
Date: November 15, 2010
To: Environmental Quality Commission
From: Dick Pedersen, Director
Subject: Agenda item D, Rule adoption: Oil spill prevention and emergency response fees, OAR Chapter 340, Division 141
December 9-10, 2010, EQC meeting

Why this is important The 2007 Oregon Legislature approved Senate Bill 105 that required certain vessels and oil handling facilities to pay fees for oil spill prevention and emergency response planning. This proposed rule would align the rule with the statute. If adopted, the proposed rules would reference spill contingency planning fees as enacted by statute.

DEQ recommendation and EQC motion DEQ recommends that the Oregon Environmental Quality Commission adopt the proposed rules presented in Attachment A.

Background and need for rulemaking The Legislature passed the first laws in 1991 that required certain vessels and oil handling facilities to prepare oil spill contingency and response plans and conduct drills and exercises to demonstrate their ability to respond to oil spills. The law also included fees. In 2001 and 2007, the oil spill prevention fees were adjusted to maintain DEQ's service level to review plans, plan and evaluate drills and exercises.

Effect of rule The rule aligns the fees with the current statutes and provides a mechanism to ensure fees remain consistent with the statutes.

Commission authority The commission has authority to take this action under ORS 468.020, 486B.395.

Stakeholder involvement DEQ engaged the public and affected parties during the development of Senate Bill 105 in 2007. Testimony provided during the senate hearing was supportive of the fee structure. Since the rules enact the fee structure from the statute DEQ did not convene an advisory committee or hold hearings.

- Public comment** A public comment period extended from Oct. 1 to Oct. 25, 2010. DEQ received no public comments for this rule amendment.
- Key issues** Affected parties have been paying the statutory fee since August 2007. The proposed rule aligns the fees with those in statute.
- Next steps** If EQC adopts the proposed rule changes, DEQ will file the rules with the Secretary of State and will continue implementing the 2007 fees.
- Attachments**
- A. Proposed rule revisions
 - B. Relationship to Federal Requirements questions
 - C. Statement of Need and Fiscal and Economic Impact
 - D. Land use evaluation statement
- Available upon request**
- 1. Cover memorandum from Public Notice
 - 2. 2010 Oil Spill Planning Annual Report, also required to be published each year by Senate Bill 105 (2007).

Approved:

Division: _____
Wendy Wiles

Section: _____
Jeff Christensen

Report prepared by: Michael Zollitsch
Phone: 503-229-6931