Oregon State
Chamber of Commerce

EXECUTIVE COMMITTEE

2017 CHAIR:
JUSTIN AUFDERMAUER
Tillamook Chamber

CHAIR ELECT:
COLENE MARTIN
Grants Pass and Josephine
County Chamber

VICE CHAIR:
SHERYL KELSH
Chehalem Valley Chamber

SECRETARY/TREASURER:
LINDA MOHOLT
Tualatin Chamber

PAST CHAIR:
STACY PALMER
Silverton Chamber

*BOARD MEMBERS AT
LARGE:*

LAURA EDMONDS
North Clackamas County
Chamber

MIKE GLOVER
Hood River County Chamber

DEBBIE PEDRO
Greater Hermiston Chamber

December 13, 2017

Mr. Joe Westersund
Cleaner Air Oregon Coordinator
700 NE Multnomah Street, Suite 600
Portland, OR 97232
cleanerair@deq.state.or.us

The Oregon State Chamber of Commerce (OSCC) is writing in strong opposition to the proposed Cleaner Air Oregon rules recently drafted by the department.

The OSCC has significant concerns that new, stringent rules will hurt our economy and specifically disadvantage small Oregon based businesses and rural areas. New, costly regulations on 80 businesses will not only hurt those employers, but also their employees that many of our small businesses rely on.

As currently proposed, the DEQ rules would create the most restrictive air quality program in the country. This has the strong potential to drive businesses out of the state, force them to shut their doors, or force them to spend less on employees' wages and benefits. Any of these outcomes would have a significant adverse impact on OSCC members – ranging from those industries impacted, to the small businesses across the state that rely heavily on consumer spending. Rules should be developed that balance the need to protect human health, and minimize the impact that rules will have on our local economy.

The OSCC would request the DEQ to consider significant revisions to the proposed rules that include some of the following issues critical to small businesses and Oregon employers.

1.) As drafted, the Cleaner Air Oregon rules will have a significant impact on small businesses across the state. To mitigate some of that impact, the OSCC asks that the DEQ does not require small businesses to be among the initial sources that are required to undergo the rigors of the Cleaner Air Oregon rules.

2.) The OSCC feels that the program should be phased in, in smaller groups. The DEQ has indicated that the Cleaner Air Oregon program will begin with an initial group of 80 sources, in groups of 20. Initial sources will not be allowed to make any modifications unless they first complete a full risk assessment process – or demonstrate that the proposed project is exempt or will result in no increase in risk as demonstrated by a toxic emissions unit risk assessment. This is an unworkable approach that puts Oregon businesses at a significant disadvantage. As drafted, the rules currently would prevent companies from being able to make routine changes – even changes that might be environmentally beneficial – in the time that is needed for that business to remain competitive without

undergoing a full risk assessment. This needs to be addressed in consultation with the businesses in order to find a workable path and approach.

3.) The DEQ has a responsibility to accurately reflect the fiscal impacts that this policy will have on industry. The agency should take this responsibility seriously as the rules in their current form jeopardize the economic well-being of the 80 initial sources and the communities where they reside. The OSCC strongly believes these rules will have a very adverse impact on small businesses. The agency fails to account for and mitigate those impacts in the current rulemaking process. The DEQ has an opportunity to correct this and identify the adverse impacts that this will have on businesses and communities across the state, and work to mitigate those impacts.

4.) The Cleaner Air Oregon program must employ adequate Risk Action Levels that do not place a substantial cost on the Oregon manufacturing sector without meaningful risk reductions. Current Risk Action Levels are unduly stringent. The DEQ should establish Risk Action Levels at 100 in 1 million and a Hazard Index of 10 and allow for department review of any sources in excess. These levels safeguard human health without placing Oregon businesses at a significant competitive disadvantage.

5.) The rules must be based on actual source emissions, not hypothetical source emissions. The proposed rules should encourage facilities to perform ambient monitoring that demonstrates actual risk at receptors. Draft rules unfairly penalize sources that perform ambient monitoring. The OSCC strongly feels that ambient monitoring provides the most accurate and realistic information on emissions. Sources should be encouraged to monitor specific emissions as opposed to hypothetical monitoring.

6.) The Cleaner Air Oregon program should assess risk at receptors where people are actually present for a selected period of time. Such a definition should not include areas that are not routinely inhabited for 24 hours at a time. Current proposals to regulate businesses under the presumption that someone remains in one location for 365 days a year for 70 years is highly unrealistic and should be reconsidered.

7.) Finally, Oregon businesses should not be regulated on emissions they don't emit. The Cleaner Air Oregon proposed rules would penalize businesses based on their compliance with state land use laws. Oregon land use laws have required business to locate in certain areas. Creating a new regulatory penalty for following Oregon law is bad public policy. Businesses should not be penalized for locating in industrial zones, as required by Oregon land use laws.

Thank you for the opportunity to weigh in on the proposed rules. We look forward to working with you to address our concerns and to establish a program and rules that are both effective in addressing any problems, but that are also practical for Oregon's employers.

Respectfully submitted,

Colene Martin
OSCC Board Chair Elect