

HB 2396 -1 STAFF MEASURE SUMMARY

House Committee On Climate, Energy, and Environment

Prepared By: Erin Pischke, LPRO Analyst

Meeting Dates: 2/15

WHAT THE MEASURE DOES:

Directs the Environmental Quality Commission (EQC) to adopt rules to create and implement a program regulating emissions from indirect sources of air contaminants. Requires EQC to establish rules requiring owners and operators of indirect sources of air contaminants to notify residents and businesses in the area affected if the emissions associated with an indirect source create or are likely to create a significant air quality concern. Takes effect on the 91st day following adjournment sine die.

- *REVENUE: May have revenue impact, but no statement yet issued*
- *FISCAL: May have fiscal impact, but no statement yet issued*

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Replaces the measure with the exception of effective date.

Defines terms. Requires Environmental Quality Commission (EQC) to establish by rule an indirect source review program (program). Authorizes the program to require the owner or operator of an indirect source to obtain a permit issued by the Department of Environmental Quality (DEQ). Establishes that the program applies only to: 1) areas that exceed ambient benchmark concentrations for any toxic air contaminant; 2) any air quality control region that is not in attainment with the national primary ambient air quality standard for any mobile source related air pollutant; or 3) any city or metropolitan service district established under ORS chapter 268 with a population of 50,000 or greater. Establishes that the following are excluded from regulation as an indirect source, notwithstanding the definition of indirect source in section 2 of the Act: 1) new or existing on-street parking; 2) a single-family or multifamily residential structure, with some exceptions; 3) A commercial building that is used, or is intended to be used, for providing goods or services directly to the general public, with some exceptions; 4) a facility or property at which total aggregate emissions from all mobile source activity associated with the facility or property meet certain criteria; 5) an agricultural operation described in ORS 468A.020. Establishes that emissions of a stationary air contamination source at, within, or associated with an indirect source may not be counted as emissions of the indirect source for purposes of determining the emissions of an indirect source. Establishes that rules adopted for an indirect source review program require that: 1) all new or modified indirect sources may not attract mobile sources if the total aggregate emissions from the mobile sources would cause or contribute to exceedances of any air quality standard established pursuant to ORS 468A.020 or 468A.135; 2) all medium- or heavy-duty vehicles that park at an indirect source must have access to electric charging infrastructure, except at construction sites, if an indirect source is located in an area exceeding ambient benchmark concentrations for diesel particulate matter; 3) the average exhaust emissions for all construction non-road vehicles, engines, or equipment attracted to the indirect source that are greater than 25 horsepower do not exceed 0.02 grams per kilowatt-hour of PM2.5 or 0.4 grams per kilowatt-hour of NOx during any one-hour period; 4) the average exhaust emissions from all diesel-powered motor vehicles and engines attracted to the indirect source do not exceed 0.01 grams per brake-horsepower-hour of PM2.5 or 0.2 grams per brakehorsepower-hour of NOx during any one-hour period; and 5) all indirect sources adopt an emissions mitigation plan that will reduce emissions consistent with air quality standards established pursuant to ORS 468A.020 or 468A.135 and ambient benchmark concentrations for toxic air contaminants. Requires DEQ to

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establish a methodology for quantifying the amount of air contaminant emissions associated with an indirect source, including all emissions from mobile sources attracted to the indirect source. Requires EQC to establish by rule ongoing monitoring and reporting requirements for distribution warehouse owners or operators annual reporting. Establishes annual reporting criteria. Requires an owner or operator of an indirect source required to obtain an indirect source permit to submit an application to DEQ in the form and manner prescribed by DEQ. Establishes indirect source permit application criteria. Authorizes EQC to establish by rule a schedule of fees for indirect source permits. Requires DEQ to provide notice and an opportunity for public comment to all residents and businesses within 1,000 feet of a proposed indirect source prior to approving any application for an indirect source permit. Requires DEQ to provide a public hearing, if requested by a member of the public.

BACKGROUND:

Indirect sources of air pollutants are places such as facilities or roads that may contribute indirectly to air pollution by attracting mobile sources of air contaminants (e.g., motor vehicles) (42 USC 57410(a)(5)(C)). Indirect Source Review Programs (ISRP) are state programs that exist to review and regulate these indirect sources of air contaminants. While not federally required, states have the option to voluntarily establish an ISRP, which may be included in the ambient air quality plans that states are required to submit to the Environmental Protection Agency (EPA). Once an ISRP is established in a state's ambient air quality implementation plan, the EPA may enforce the plan to meet and maintain compliance with national air quality standards for air pollutants such as PM2.5 and ozone.

The Oregon Environmental Quality Commission (EQC) is the five-member board overseeing policy and rulemaking for the Oregon Department of Environmental Quality.

House Bill 2396 would direct the EQC to adopt rules to establish a program to control emissions from indirect sources in Oregon as well as the aggregate emissions from vehicles or engines associated with the indirect source. The bill also would require the EQC to establish rules that an owner or operator of an indirect source must notify residents or businesses in the geographic area of any significant air quality concerns.