million) due to unpredictable cash flow, timing of expenditures and revenues. Large, unexpected spills cost more and collection from responsible parties is often delayed.
OF Limited	003 - LQ	3430 Hazardous Substance Remedial Action Fund - Escrow	Trust (dedicated by legal agreement with responsible parties)	Hazardous Substance Remedial Action Fund (ORS 465.381)	9,011,876	9,500,000	8,169,000	8,589,861	Funds are committed by legal agreement to be spent for cleanup or investigation of specific contaminated sites. Sites with the largest balances are expected to take several biennia to complete. Fund balances are difficult to predict due to infrequency of agreements and large variations in amounts. Covid will impact the pace of work/expenditure
OF Limited	003 - LQ	3460 Dry Cleaner Environmental Response	Operations	Dry Cleaner Environmental Response (465.510; 465.517 - .525)	149,828	70,000	86,365	155,725	Need 9 months ending balance ($475,000). Annual revenues received in March. Fund is responsible for cleanup at participating dry cleaner sites. Assuming COVID impacts to invoice payments
OF Limited	003 - LQ	3350/3360 Illegal Drug Lab Fund	Operations	Illegal Drug Lab Funds (ORS 475.405 - 475.495, 475A.120, 475A.126)	651,843	500,000	719,399	727,440	No specified ending balance - usage depends on needs of local law enforcement units and Oregon Health Authority. We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund.
OF Limited	003 - LQ	3370 Ballast Water Vessel Fund	Operations	Ballast Water Vessel Fund	268,670	145,000	276,065	288,029	Need 6 months ending fund balance ($158,000). General Fund Reduction is causing increased utilization of Other Funds, requiring larger balances. Assuming lower than forecasted vessel traffic due to Covid.
OF Limited	003 - LQ	3040 Electronic Waste Registration & Recycling Fees	Operations	Electronic Waste Manufacturer Registration Fee (ORS 459A.315) and Recycling Fee (ORS 459A.325 and .340 (6))	4,413,324	1,950,000	4,126,533	3,767,540	Need 12 months ending balance ($2 million). Statute and rules require revenues collected in excess of actual expenditures to be returned to fee payers or reduce future fees. We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund.
OF Limited	003 - LQ	3120 Hazardous Waste Generator Fees	Operations	Hazardous Waste Generator Fees (ORS 466.077, 466.165)	1,080,519	1,100,000	581,294	754,536	Need 4 months fund balance and 4 months spending on federal grant ($850,000) due to need to backfill federal funding prior to new federal allocation. We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund.
OF Limited	003 - LQ	3130 Hazardous Substance Possession Fee (HSPF) – Toxics Use Reduction	Operations	Hazardous Substance Possession Fee – Toxics Use Reduction (ORS 453.400, 453.402)	4,924	310,000	4,829	62,470	Need 10 months ending balance ($565,000). Fees are received January to May. We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund.
OF Limited	003 - LQ	3140/3150 Hazardous Waste Disposal Fees	Operations	Hazardous Waste Disposal Fees (ORS 465.375 - .376)	85,193	800,000	9,152	50,578	Need 3 months ending balance ($122,000). We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund.
OF Limited	003 - LQ	3110 Hazardous Waste Treatment Storage & Disposal (TSD) Fees	Operations	Hazardous Waste Treatment Storage & Disposal (TSD) Fees (ORS 466.045, 466.160, 466.215, 466.350)	644,995	200,000	210,797	261,043	Need 6 months ending fund balance ($231,000). We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund.
OF Limited	003 - LQ	3440 LUST Cost Recovery	Operations	LUST Cost Recovery (ORS 465.210)	1,698,982	1,600,000	241,395	388,769	Need at least 3 months ending balance ($592,000). This fund is federal program income and spending is controlled by EPA. We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund.
OF Limited	003 - LQ	3310/3340 Spill Penalty funds	Operations	Oil Spillage Control Fund (ORS 468B.450, 468B.455); Oil and Hazardous Materials Emergency Response and Remedial Action Fund (ORS 466.670, 466.675, 466.990)	79,796	80,000	52,663	61,576	No specified balance; funds are used to support program as they become available. Difficult to forecast this fund - revenues vary greatly with number and type of violation and violators' ability to pay. We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund.
OF Limited	003 - LQ	3450/3470 Heating Oil Filing and Licensing Fees	Operations	Heating Oil Filing and Licensing Fees (ORS 466.868, 466.872)	449,611	225,000	712,602	366,744	Need 6 months ending balance ($345,000). Revenue is dependent on home sales, making revenue erratic at times and fund balance difficult to predict. We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund.
OF Limited	003 - LQ	3920/3990/8080 Orphan Site Account - Industrial Sites	Operations	Orphan Site Bond Proceeds & Cost Recoveries (ORS 468.195 - .220; 465.381); Hazardous Substance Possession Fee – Orphan Site Program (ORS 453.400, 453.402, 465.381)	58,704	95,000	41,181	42,126	Ending balances include only cost recoveries. Bond fund balance, which are included in non-limited funds, are expected to be adequate. We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund. An error on the beginning fund balance for 21-23 has been corrected in column "i". See formula for detail.
OF Limited	003 - LQ	3320 Oil Spill Prevention Fund	Operations	Oil Spill Prevention Fees (ORS 468B.405, 468B.410) and spill penalties (466.670, 466.675)	1,163,738	280,000	902,133	1,011,098	Need at least 6 months ending balance ($900,000). Revenue stream is irregular and fees are the only funding source for this work. Due to unpredictable cash flow, timing of expenditures and revenues. Large, unexpected spills cost more and collection from responsible parties is often delayed. We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund.
OF Limited	003 - LQ	3930 Orphan Site Account - Solid Waste Disposal Sites	Operations	Solid Waste Fees – Orphan Site Program (ORS 459.236; 465.381)	3,375,879	5,700,000	2,562,747	2,751,646	Fund balance has grown due to conservative interpretation of statutory uses. Clarification from DOJ is allowing DEQ to use these funds on a broader set of sites. The fund balance is expected to start declining as the program undertakes this cleanup work. We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund.
OF Limited	003 - LQ	3220 UST/LUST Contractor Licensing Fees	Operations	UST/LUST Contractor Licensing Fees (ORS 466.750 & 466.787)	128,014	55,000	55,326	62,736	Need 4 months ending balance ($50,000). Funds received unpredictably throughout year. We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund, but it will likely be negative.
OF Limited	003 - LQ	3010 Solid Waste Permit Fees	Operations	Solid Waste Permit Fees (ORS 459.235)	6,122,176	4,000,000	5,216,176	5,491,615	Need at least 6 months ending balance ($2,500,000). We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund. These funds are dedicated to work preformed for the benefit of the permit holders, we are exploring ways of utilizing more of the forecasted revenue, as it is realized.
OF Limited	003 - LQ	3020 Solid Waste Disposal Fees	Operations	Solid Waste Disposal Fees (ORS 459A.110, 459A.115, 459A.120)	5,688,262	5,000,000	4,219,561	5,080,461	We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund. Needs at least an 8 month balance ($6.8 million) due to grant and contract commitments.
OF Limited	003 - LQ	3210 Underground Storage Tank (UST) Fees	Operations	Underground Storage Tank (UST) Fees (ORS 466.783 & 466.785)	2,347,428	1,150,000	3,106,103	2,062,112	We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund. Need 10 months ending balance ($1,050,000). Annual fees are invoiced in January. An error on the beginning fund balance for 21-23 has been corrected in column "i". See formula for detail.
OF Limited	003 - LQ	3230/3240 UST Compliance and Corrective Action Fund	Operations	UST Compliance and Corrective Action Fund (ORS 466.791, 466.994)	137,761	150,000	99,138	106,147	We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund. No specified balance; funds are used to support program needs as they become available.
OF Limited	003 - LQ	3030 Waste Tire Fees	Operations	Waste Tire Fees (ORS 459.730,459.750,459.765, 459.775)	8,176	3,500	5,549	6,734	We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund.
OF Limited	003 - LQ	3050 Product Stewardship Fund	Operations	Product Stewardship Fund (Paint stewardship fees) (ORS 459A.820-.855)	9,629	30,000	53,878	70,316	We are uncertain how the recession caused by the COVID-19 pandemic will impact this fund. Need 11 months fund balance ($106,000). Annual revenue collected in April.

OTHER FUND ENDING BALANCES FOR 002 - WATER QUALITY

Other Fund Type	Program Area (SCR)	Treasury Fund #/Name	Category/Description	Constitutional and/or Statutory reference	2019-21 Ending Balance In LAB	2019-21 Ending Balance Revised	2021-23 Ending Balance In CSL	2021-23 Ending Balance Revised	Comments
OF Limited	002 - WQ	2010/2020/2030 Wastewater Permit Fees	Operations	ORS 468.065	1,199,076	1,823,000	1,573,504	2,206,282	Need greater than two to three months' balance ($1.45 to $2.18 million) because the ending fee balance is required as an operational reserve for the entire wastewater permitting program. Installments of federal grant awards are irregularly timed with gaps of six months or more between installments that vary widely in size over the two-year grant period. -DEQ planned vacancy savings in this fund and implemented other spending restrictions to bring ending balances to the values shown to maintain balances needed for operational cash management purposes. -DEQ delayed and phased in the 2020 fee increase to reduce the burden on fee payers during the recession. This resulted in less revenue than had been projected and DEQ held positions vacant accordingly. -A recession could affect construction stormwater fee revenue in the mid-term, but DEQ has not yet seen impacts on revenue. We have downwardly adjusted our 2021-23 ARB/GRB revenue estimate. -The federal (NPDES) permitting portion of this program is federal fund eligible and match eligible, but DEQ does not anticipate significant changes in the federal revenue, nor any federal stimulus revenue for this work. The size of Lottery Fund revenue reductions in 2019-21 remains uncertain and could push the 2019-21 ending balance downwards if the WQ program cannot implement cost savings quickly enough to absorb the entire revenue reduction. The water quality permitting program uses the same fund types (General Fund, Lottery Fund, and Performance Partnership Grant) as other WQ sub-programs that rely on Lottery Fund.
OF Limited	002 - WQ	2040 Onsite Subsurface Fees	Operations	ORS 454.662; ORS 454.745; 454.755	470,031	1,400,000	564,200	768,625	Need three to six months' balance ($500,000 to $1 million) because fee revenue generally spikes in the spring and the fund balance steadily declines from late summer through the following spring when revenue spikes again. -A recession could affect onsite septic system permit fee and surcharge fee revenue, but DEQ has not yet seen impacts on revenue. We have downwardly adjusted our 2021-23 ARB/GRB revenue estimate. -Onsite fee revenue is responsive to economic cycles, and can change relatively rapidly compared to other fee sources. -The estimated 2021-23 GRB ending balance falls to the low end of the ending balance target. -This program is wholly fee funded. -DEQ provided an extension to licensed pumpers and installers for meeting the continuing education requirements for renewal to account for the scarcity of training opportunities. -This fund balance could be impacted by wildfire related costs and impacts to revenue. Additional resources might be required to conduct site inspections for system repairs and replacements, and to collaborate with direct service counties on wildfire impacted homes, businesses and mobile home parks that rely on septic systems. 2019-21 revenue could be reduced if DEQ waives certain fees for wildfire impacted sites. DEQ is still considering those options and assessing the extent of wildfire impacts to properties on septic systems.
OF Limited	002 - WQ	2050 Sewage Works Operator Certification and Program Support Fees	Operations	ORS 448.405 -448.430 & 448.992	366,400	457,951	370,298	414,319	A six month balance ($190,000) is preferred for this wholly fee funded program because the program receives a spike in revenue at the end of each fiscal year. May and June revenues historically represent half of the annual revenues, so more than two months of balance are required at the end of the fiscal year to cover expenses and cash management needs through months when revenues are low. - The revised ending balance is higher than originally projected due to unplanned turnover, and will allow the program to delay the next fee increase. -The program adopted a fee increase several biennia ago that was intended to sustain the program for three biennia, and it is now on the downward slope of that curve. -DEQ does not expect the recession to affect the revenue in this sub-program; however, DEQ provided an extension to certified operators for meeting the continuing education requirements for renewal to account for the scarcity of training opportunities. -The operator certification sub-program is exploring using some of its fund balance to pay for costs associated with transitioning to the new agency-wide Electronic Data Management System (EDMS), including staffing for data migration and system customization for program specific requirements.
OF Limited	002 - WQ	2410 401 Dredge and Fill Fees	Operations	ORS 468B.047	340,017	680,000	825,217	885,091	A six month balance of $336,000 in this program, which is roughly 80% fee funded in 2019-21, is preferred because revenue flow is irregular and unpredictable, with some months having very low revenue and others having above average revenue. Since the revenue is based on applications, DEQ has limited control over the timing and flow of revenue. There is a high degree of variability in the revenue projection because roughly one-quarter of the anticipated revenue comes from a handful of large projects which are prone to delays and extensions. -This program receives no federal funds. -A recession could affect dredge & fill fee revenue in the mid-term, but DEQ has not yet seen impacts on revenue. We have downwardly adjusted our 2021-23 ARB/GRB revenue estimate. -The 2019-21 ending balance will likely be lower than predicted in May ($730K) because one large project (Jordan Cove) has stopped generating program revenue. Although work on the certification should halt, some project related costs will continue, including attorney general. By the end of August 2020, the fund balance had declined to $680,000.
OF Limited	002 - WQ	2090 401 Hydroelectric Fees	Operations	ORS 536.015, 543.078, 543.080, 543.710, 543A.415, and 468.065(3)	223,035	10,000	149,408	56,764	DEQ needs about five months of balance ($221,000) for this wholly fee funded program because we receive annual program fees in December and January that pay for work through the following December. The program also collects project fees intermittently that are needed to fund 401 certification implementation oversight during the following fiscal year. -DEQ does not expect the recession to impact this revenue or the fund balance. -DEQ is working with WRD and ODFW on a proposed 2021 legislative concept that would revise the structure of the theoretic horsepower fee and increase revenue distributions to this program.
OF Limited	002 - WQ	2520 Water Pollution Control Administrative Fund State Revolving Loan Fund Fee	Operations	CWA Title VI and ORS 468.440	1,805,840	2,185,688	1,527,786	1,617,497	$595,000 = 3 months of operating costs -Provides for future funding of SRF Loan program administration. -Federal law restricts the use of these funds. -Revenue ebbs and flows during the fiscal year. -DEQ received approval from the 2019 Legislature to develop a loan management system, which will partly be funded from the fund balance. -This revenue could be impacted by the recession, but predicting the impact is difficult. Impacts could come from: prospective borrowers delaying the start of new projects; existing borrowers refinancing their loans through the private market; or borrowers defaulting on their loans.
OF Limited	002 - WQ	2600 WQ Enterprise Agreements	Operations	ORS 468.035	127,539	0	60,370	74,384	This fund used to account for the provision of services to external entities where the costs involved are primarily paid for in the form of charges to the users of such services. This fund requires an ending balance because user charges might come in higher or lower than the cost or providing the services. -DEQ plans to consume the fund balance in this fund to offset some impacts of General Fund and Lottery Fund allotment reductions in 2019-21.
OF Limited	002 - WQ	2060 (shared) Lab Certification Funds (Transferred from Oregon Department of Human Services)	Operations	Chapter 1063, 1999 Session Laws	116,704	31,000	75,023	83,973	The fund balance is required to meet the program's cash management needs.
OF Limited	002 - WQ	2130 Subsurface Injection Fluids Account - Underground Injection Control Fees	Operations	ORS 468B.195 and ORS 468B.196	79,742	150,000	60,105	79,144	Need greater than three months' balance ($56,000) because installments of federal grant awards are irregularly timed with gaps of six months or more between installments that vary widely in size over the two-year grant period. A recession could affect UIC fee revenue, but DEQ has not yet seen impacts on revenue. We have downwardly adjusted our 2021-23 ARB/GRB revenue estimate. This program is federal funded and the Other Fund is used as match, but DEQ does not anticipate significant changes in the federal revenue, nor any federal stimulus revenue for this work.

OTHER FUNDS ENDING BALANCES FOR 009 - DEBT SERVICE

Other Fund Type	Program Area (SCR)	Treasury Fund #/Name	Category/Description	Constitutional and/or Statutory reference	2019-21 Ending Balance		2021-23 Ending Balance		Comments
					In LAB	Revised	In CSL	Revised	
OF Debt Service, Non Limited	009 - DS	9000 Pollution Ctrl Debt Svc	Operations	Debt Service Sinking	203,677	2,440,585	2,813,057	2,813,057	The amounts could decrease due to calls on outstanding issues.

OTHER FUNDS ENDING BALANCES FOR 008 - NON LIMITED

Other Fund Type	Program Area (SCR)	Treasury Fund #/Name	Category/Description	Constitutional and/or Statutory reference	2019-21 Ending Balance		2021-23 Ending Balance		Comments
					In LAB	Revised	In CSL	Revised	
OF Non Limited	008 - NL	2900/2910/2990/2980 State Revolving Funds 2810/2890 SADLP Program	Loan Program	State Revolving Loan and Sewer Assessment Deferral Loan Program Fund	302,297,313	244,154,546	208,499,784	206,880,784	SRF Loan Funds, dedicated by Federal law to specific uses relating to water quality projects. Balances growth as a result of project delays, due to the economy and refinancing of longer-term loans with other lenders, could result in some increase in fund balance.