PGE Comments on House Bill 3229: Proposed Title V Air Permit Fee Increase

House Committee on Climate, Energy, and Environment February 27, 2023

The Department of Environmental Quality (DEQ) operates the Title V air permit program funded, as required by the US Clean Air Act, by fees from permit holders. Title V fees can only be used to support the Title V program. PGE holds Title V permits for our natural gaspowered generation plants.

PGE's path to decarbonization centers on our customers' needs as we plan for investments in new resources and enhancements to the grid that can deliver the affordable, clean electricity services our customers expect. Amid rising power costs and the need for ongoing investment in grid resilience and clean energy, we continue to focus on mitigating costs wherever possible. However, adequate DEQ staffing to issue Title V permits and avoid exacerbating existing permit backlogs is in the interest of PGE and its customers.

As a heavily regulated company at the local, state, and federal levels, PGE depends on our regulators to consider and resolve permits and policy matters in a timely fashion. Inadequate staffing levels that create delays and uncertainty introduce the same inefficiencies in our business. We also note that the program has not substantially increased fees since 2011, and that closure of PGE's Boardman coal plant, while positive for PGE customers and greenhouse gas emissions reduction, reduced Title V permit program revenues. For these reasons, PGE can accept the Title V permit fee increase proposed by the Department of Environmental Quality. We appreciate the 3 percent cap on annual increases after this year's permit increase, without which we understand the Department will lay off about one third of its permitting staff in the Title V program.

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