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November 24, 2010

BY EMAIL (Inahara.Jill@deq.state.or.us; AQFeb2011Rules@deq.state.or.us)
AND
FACSIMILE (503-229-5675)

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

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

Dear Ms. Inahara:

ATI Wah Chang and ATI Albany Operations (formerly Oremet) located in Albany Oregon, are one of the world's largest manufacturers of specialty metals and chemicals, used in energy production, chemical and mineral processing, aerospace, medical, research and consumer products, employing over 1,300 union and administrative employees. We appreciate this opportunity to comment on the proposed rules that would add $PM_{2.5}$ and greenhouse gas (GHG) requirements to the Department's regulations.

The proposed PM_{2.5} and Greenhouse Gas Regulations are some of the most significant changes to the Oregon Air permitting program in recent years and could have serious

Ms. Jill Inahara November 24, 2010 Page 2

consequences to Oregon business' ability to remain competitive in the U.S and global market place.

ATI Wah Chang and ATI Albany Operations would like to recommend the following specific comments on the proposed rules:

- 1) We encourage DEQ to adopt of "Option 1", as listed in the Alternative Rule Options document, wherein a source's netting basis for GHG and PM2.5 is proportional to its current netting basis for other pollutants. This is consistent with the existing Oregon PSEL program and would be more easily adopted by permit holders, and does not penalize sources for reduced production levels over the last few years due to the economic recession.
- 2) There has been some discussion from the Department indicating that it is considering adopting the federal PSD program for GHG permitting. ATI Wah Chang and ATI Albany Operations strongly oppose this direction and prefers that the Department continue with the existing Oregon PSEL program for all pollutants for the following reasons:
 - a) Adoption of the federal PSD program will likely lead to considerable confusion for industrial sources, as well as, cause additional burden to DEQ permitting staff who are not accustomed to or trained in the EPA PSD rules.
 - b) Tracking changes under the Oregon PSEL program provides clarity and consistency – PSD/NSR cannot be 'accidentally' triggered under Oregon's rules.
 - c) EPA's PSD program acts as a disincentive for early emissions reductions, while Oregon's PSEL program does not.
- 3) ATI Wah Chang and ATI Albany Operations recommend that DEQ establish PM 2.5 SIL's consistent with the Federal SILs, not more stringent.
- 4) ATI Wah Chang and ATI Albany Operations request that an "opt-out" provision be placed into the rule so that if the Federal GHG permitting rule is vacated or stayed by Congress, or the courts, that the Oregon rules pertaining to GHG permitting shall also be vacated or stayed.

Finally, ATI Wah Chang and ATI Albany Operations strongly support the comments submitted by Associated Oregon Industries (AOI). We urge the Environmental Quality Commission to adopt these suggestions.

Ms. Jill Inahara November 24, 2010 Page 3

Thank you for the opportunity to comment.

Sincerely,

Lee Weber, Director Environmental Services