

November 24, 2010

BY EMAIL (<u>Inahara.Jill@deq.state.or.us</u>) and FACSIMILE (503-229-5675)

Ms. Jill Inahara Oregon DEQ, Air Quality Division 811 SW Sixth Avenue Portland, OR 97204

RE: Comments on Proposed PM_{2.5} and Greenhouse Gas Regulations

Dear Ms. Inahara,

I am the Environmental, Health and Safety Manager for Microchip Technology Inc. I would like to provide some comments on the proposed PM_{2.5} and Greenhouse Gas (GHG) Regulations for Oregon.

Microchip is a semiconductor manufacturing company with a facility in Gresham, OR. The Gresham facility was purchased in August 2002. Microchip currently has over 450 employees working in Oregon. Our business is growing. We have hired over 100 new employees in 2010, and will have over 700 employees when our facility is at full build out. We are committed to our employees and our community. Microchip is one of the only semiconductor manufacturers to not lay off any employees during the recession. In July 2006 Microchip received an Oregon Green Permit which is awarded by Oregon DEQ only to facilities that achieve superior environmental performance. Microchip also engages in local procurement of goods and services and, through its employees, participates in civic activities like FIRST Robotics, the City of Gresham Chamber of Commerce and the Mount Hood Community College Foundation.

Air permitting issues are of critical importance to the operation of our facility. In order to be competitive on a global level and to continue hiring new employees, we need to have the flexibility to expand our production operations. In the PM2.5/GHG regulatory proposal, DEQ has indicated that it is considering adopting the federal PSD rules for GHGs rather than keeping GHG regulation consistent with the regulation of other regulated air pollutants. Microchip would encourage DEQ to adopt regulations that treat GHGs in a way that is consistent with how other regulated air pollutants are treated. As Microchip is increasing production we have been very proactive in reducing air emissions including GHG emissions with point of use abatement. The EPA PSD program has disincentives for making early emission reductions.

Microchip would agree with DEQ that Option 1 for determining a GHG baseline makes the most sense to the semiconductor industry, which has both fuel combustion and production parameters for GHG emissions.

Microchip strongly supports the comments submitted by the Associated Oregon Industries (AOI). We would urge that the Environmental Quality Commission adopt these suggestions.

Thank you for the opportunity to comment.

Mari Chesse

Sincerely,

Mari Chesser

Environmental, Health and Safety Manager

503.669.5503