

Invitation to Comment

Increase Water Quality Permit Fees to Address Program Costs

DEQ invites input on proposed permanent rules amendments to chapter 340 of the Oregon Administrative Rules.

DEQ proposal

DEQ proposes an increase of 2.9 percent for most permit fees under OAR 340, division numbers 45 and 71.

DEQ's objective

DEQ proposes a fee increase of 2.9 percent in response to increased water quality permit program costs.

Who does this affect?

Parties affected by this proposal include individuals, private businesses and government agencies.

Permit fees would increase for most National Pollutant Discharge Elimination System, Water Pollution Control Facility, and WPCF-Onsite septic system permits. Suction dredge (700-PM) permits would not be affected by the fee increase, since those permit fees are set in statute and can only be changed by the Legislature. Graywater (2401 and 2402) permits would also not be affected by the fee increase in an effort to encourage graywater reuse permitting. There are no application fees or annual fees for small offstream mining operations (WPCF 600). These operations would not be affected by the fee increase.

Sign up for notices

Get email updates about this proposed rule by signing up at:

<http://www.deq.state.or.us/regulations/rulemaking.htm>

Attend a hearing

DEQ invites you to attend the public hearing listed below. DEQ will provide a brief overview of the proposal before inviting your spoken or written comment.

Portland
811 SW Sixth Ave.
10th floor, Room EQC-A
Portland, OR, 97204
Time: 6 p.m.
Date: Tuesday, Aug. 20, 2013
Presiding Officer: DEQ staff



State of Oregon
Department of
Environmental
Quality

Submit written comments

Website

<http://www.oregon.gov/deq/RulesandRegulations/Pages/WQFeeRuleComments.aspx>

By mail

Oregon DEQ
Attn: Chris Clipper
811 SW Sixth Ave.
Portland, OR 97204

By fax

503-229-6037
Attn: Chris Clipper

At hearing

See "Attend a hearing"

Comment deadline

To consider comments on the proposed rules, DEQ must receive the comment by
5 p.m. Friday, Aug. 23, 2013.

More information

The Rule Proposal and Notice for this rulemaking are on DEQ's website:
http://www.deq.state.or.us/regulations/proposed_rules.htm

What has happened so far?

Advisory committee

DEQ convened the Blue Ribbon Advisory Committee in May 2013 and provided a summary of the rulemaking proposal. DEQ answered questions and gathered input from the committee, specifically on the fiscal impact of the proposed rules.

Documents used to develop proposal

DEQ relied on the following documents to consider the need for the proposed rule and to prepare the rulemaking documents:

- Blue Ribbon Committee Report on Key Enhancements to the Oregon Wastewater Permitting Program – 2004
- Cost factors approved through the state's budget process
- Compensation plan changes
- Fee increase calculations
- DEQ 2011-2013 Legislatively Approved Budget
- DEQ 2013-2015 Governor's Balanced Budget
- DEQ's water quality permit database
- Application and annual fee invoice records
- Oregon Revised Statutes 468B.051

What will happen next?

DEQ will prepare a written response to each comment or summary of similar comments received by the comment deadline. DEQ may modify the rule proposal based on the comments.

Comments and responses will become part of the DEQ staff report that will go to the Oregon Environmental Quality Commission for final decision.

Present proposal to the commission

The Governor selected the five members of the commission to review all proposed changes to division 340 of the Oregon Administrative Rules. The commission adopts, rejects or adopts with changes proposed rules.

DEQ plans to present this proposal to the commission for final decision at its October 2013 meeting. If approved by the commission, the proposed fees will be effective Nov. 1, 2013.

Accessibility information

To schedule a review of all websites and documents referenced in this announcement, call Chris Clipper at 503-229-5656.

Please notify DEQ of any special physical or language accommodations or if you need information in large print, Braille or another format. To make these arrangements, contact DEQ Communications and Outreach, Portland, at 503-229-5696 or call toll-free in Oregon at 1-800-452-4011; fax to 503-229-6762; or email to deqinfo@deq.state.or.us. Hearing impaired persons may call 711.

340-045-0075

Permit Fee Schedule

(1) The fee schedule for onsite sewage disposal system permits, including WPCF permits, and graywater reuse and disposal system WPCF individual permits is found in OAR chapter 340, division 071.

(2) The department has established fees for various industrial, domestic and general permit categories. The industrial and domestic permit categories and fees are listed in Tables 70B and 70C. The general permit categories are defined in OAR 340-045-0033 and the fees are listed in Table 70G.

(3) The department must consider the following criteria when classifying a facility for determining applicable fees. For industrial sources that discharge to surface waters, discharge flowrate refers to the system design capacity. For industrial sources that do not discharge to surface waters, discharge flow refers to the total annual flow divided by 365:

(a) Tier 1 industry. A facility is classified as a Tier 1 industry if the facility:

(A) Discharges at a flowrate that is greater than or equal to 1 mgd; or

(B) Discharges large biochemical oxygen demand loads; or

(C) Is a large metals facility; or

(D) Has significant toxic discharges; or

(E) Has a treatment system that will have a significant adverse impact on the receiving stream if not operated properly; or

(F) Needs special regulatory control, as determined by the department.

(b) Tier 1 domestic facility. A facility is classified as a Tier 1 domestic facility if the facility:

(A) Has a dry weather design flow of 1 mgd or greater; or

(B) Serves an industry that can have a significant impact on the treatment system.

(c) Tier 2 industry or domestic facility: does not meet Tier 1 qualifying factors.

(4) New-permit application fee. Unless waived by this rule, the applicable new-permit application fee listed in Table 70A, 70C or 70G (available on the department's website or upon request) must be submitted with each application. The amount of the fee is based on the facility category and type of permit (e.g., individual vs. general).

(5) Permit modification fee. Permit modification fees are listed in Tables 70A and 70C (available on the department's website or upon request). They vary with the type of permit, the type of modification and the timing of modification as follows:

(a) Modification at time of permit renewal:

(A) Major modification — involves an increase in effluent limitations or any other change that involves significant analysis by the department;

(B) Minor modification — does not involve significant analysis by the department.

(b) Modification prior to permit renewal:

(A) Major modification — involves an increase in effluent limitations or any other change that involves significant analysis by the department. A permittee requesting a significant modification to their permit may be required by the department to enter into an agreement to pay for these services according to ORS 468.073. ORS 468.073 allows the department "to expedite or enhance a regulatory process by contracting for services, hiring additional staff or covering costs of activities not otherwise provided during the ordinary course of department business;"

(B) Minor modification — does not involve significant analysis by the department.

(6) Annual fees. Applicable annual fees for General and Industrial permit holders may be found in Tables 70G and 70B (available on the department's website or upon request). Annual fees for domestic sources may also be found in Table 70C (available on the department's website or upon request), and consist of the following:

(a) Base annual fee. This is based on the type of treatment system and the dry weather design flow;

(b) Population-based fee. A permit holder with treatment systems other than Type F (septage alkaline stabilization facilities) must pay a population-based fee. The applicable fee may be found in Table 70D (available on the department's website or upon request);

(c) Pretreatment fee. A source required by the department to administer a pretreatment program pursuant to federal pretreatment program regulations (40CFR, Part 403; January 29, 1981 and amendments thereto) must pay an additional annual fee plus a fee for each significant industrial user specified in their annual report for the previous year. The applicable fee may be found in Table 70E (available on the department's website or upon request).

(7) Technical activities fee. Technical activity fees are listed in Tables 70F and 70H (available on the department's website or upon request). They are categorized as follows:

(a) All permits. A permittee must pay a fee for NPDES and WPCF permit-related technical activities. A fee will be charged for initial submittal of engineering plans and specifications. Fees will not be charged for revisions and re-submittals of engineering plans and specifications or for facilities plans, design studies, reports, change orders, or inspections;

(b) General permits. A permittee must pay the technical activity fee shown in Table 70H (available on the department's website or upon request) when the following activities are required for application review:

(A) Disposal system plan review;

(B) Site inspection and evaluation.

(8) For permits administered by the Oregon Department of Agriculture, the following fees are applicable until superseded by a fee schedule established by the Oregon Department of Agriculture:

(a) WPCF and NPDES General Permits #800 for Confined Animal Feeding Operations Filing Fee — \$50;

(b) Individual Permits:

(A) Filing Fee — \$50;

(B) New applications — \$6,280;

(C) Permit renewals (including request for effluent limit modifications) — \$3,140;

(D) Permit renewals (without request for effluent limit modifications) — \$1,416;

(E) Permit modifications (involving increase in effluent limit modifications) — \$3,140;

(F) Permit modifications (not involving an increase in effluent limitations) — \$500;

(G) Annual compliance determination fee for dairies and other confined feeding operations — \$705;

(H) Annual compliance determination fee for facilities not elsewhere classified with disposal of process wastewater — \$1,885;

(I) Annual compliance determination fee for facilities not elsewhere classified that dispose of non-process wastewater (e.g., small cooling water discharges, boiler blowdown, filter backwash, log ponds) — \$1,180.

(c) Annual compliance determination fee for facilities that dispose of wastewater only by evaporation from watertight ponds or basins — \$705.

(9) A surcharge in the amount listed below is imposed on municipalities that are permittees as defined in 2007 Oregon Laws chapter 696, section 2. The surcharge is imposed to defray the cost of conducting and administering the study of persistent pollutants discharged in the State of Oregon required under 2007 Oregon Laws chapter 696, section 3. A permittee subject to the surcharge must pay one half of the surcharge on or before July 15, 2008 and the other half of the surcharge on or before July 15, 2009.

Each municipality will pay a surcharge based on a dry weather design flow in millions of gallons per day (mgd) as follows:

less than 5 mgd = \$6,975.

5 mgd to 9.9 mgd = \$13,950.

10 mgd and greater = \$20,925.

[ED. NOTE: Tables referenced are not included in rule text. [Click here for PDF copy of table\(s\).](#)]

Stat. Auth.: ORS 468.020, 468B.020 & 468B.035

Stats. Implemented: ORS 468.065, 468B.015, 468B.035 & 468B.050

Hist.: DEQ 113, f. & ef. 5-10-76; DEQ 129, f. & ef. 3-16-77; DEQ 31-1979, f. & ef. 10-1-79; DEQ 18-1981, f. & ef. 7-13-81; DEQ 12-1983, f. & ef. 6-2-83; DEQ 9-1987, f. & ef. 6-3-87; DEQ 18-1990, f. & cert. ef. 6-7-90; DEQ 10-1991, f. & cert. ef. 7-1-91; DEQ 9-1992, f. & cert. ef. 6-5-92; DEQ 10-1992, f. & cert. ef. 6-9-92; DEQ 30-1992, f. & cert. ef. 12-18-92; DEQ 20-1994, f. & cert. ef. 10-7-94; DEQ 4-1998, f. & cert. ef. 3-30-98; Administrative correction 10-22-98; DEQ 15-2000, f. & cert. ef. 10-11-00; DEQ 2-2002, f. & cert. ef. 2-12-02; DEQ 7-2004, f. & cert. ef. 8-3-04; DEQ 5-2005, f. & cert. ef. 7-1-05; DEQ 11-2006, f. & cert. ef. 8-15-06; DEQ 5-2007, f. & cert. ef. 7-3-07; DEQ 8-2008, f. 6-27-08, cert. ef. 7-1-08; DEQ 7-2010, f. 8-27-10, cert. ef. 9-1-10; DEQ 9-2011, f. & cert. ef. 6-30-11; DEQ 15-2011, f. & cert. ef. 9-12-11; DEQ 6-2012, f. f. 10-31-12, cert. ef. 11-1-12

OAR 340-045-0075

Permit Fee Schedule

| Table 70A Industrial NPDES and WPCF Individual Permit Application and Modification Fees | | | | | |
|--|---|--------------------------------------|---|----------------------|--------------------|
| DEQ Class | New Permit Application Fee ¹ | Major Modification at Permit Renewal | Major Modification Prior to Permit Expiration | Minor Modification | Permit Transfer |
| Tier 1 | \$52,111 50,642 | \$13,091 12,722 | \$26,015 25,282 | \$912 886 | \$82 80 |
| Tier 2 | \$10,487 10,191 | \$3,328 3,234 | \$5,199 5,052 | \$912 886 | \$82 80 |
| Special WPCF permits issued pursuant to OAR 340-045-0061 | \$497 483 | N/A | N/A | N/A | \$82 80 |

1. New permit applications must include the annual fee specified in Table 70B in addition to the new permit application fee.

| Table 70B Industrial NPDES and WPCF Individual Permit Annual Fees | | | | | |
|--|--|----------------------------|----------------------------|----------------------------|----------------------------|
| Type | Description | NPDES Tier 1 | NPDES Tier 2 | WPCF Tier 1 | WPCF Tier 2 |
| B01 | Pulp, paper, or other fiber pulping industry | \$18,222 17,708 | N/A | \$16,912 16,435 | N/A |
| Food or beverage processing - includes produce, meat, poultry, seafood or dairy for human, pet, or livestock consumption | | | | | |
| B02 | Washing or packing only | N/A | \$2,533 2,462 | N/A | \$2,330 2,264 |
| B03 | Processing – small. Flow \leq 0.1 mgd, or $0.1 < \text{flow} < 1$ mgd for less than 180 days per year | N/A | \$3,787 3,680 | N/A | \$3,583 3,482 |
| B04 | Processing – medium. $0.1 \text{ mgd} < \text{Flow} < 1$ mgd for 180 or more days per year, or flow ≥ 1 mgd for less than 180 days per year | N/A | \$5,344 5,193 | N/A | \$5,140 4,995 |
| B05 | Processing – large. Flow ≥ 1 mgd for 180 or more days per year | \$18,222 17,708 | \$16,011 15,560 | \$16,912 16,435 | \$15,805 15,360 |

Table 70B
Industrial NPDES and WPCF Individual Permit Annual Fees

| Type | Description | NPDES Tier 1 | NPDES Tier 2 | WPCF Tier 1 | WPCF Tier 2 |
|---|--|----------------------------|----------------------------|--------------------|--------------------|
| Primary Smelting or Refining | | | | | |
| B06 | Aluminum | \$18,222 17,708 | \$16,011 15,560 | \$16,912 16,435 | \$15,805 15,360 |
| B07 | Non-ferrous metals utilizing sand chlorination separation facilities | \$18,222 17,708 | \$16,011 15,560 | \$16,912 16,435 | \$15,805 15,360 |
| B08 | Ferrous and non-ferrous metals not elsewhere classified | \$10,421 10,127 | \$8,208 7,977 | \$9,111 8,854 | \$8,006 7,780 |
| B09 | Chemical manufacturing with discharge of process wastewater | \$18,222 17,708 | \$16,011 15,560 | \$16,912 16,435 | \$15,805 15,360 |
| B10 | Cooling water discharges in excess of 20,000 BTU per <u>second</u> | \$10,421 10,127 | \$8,208 7,977 | \$9,111 8,854 | \$8,006 7,780 |
| Mining Operations – includes aggregate or ore processing | | | | | |
| B11 | Large (over 500,000 cubic yards per year or involving chemical leaching) | \$18,222 17,708 | \$16,011 15,560 | \$16,912 16,435 | \$15,805 15,360 |
| B12 | Medium (100,000 to 500,000 cubic yards per year) | N/A | \$5,605 5,447 | N/A | \$5,401 5,249 |
| B13 | Small (less than 100,000 cubic yards per year) | N/A | \$1,706 1,658 | N/A | \$1,502 1,460 |
| All facilities not elsewhere classified which dispose of process wastewater (includes remediated groundwater) | | | | | |
| B14 | Tier 1 sources | \$18,222 17,708 | N/A | \$16,912 16,435 | N/A |
| B15 | Tier 2 sources | N/A | \$3,526 3,427 | N/A | \$3,325 3,231 |
| B16 | All facilities not elsewhere classified which dispose of non-process wastewaters (for example: small cooling water discharges, boiler blowdown, filter backwash) | N/A | \$2,361 2,294 | N/A | \$2,157 2,096 |
| B17 | Dairies, fish hatcheries and other confined feeding operations on individual permits | N/A | \$2,066 2,008 | N/A | \$1,864 1,811 |

Table 70B
Industrial NPDES and WPCF Individual Permit Annual Fees

| Type | Description | NPDES Tier 1 | NPDES Tier 2 | WPCF Tier 1 | WPCF Tier 2 |
|--------------------------|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| B18 | All facilities which dispose of wastewater only by evaporation from watertight ponds or basins | N/A | N/A | N/A | \$1,370 4,334 |
| Timber and Wood Products | | | | | |
| B19 | Sawmills, log storage, instream log storage | \$5,111 4,967 | \$2,900 2,818 | \$3,802 3,695 | \$2,695 2,619 |
| B20 | Hardboard, veneer, plywood, particle board, pressboard manufacturing, wood products | \$5,404 5,252 | \$3,194 3,104 | \$4,096 3,981 | \$2,991 2,907 |
| B21 | Wood preserving | \$4,573 4,444 | \$2,361 2,294 | \$3,263 3,171 | \$2,157 2,096 |

Table 70C
Domestic NPDES and WPCF Individual Permits

| Description | Type | Classification Criteria (Based on Average Dry Weather Design Flow, or as defined in 40CFR) | Class | New Permit App.Fee ¹ | Base Annual Fee, 5 year permits | Base Annual Fee, 10 year permits | Additional Annual Fees | Major Modification | Minor Modification |
|---|------|--|--------|---------------------------------|---------------------------------|----------------------------------|------------------------|--------------------|--------------------|
| Nondischarging lagoons | E | N/A | Tier 2 | \$3,398 3,302 | N/A | \$1,085 1,054 | | \$1,740 1,691 | \$912 886 |
| Lagoons that discharge to surface waters | Db | Flow < 1 mgd | Tier 2 | \$6,710 6,521 | \$1,301 1,264 | N/A | | \$3,398 3,302 | \$912 886 |
| | C2b | 1 mgd ≤ Flow < 2 mgd | Tier 1 | \$33,221 32,285 | \$3,429 3,332 | N/A | | \$16,651 16,182 | \$912 886 |
| | C1b | 2 mgd ≤ Flow < 5 mgd | Tier 1 | \$33,221 32,285 | \$4,698 4,566 | N/A | | \$16,651 16,182 | \$912 886 |
| | Bb | 5 mgd ≤ Flow < 10 mgd | Tier 1 | \$33,221 32,285 | \$6,755 6,565 | N/A | | \$16,651 16,182 | \$912 886 |
| | Da | Flow < 1 mgd | Tier 2 | \$6,710 6,521 | \$1,846 1,794 | \$1,713 1,665 | | \$3,398 3,302 | \$912 886 |
| Treatment systems other than lagoons | C2a | 1 mgd ≤ Flow < 2 mgd | Tier 1 | \$33,221 32,285 | \$5,830 5,666 | \$4,994 4,853 | | \$16,651 16,182 | \$912 886 |
| | C1a | 2 mgd ≤ Flow < 5 mgd | Tier 1 | \$33,221 32,285 | \$8,590 8,348 | \$7,755 7,536 | | \$16,651 16,182 | \$912 886 |
| | Ba | 5 mgd ≤ Flow < 10 mgd | Tier 1 | \$33,221 32,285 | \$12,775 12,415 | \$11,939 11,603 | | \$16,651 16,182 | \$912 886 |
| | A3 | 10 mgd ≤ Flow < 25 mgd | Tier 1 | \$33,221 32,285 | \$19,928 19,366 | N/A | | \$16,651 16,182 | \$912 886 |
| | A2 | 25 mgd ≤ Flow < 50 mgd | Tier 1 | \$33,221 32,285 | \$42,282 41,090 | N/A | | \$16,651 16,182 | \$912 886 |
| | A1 | ≥ 50 mgd | Tier 1 | \$33,221 32,285 | \$71,943 69,915 | N/A | | \$16,651 16,182 | \$912 886 |
| Septage alkaline stabilization facilities | F | N/A | Tier 2 | \$912 886 | N/A | \$374 363 | N/A | N/A | \$414 402 |

Additional fees include population and pretreatment fees. See tables 70D and 70E for determination of these fees.

N/A

Table 70C
Domestic NPDES and WPCF Individual Permits

| Description | Type | Classification Criteria (Based on Average Dry Weather Design Flow, or as defined in 40CFR) | Class | New Permit App. Fee ¹ | Base Annual Fee, 5 year permits | Base Annual Fee, 10 year permits | Additional Annual Fees | Major Modification | Minor Modification |
|---------------------------------------|---------|--|-------|----------------------------------|---------------------------------|----------------------------------|------------------------|--------------------|--------------------|
| Municipal Separate Storm Sewer System | Phase 1 | See 40 CFR §122.26 | N/A | \$18,449 17,929 | \$4,153 4,036 | N/A | N/A | N/A | \$1,603 1,558 |
| | Phase 2 | | N/A | \$826 803 | \$850 826 | N/A | N/A | N/A | \$1,603 1,558 |
| Underground Injection Control | Various | As defined in 40 CFR parts 9, 144, 145 and 146 | N/A | \$10,487 10,191 | N/A | \$2,157 2,096 | N/A | N/A | \$912 886 |

1. New permit applications must include the annual fee in addition to the new permit application fee.

Table 70D
Domestic NPDES and WPCF Annual Population Fee

| Population range | Annual fee |
|--------------------|-----------------|
| 500,000+ | \$96,654 93,930 |
| 400,000 to 499,999 | \$73,941 71,857 |
| 300,000 to 399,999 | \$51,227 49,783 |
| 200,000 to 299,999 | \$28,512 27,708 |
| 150,000 to 199,999 | \$23,060 22,410 |
| 100,000 to 149,999 | \$15,188 14,760 |
| 50,000 to 99,999 | \$9,526 9,258 |
| 25,000 to 49,999 | \$4,281 4,160 |
| 15,000 to 24,999 | \$2,437 2,368 |
| 10,000 to 14,999 | \$1,588 1,543 |
| 5,000 to 9,999 | \$966 939 |
| 1,000 to 4,999 | \$289 281 |
| 100 to 999 | \$54 52 |
| 0 to 99 | \$0 |

**Table 70E
Annual Pretreatment Fees**

| Description | Fee |
|-----------------------------|-----------------------------------|
| Pretreatment Fee | \$1,657 4,610 |
| Significant Industrial User | \$553 537 per industry |

**Table 70F
Technical Activity and Other Fees**

| Activity | Fee |
|---|--------------------------|
| New or substantially modified sewage treatment facility | \$7,623 7,408 |
| Minor sewage treatment facility modifications and pump stations | \$828 805 |
| Pressure sewer system or major sewer collection system expansion | \$581 565 |
| Minor sewer collection system expansion or modification | \$165 160 |
| New or substantially modified water pollution control facilities using alkaline agents to stabilize septage | \$828 805 |
| Permit transfer | \$82 80 |

Table 70G
General NPDES and WPCF Permits

| Number | Type | Description | New Permit Application Fee ¹ | Annual Fee |
|------------------------|-------|--|---|--------------|
| 100-J | NPDES | Cooling water/heat pumps | \$213 207 | \$483 469 |
| 200-J | NPDES | Filter backwash | \$213 207 | \$483 469 |
| 300-J | NPDES | Fish hatcheries | \$338 328 | \$483 469 |
| 400-J | NPDES | Log ponds | \$213 207 | \$483 469 |
| 500-J | NPDES | Boiler blowdown | \$213 207 | \$483 469 |
| 600 | WPCF | Offstream small scale mining – processing less than five cubic yards of material per day, or less than 1,500 cubic yards per year | \$0 | \$0 |
| | | Offstream small scale mining – processing 1,500 to 10,000 cubic yards of material per year | \$213 207 | \$0 |
| 700-PM ² | NPDES | Suction dredges | \$0 | \$25 |
| 900-J | NPDES | Seafood processing | \$213 207 | \$483 469 |
| 1000 | WPCF | Gravel mining | \$213 207 | \$483 469 |
| 1200-A ³ | NPDES | Stormw W ater: Sand, gravel, and other non-metallic mining | \$826 803 | \$850 826 |
| 1200-C ³ | NPDES | Stormw W ater: Construction activities – one acre or more | \$826 803 | \$850 826 |
| 1200-C ³ | NPDES | Stormw W ater: Construction activities – less than one acre and part of a common plan of development disturbing one or more acres | \$243 236 | \$0 |
| 1200-CA | NPDES | Stormw W ater: Construction activities performed by public agencies – one acre or more | \$826 803 | \$850 826 |
| 1200-COLS ³ | NPDES | Stormwater: Industrial stormwater discharge to Columbia Slough | \$826 803 | \$850 826 |
| 1200-Z ^{3,4} | NPDES | Stormw W ater: Industrial | \$826 803 | \$850 826 |

Table 70G
General NPDES and WPCF Permits

| Number | Type | Description | New Permit Application Fee ¹ | Annual Fee |
|--------|-------|---|---|------------|
| 1400-A | WPCF | Wineries and seasonal fresh pack operations whose wastewater flow does not exceed 25,000 gallons per day and is only disposed of by land irrigation. | \$213 207 | \$283 275 |
| 1400-B | WPCF | Wineries and small food processors not otherwise eligible for a 1400A general permit. | \$338 328 | \$483 469 |
| 1500-A | NPDES | Petroleum hydrocarbon clean-up | \$338 328 | \$483 469 |
| 1500-B | WPCF | Petroleum hydrocarbon clean-up | \$338 328 | \$483 469 |
| 1700-A | NPDES | Vehicle and equipment wash water | \$471 458 | \$483 469 |
| 1700-B | WPCF | Vehicle and equipment wash water | \$471 458 | \$483 469 |
| 1900-J | NPDES | Non-contact geothermal heat exchange | \$471 458 | \$483 469 |
| 2401 | WPCF | Tier 1 graywater reuse and disposal system for residential systems not exceeding 300 gallons per day, or equivalent specific geographic area graywater reuse and disposal area permit | \$50 | \$40 |
| 2402 | WPCF | Tier 2 graywater reuse and disposal system for systems not exceeding 1,200 gallons per day, or equivalent specific geographic area graywater reuse and disposal area permit | \$534 | \$50 |
| Other | | | \$471 458 | \$483 469 |

1. New permit applications must include both the new permit application fee and the first year's annual fee.
2. A person registered under the 700-PM permit may pre-pay \$90 for permit coverage through 2014 in lieu of the \$25 annual fee.
3. Some of these permits are administered by public agencies under contract with DEQ.
4. This permit incorporates the 1300-J permit.

Table 70H
General Permit Activity and Other Fees

| Activity | Fee |
|---|---------------|
| Disposal system plan review ¹ | \$519 504 |
| Site inspection and evaluation ¹ | \$1,298 1,261 |
| Permit Transfer | \$82 80 |

1. These fees apply when these activities are required for DEQ's review of the application.

Onsite System Fees

- (1) This rule establishes the fees for site evaluations, permits, reports, variances, licenses, and other services the department provides under this division.
- (2) Site evaluation and existing system evaluation fees are listed in Table 9A. [Table not included. See ED. NOTE.]
- (3) Permitting fees for systems not subject to WPCF permits are listed in Table 9B and Table 9C. [Table not included. See ED. NOTE.]
- (4) WPCF permit fees. Fees in this section apply to WPCF permits issued pursuant to OAR 340-071-0162. WPCF permit fees are listed in Table 9D. [Table not included. See ED. NOTE.]
- (5) Innovative or Alternative Technology or Material Review fees are listed in Table 9F. [Table not included. See ED. NOTE.]
- (6) Material Plan Review fees are listed in Table 9F. [Table not included. See ED. NOTE.]
- (7) Sewage Disposal Service License and Truck Inspection fees are listed in Table 9E. [Table not included. See ED. NOTE.]
- (8) Contract county fee schedules.
 - (a) Each county having an agreement with the department under ORS 454.725 must adopt a fee schedule for services rendered and permits issued. The county fee schedule may not include the department's surcharge established in section (9) of this rule unless identified as a department surcharge.
 - (b) A copy of the fee schedule and any subsequent amendments to the schedule must be submitted to the department.
 - (c) Fees may not exceed actual costs for efficiently conducted services.
- (9) Department surcharge.
 - (a) To offset a portion of the administrative and program oversight costs of the statewide onsite wastewater management program, the department and contract counties must levy a surcharge for each site evaluation, report permit, and other activity for which an application is required in this division. The surcharge fee is listed in Table 9F. [Table not included. See ED. NOTE.] This surcharge does not apply to sewage disposal service license applications, pumper truck inspections, annual report evaluation fees, or certification of installers or maintenance providers.
 - (b) Proceeds from surcharges collected by the department and contract counties must be accounted for separately. Each contract county must forward the proceeds to the department in accordance with its agreement with the department.
- (10) Refunds. The department may refund all or a portion of a fee accompanying an application if the applicant withdraws the application before any field work or other substantial review of the application has been done.

[ED. NOTE: Tables referenced are not included in rule text. [Click here for PDF copy of table\(s\).](#)]

Stat. Auth.: ORS 454.625, 468.020 & 468.065(2)

Stats. Implemented: ORS 454.745, 468.065 & 468B.050

Hist.: DEQ 10-1981, f. & ef. 3-20-81; DEQ 19-1981, f. 7-23-81, ef. 7-27-81; DEQ 5-1982, f. & ef. 3-9-82; DEQ 8-1983, f. & ef. 5-25-83; DEQ 9-1984, f. & ef. 5-29-84; DEQ 13-1986, f. & ef. 6-18-86; DEQ 15-1986, f. & ef. 8-6-86; DEQ 6-1988, f. & cert. ef. 3-17-88; DEQ 11-1991, f. & cert. ef. 7-3-91; DEQ 18-1994, f. 7-28-94, cert. ef. 8-1-94; DEQ 27-1994, f. & cert. ef. 11-15-94; DEQ 12-1997, f. & cert. ef. 6-19-97; Administrative correction 1-28-98; DEQ 8-1998, f. & cert. ef. 6-5-98; DEQ 16-1999, f. & cert. ef. 12-29-99; Administrative correction 2-16-00; DEQ 9-2001(Temp), f. & cert. ef. 7-16-01 thru 12-28-01; DEQ 14-2001, f. & cert. ef. 12-26-01; DEQ 2-2002, f. & cert. ef. 2-12-02; DEQ 11-2004, f. 12-22-04, cert. ef. 3-1-05; DEQ 7-2008, f. 6-27-08, cert. ef. 7-1-08; DEQ 10-2009, f. 12-28-09, cert. ef. 1-4-10; DEQ 7-2010, f. 8-27-10, cert. ef. 9-1-10; DEQ 9-2011, f. & cert. ef. 6-30-11; DEQ 6-2012, f. f. 10-31-12, cert. ef. 11-1-12

OAR 340-071-0140**ONSITE SYSTEM FEE SCHEDULE****Table 9A****Site Evaluation and Existing System Evaluation Fees**

| | |
|--|---------|
| New Site Evaluation fees. Fees in this section apply to each system for which site suitability is evaluated. | |
| Single family dwelling - First lot | \$680 |
| Single family dwelling - Each additional lot evaluated during initial visit | \$680 |
| Commercial facility with a design capacity of 1,000 gpd or less | \$680 |
| Commercial facility with a design capacity of 1,001-1,500 gpd | \$856 |
| Commercial facility with a design capacity of 1,501-2,000 gpd | \$1,032 |
| Commercial facility with a design capacity of 2,001-2,500 gpd | \$1,208 |
| Commercial facility with a design capacity of 2,501-3,000 gpd | \$1,384 |
| Commercial facility with a design capacity of 3,001-3,500 gpd | \$1,560 |
| Commercial facility with a design capacity of 3,501-4,000 gpd | \$1,736 |
| Commercial facility with a design capacity of 4,001-4,500 gpd | \$1,912 |
| Commercial facility with a design capacity of 4,501-5,000 gpd | \$2,088 |
| Commercial facility with a design flow greater than 5,000 gpd | \$2,304 |
| Site Evaluation Report Review fee | \$640 |
| Existing System Evaluation Report fee | \$640 |

Table 9B

Permitting Fees for Systems Not Subject to WPCF Permits. Effective January 4, 2010 to January 2, 2011

| | | Gray water waste disposal sumps | Holding tanks | Standard subsurface, Absorption trenches in saprolite, Evapotranspiration - absorption, Redundant, Seepage trench, Steep slope | Alternative treatment technologies, Capping fill, Pressurized distribution, Tile dewatering | Recirculating gravel filter, Sand filter (commercial or residential) | Plan Review fees for commercial facility systems. |
|--|-------|---------------------------------|---------------|--|---|--|---|
| Construction-Installation Permit fees. | | | | | | | |
| For systems with a design capacity of less than 600 gpd | | \$364 | \$702 | \$819 | \$1,027 | \$1,235 | \$0 |
| For systems with a design capacity of 600 gpd but not more than 1,000 gpd | | \$364 | \$702 | \$819 | \$1,027 | \$1,235 | \$299 |
| For systems with a design capacity of 1,001-1,500 gpd | | \$442 | \$780 | \$897 | \$1,105 | \$1,313 | \$351 |
| For systems with a design capacity of 1,501-2,000 gpd | | \$520 | \$858 | \$975 | \$1,183 | \$1,391 | \$403 |
| For systems with a design capacity of 2,001-2,500 gpd | | \$598 | \$936 | \$1,053 | \$1,261 | \$1,469 | \$455 |
| Reinspection fee | \$100 | | | | | | |
| Pump Evaluation fee. For all permits that specify the use of a pump or dosing siphon except for sand filter, Alternative treatment technologies, Recirculating gravel filter, and pressurized distribution systems | \$52 | | | | | | |

Table 9B

Permitting fees for systems not subject to WPCF permits. Effective January 3, 2011

| | | Gray water waste disposal sumps | Holding tanks | Standard subsurface, Absorption trenches in saprolite, Evapotranspiration - absorption, Redundant, Seepage trench, Steep slope | Alternative treatment technologies, Capping fill, Pressurized distribution, Tile dewatering | Recirculating gravel filter, Sand filter (commercial or residential) | Plan Review fees for commercial facility systems. |
|--|-------|---------------------------------|---------------|--|---|--|---|
| Construction-Installation Permit fees. | | | | | | | |
| For systems with a design capacity of less than 600 gpd | | \$448 | \$864 | \$1,008 | \$1,235 | \$1,520 | \$0 |
| For systems with a design capacity of 600 gpd but not more than 1,000 gpd | | \$448 | \$864 | \$1,008 | \$1,235 | \$1,520 | \$368 |
| For systems with a design capacity of 1,001-1,500 gpd | | \$544 | \$960 | \$1,104 | \$1,313 | \$1,660 | \$432 |
| For systems with a design capacity of 1,501-2,000 gpd | | \$640 | \$1,056 | \$1,200 | \$1,391 | \$1,712 | \$496 |
| For systems with a design capacity of 2,001-2,500 gpd | | \$736 | \$1,152 | \$1,296 | \$1,469 | \$1,808 | \$560 |
| Reinspection fee | \$100 | | | | | | |
| Pump Evaluation fee. For all permits that specify the use of a pump or dosing siphon except for sand filter, Alternative treatment technologies, Recirculating gravel filter, and pressurized distribution systems | \$64 | | | | | | |

Table 9C

Other Permitting Fees for Systems Not Subject to WPCF permits. Effective January 4, 2010 to January 2, 2011

| | | Field Visit required | No Field Visit required |
|---|---|----------------------|-------------------------|
| Minor Alteration Permit | \$215 | | |
| Major Alteration Permit | \$449 | | |
| Minor Repair Permit - Single Family Dwelling | \$215 | | |
| Major Repair Permit - Single Family Dwelling | \$449 | | |
| Minor Repair Permit - Commercial Facility | \$377 | | |
| Major Repair Permit - Commercial Facility | \$819 or the applicable fee in Table 9B, whichever is lower. | | |
| Permit Denial Review | \$352 | | |
| Permit Transfer, Reinstatement, or Renewal | | \$423 | \$124 |
| Authorization Notice | | \$507 | \$130 |
| Authorization Notice Denial Review | \$640 | | |
| Renewal of hardship authorization for temporary dwelling | | \$330 | \$100 |
| Alternative system inspection - Holding tanks | \$312 | | |
| Alternative system inspection - Other alternative systems listed in Table 9B | \$429 | | |
| Annual report evaluation - Holding tanks | \$25 | | |
| Annual report evaluation - Commercial sand filters, recirculating gravel filters, and alternative treatment technology | \$50 | | |
| Variance from onsite system rules | \$2,080 | | |

Table 9C

Other Permitting Fees for Systems Not Subject to WPCF Permits. Effective January 3, 2011

| | | Field Visit required | No Field Visit required |
|---|---|----------------------|-------------------------|
| Minor Alteration Permit | \$264 | | |
| Major Alteration Permit | \$552 | | |
| Minor Repair Permit - Single Family Dwelling | \$256 | | |
| Major Repair Permit - Single Family Dwelling | \$535 | | |
| Minor Repair Permit - Commercial Facility | \$464 | | |
| Major Repair Permit - Commercial Facility | \$1,008 or the applicable fee in Table 9B, whichever is lower. | | |
| Permit Denial Review | \$352 | | |
| Permit Transfer, Reinstatement, or Renewal | | \$520 | \$152 |
| Authorization Notice | | \$624 | \$160 |
| Authorization Notice Denial Review | \$640 | | |
| Renewal of hardship authorization for temporary dwelling | | \$330 | \$100 |
| Alternative system inspection - Holding tanks | \$384 | | |
| Alternative system inspection - Other alternative systems listed in Table 9B | \$528 | | |
| Annual report evaluation - Holding tanks | \$30 | | |
| Annual report evaluation - Commercial sand filters, recirculating gravel filters, and alternative treatment technology | \$60 | | |
| Variance from onsite system rules | \$2,080 | | |

Table 9D

WPCF Permit Fees

| | | Application filing fee (all systems) | Permit processing fees for onsite systems with a design capacity of 1,200 gpd or less. | Permit processing fees for onsite systems with a design capacity over 1,200 gpd: | Plan Review fee. | Annual Compliance Determination fee. |
|--|--|--------------------------------------|--|--|------------------|--------------------------------------|
| New application | | \$72.70 | \$576.560 | \$2,878.2,797 | | |
| Permit renewal (involving request for effluent limit modifications) | | \$72.70 | \$287.279 | \$1,440.1,399 | | |
| Permit renewal (without request for effluent limit modifications) | | \$72.70 | \$145.141 | \$718.698 | | |
| Permit modification (involving increase in effluent limitations) | | \$72.70 | \$287.279 | \$1,440.1,399 | | |
| Permit modification (not involving an increase in effluent limits) | | \$72.70 | \$216.210 | \$718.698 | | |
| For commercial facilities with a design capacity less than 600 gpd | | | | | \$0 | |
| For commercial facilities with a design capacity of 600 - 1,000 gpd | | | | | \$275 | |
| For commercial facilities with a design capacity of 1,001 - 1,500 gpd | | | | | \$324 | |
| For commercial facilities with a design capacity of 1,501 - 2,000 gpd | | | | | \$372 | |
| For commercial facilities with a design capacity of 2,001 - 2,500 gpd | | | | | \$420 | |
| For commercial facilities with a design capacity of 2,501 - 3,000 gpd | | | | | \$492 | |
| For commercial facilities with a design capacity of 3,001 - 3,500 gpd | | | | | \$540 | |
| For commercial facilities with a design capacity of 3,501 - 4,000 gpd | | | | | \$588 | |
| For commercial facilities with a design capacity of 4,001 - 4,500 gpd | | | | | \$635 | |
| For commercial facilities with a design capacity of 4,501 - 5,000 gpd | | | | | \$683 | |
| Commercial facilities with a design capacity greater than 5,000 gpd | | | | | \$718 | |
| Single family dwelling | | | | | \$145 | |
| Onsite sewage lagoon with no discharge | | | | | \$863.839 | |
| Treatment Standard 1 or better systems with design capacities less than 2,500 gpd | | | | | \$360.350 | |
| Treatment Standard 1 or better systems with design capacities of 2,501 - 20,000 gpd | | | | | \$718.698 | |
| Holding tanks, if by the date specified by the department, the owner does not submit written certification to the department that the holding tank has been operated the previous calendar year in full compliance with the permit or that the previous year's service logs for the holding tanks are not available for inspection by the department | | | | | | \$287.279 |
| Holding tanks, if by the date specified by the department, the owner submits written certification to the department that the holding tank has been operated the previous calendar year in full compliance with the permit and that the previous year's service logs for the holding tanks are available for inspection by the department. | | | | | | \$31.30 |
| Other systems with design capacities less than 20,000 gpd | | | | | | \$360.350 |
| Other systems with design capacities greater than 20,000 gpd | | | | | | \$718.698 |

| | | | | | | |
|------------------------------|----------------------|--|--|--|--|--|
| Site Evaluation Confirmation | \$ <u>504</u> 490 | | | | | |
|------------------------------|----------------------|--|--|--|--|--|

| Table 9E | |
|---|----------------|
| Sewage Disposal Service License and Truck Inspection Fees | |
| New 3-year business license | \$355 per year |
| Renewal of business license | \$320 per year |
| Transfer of or amendments to license | \$200 |
| Reinstatement of suspended license | \$250 |
| Pumper truck inspections - First vehicle, each inspection | \$100 |
| Pumper truck inspections - Each additional vehicle, each inspection | \$50 |

| Table 9F | |
|---|---------|
| Other Fees | |
| Innovative or Alternative Technology or Material Review | \$1,600 |
| Material Plan Review | \$480 |
| Department surcharge. | \$60 |

Oregon Department of Environmental Quality

July 15, 2013
Notice of Proposed Rulemaking

Increase water quality permit fees to address program costs

Overview

Short summary

DEQ proposes increasing most water quality permit fees by 2.9 percent.

Brief history

In 2002, DEQ convened the Blue Ribbon Committee on Wastewater Permitting to recommend improvements to DEQ's water quality permit program. The committee included industry, environmental and local government representatives. In 2004, the committee published a report containing a variety of recommendations, including increasing fee revenue by no more than 3 percent each year to address increasing program costs. The annual fee increase recommendation was adopted into law in 2005. To address increasing program costs, DEQ implemented fee increases in 2007, 2008, 2010, 2011 and 2012 and proposes this 2013 permit fee increase of 2.9 percent.

Regulated parties

Regulated parties include individuals, private businesses and government agencies.

Permit fees would increase for most National Pollutant Discharge Elimination System, Water Pollution Control Facility, and WPCF-Onsite septic system permits. The fee increase would not affect:

- Suction dredge (700-PM) permits. These fees are set in statute and can only be changed by the Oregon Legislature.
- Graywater (2401 and 2402) permits in an effort to encourage graywater reuse permitting.
- Small offstream mining operations (WPCF 600). There are no application fees or annual fees.

Statement of need

What problem is DEQ trying to solve?

Based on a comparison of the 2013-15 Governor's Balanced Budget and the 2011-13 Legislatively Adopted Budget, the estimated water quality program costs would increase 7.1 percent per full-time employee each fiscal year during the 2013-15 biennium.

DEQ analyzed expected cost increases per full-time employee for fiscal year 2014 relative to the costs for fiscal year 2013 to establish the amount of the proposed increase for fiscal year 2014 (July 1, 2013-June 30, 2014). The projected increases in personnel services can be attributed to projected increasing costs of salaries and fringe benefits. Cost increases are also projected for services and supplies, such as rent and utilities. The combined effects of the budget categories (see table below) represent a total increase of 7.1 percent in projected costs for fiscal year 2014.

| Budget Category | Percent of Total Budget Fiscal Year 2014 | Projected Cost Increase Fiscal Year 2014 |
|---|---|---|
| Personnel Services (salaries, benefits) | 72.24% | 7.96% |
| Services and Supplies (rent, utilities) | 16.65% | 8.42% |
| Contract | 1.13% | 3.01% |
| Special Payment | 0.50% | 8.50% |
| Indirect Services (management, business services) | 9.48% | -0.12% |
| Total | 100% | 7.10% |

How would the proposed rule solve the problem?

The proposed rule solves only part of the problem of increased program costs. Oregon Revised Statute 468B.051 authorizes the Environmental Quality Commission to raise fees annually. The annual amount may not exceed the anticipated increase in the cost of administering the permit program or 3 percent, whichever is lower. The estimated program cost increase of 7.1 percent for fiscal year 2014 is greater than the maximum 3 percent allowed by law.

Applying the three percent fee increase in the 2013-15 Governor's Balanced Budget would result in permit fees supporting 62 percent of the water quality permit program budget. This proposal recommends the lower 2.9 percent increase to meet the Blue Ribbon Committee recommendation in its 2004 report that funding for the permit program budget be 60 percent permit fees and 40 percent public funds (federal, general). This is consistent with how the 2012 fee increase was calculated.

How will DEQ know the problem has been solved?

The proposed 2.9 percent fee increase represents a partial solution to increased water quality program costs.

The 3 percent fee increase limit in law may not keep pace with program cost increases. This is a statutory rather than an administrative rule issue that is outside the scope of this proposal.

An additional solution would be to reduce program costs, primarily through reducing personnel services costs (e.g., salaries, benefits) and indirect services costs (e.g., management, business services), as these categories are approximately 80 percent of the total program budget. Reducing program costs is outside of the scope of this proposal.

Request for other options

During the public comment period, DEQ requests public comment on whether to consider other options for achieving the rules' substantive goals while reducing negative economic impact of the rule on business.

Federal relationship

"It is the policy of this state that agencies shall seek to retain and promote the unique identity of Oregon by considering local conditions when an agency adopts policies and rules. However, since there are many federal laws and regulations that apply to activities that are also regulated by the state, it is also the policy of this state that agencies attempt to adopt rules that correspond with equivalent federal laws and rules..."

Relationship to federal requirements

There are no applicable federal requirements. The proposal does not alter any permit requirements other than the fee amounts for:

- Oregon's National Pollutant Discharge Elimination System and Water Pollution Control Facility permitting programs under OAR 340-018-0030(5)(c)
- Issuance of On-site Sewer Permit under OAR 340-018-0030(5)(d)
- Issuance of NPDES and WPCF Permits that regulate wastewater discharges from industrial and municipal sources.

Rules affected, authorities, supporting documents

Lead division

Program or activity

Water Quality

Surface Water Management

Chapter 340 action

| Recommendation | Division | Rule | Title | SIP/Land use* |
|----------------|----------|------|---------------------|---------------|
| amend | 45 | 75 | Permit Fee Schedule | Land use |
| amend | 71 | 140 | Onsite System Fees | Land use |

* Land use – DEQ State Agency Coordination Program considers this rule, program or activity a land use program.

Statutory authority

ORS 454.625, 468.020, 468.065

Statute implemented

ORS 454.745, 454.755, 468.065, 468B.035, 468B.050, 468B.051 and 468B.195

Documents relied on for rulemaking [ORS 183.335\(2\)\(b\)\(C\)](#)

| Document title | Document location |
|---|---|
| Blue Ribbon Committee Report on Key Enhancements to the Oregon Wastewater Permitting Program – 2004 | http://www.deq.state.or.us/wq/pubs/reports/blueribbonrpt.pdf |
| Cost factors approved through the state's budget process | DEQ Headquarters |
| Compensation plan changes | DEQ Headquarters |
| Fee increase calculations | DEQ Headquarters |
| DEQ 2011-13 Legislatively Approved Budget | DEQ Headquarters |
| DEQ 2013-15 Governor's Balanced Budget | DEQ Headquarters |
| DEQ's water quality permit database | DEQ Headquarters |
| Application and annual fee invoice records | DEQ Headquarters |
| Oregon Revised Statutes 468B.051 | http://www.leg.state.or.us/ors/468b.html |

Statement of Cost of Compliance

1. Impacts on general public

Though DEQ cannot determine the extent to which the proposed fees will affect each consumer, DEQ expects some impact on the public, primarily through an increase to the costs of goods and services offered by permit holders.

2. Cost of compliance on small businesses (50 or fewer employees). [ORS 183.336](#)

For this section, DEQ used Oregon Employment Department information to calculate the impact of the proposed fee increases on small businesses. In 2006, the Oregon Employment Department found that 96 percent of Oregon businesses were small businesses. Although DEQ cannot determine the extent to which the 2.9 percent fee increases will affect each permit holder, DEQ expects that the fee increase will have an impact on small businesses. Fiscal impact to a small business depends on the type of permit issued, but application fee increases would range from \$6 to \$1,469 and annual fee increases would range from \$2 to \$2,724.

a) Estimated number of small businesses and types of businesses and industries with small businesses subject to proposed rule.

DEQ estimates 3,000 wastewater permit holders are small businesses, and would be affected by the 2.9 percent fee increase.

The types of small businesses/industries holding wastewater permits include, but are not limited to: food processors, mining operations, dairies, fish hatcheries, smelting/refining operations, timber processing, wood products manufacturing, retail operations, seafood processors, gravel mining, wineries, seasonal fresh pack operations, petroleum hydrocarbon clean-up operations, and vehicle and equipment wash water operations.

The types of small businesses/industries holding WPCF Onsite septic system permits include, but are not limited to: machine shops, offices, retail stores, recreation vehicle parks, mobile home parks, private camps, golf courses, churches, resorts, restaurants, gas stations, markets, taverns and industry.

| | |
|--|---|
| <p>b) Projected reporting, recordkeeping and other administrative activities, including costs of professional services, required for small businesses to comply with the proposed rule.</p> <p>c) Projected equipment, supplies, labor and increased administration required for small businesses to comply with the proposed rule.</p> <p>d) Describe how DEQ involved small businesses in developing this proposed rule.</p> | <p>The proposed rules do not require additional administrative activities.</p> <p>The proposed rules do not require additional equipment or administration requirements.</p> <p>The proposal to allow DEQ to seek an up-to-three percent annual fee increase to account for program cost increases originated with the Blue Ribbon Committee. The committee represents the wastewater community as a whole, and includes small businesses. DEQ met with the committee on May 23, 2013, provided a summary of the proposed rule, and gathered input.</p> |
|--|---|

3. Impact on large businesses (all businesses that are not small businesses under #2 above)

DEQ estimates 150 wastewater permit holders are large businesses and would be affected by the 2.9 percent fee increase. DEQ anticipates that for these businesses, the fee increase is small compared to the overall yearly operating costs of permit holders.

4. Impact on other government entities other than DEQ

a. Local governments

For this section, a local government is defined as 1) a group of local government functions within a jurisdiction that each hold water quality permits (e.g., City of Portland – including Portland School District and Port of Portland – is counted as one local government); or 2) a single organization within a jurisdiction, if only one local government function holds a permit (e.g., includes but is not limited to water districts, cities, towns, ports, sanitary districts, library districts, counties and school districts). This rulemaking will increase water quality permit fees by 2.9 percent for 361 local governments that hold approximately 653 permits. Fiscal impact to local governments depends on the type of permit issued, but application fee increases would range from \$6 to \$1,469 and annual fee increases would range from \$2 to \$2,724.

b. State agencies

Twenty-one Oregon state agencies hold about 137 water quality permits. Fiscal impact to state agencies depends on the type of permit issued, but application fee increases would range from \$6 to \$1,469 and annual fee increases would range from \$2 to \$2,724.

5. Impact on DEQ

The proposed 2.9 percent fee increase will generate approximately \$145,000 during fiscal year 2014 to cover increased water quality program costs.

Advisory committee

DEQ met with the Blue Ribbon Committee (advisory committee) and considered the committee's recommendations on this fiscal and economic impact statement.

In compliance with [ORS 183.333](#), DEQ asked for the committee's recommendations on:

- Whether the proposed rules would have a fiscal impact,
- The extent of the impact, and
- Whether the proposed rules would have a significant impact on small businesses and compliance with [ORS 183.540](#).

Housing cost

To comply with [ORS 183.534](#), DEQ determined the proposed rules would have an effect on the development cost of a 6,000-square-foot parcel and construction of a 1,200-square-foot detached single-family dwelling on that parcel.

A builder of a 6,000-square-foot parcel would be required to pay \$243, which is a \$7 increase from the existing fee of \$236, for a construction stormwater permit, if the parcel is part of a common plan of development disturbing one or more acres. A builder of a 6,000-square-foot parcel that is not part of a common plan of development disturbing one or more acres would not be required to obtain a construction stormwater permit, and consequently would not be required to pay the permit fee.

While the fee would not likely have significant impact on new housing projects, the fee could affect projects by altering construction costs that are agreed upon between a builder and the buyer. DEQ estimates that home builders would likely pass the permit cost to home buyers.

Land use

“It is the Commission’s policy to coordinate the Department’s programs, rules and actions that affect land use with local acknowledged plans to the fullest degree possible.”

[ORS 197.180](#), [OAR 660-030](#)

Land-use considerations

To determine whether the proposed rules involve programs or actions that are considered a *land-use action*, DEQ considered:

- Statewide planning goals for specific references. Section III, subsection 2 of the DEQ State Agency Coordination Program document identifies the following statewide goal relating to DEQ's authority:

Goal Title

| | |
|----|---|
| 5 | Open Spaces, Scenic and Historic Areas, and Natural Resources |
| 6 | Air, Water and Land Resources Quality |
| 11 | Public Facilities and Services |
| 16 | Estuarial resources |
| 19 | Ocean Resources |

- [OAR 340-018-0030](#) for EQC rules on land-use coordination. Division 18 requires DEQ to determine whether proposed rules will significantly affect land use. If yes, how will DEQ:
 - Comply with statewide land-use goals, and
 - Ensure compatibility with acknowledged comprehensive plans, which DEQ most commonly achieves by requiring a [Land Use Compatibility Statement](#).
- DEQ’s mandate to protect public health and safety and the environment.
- Whether DEQ is the primary authority that is responsible for land-use programs or actions in the proposed rules.
- Present or future land uses identified in acknowledged comprehensive plans.

Determination

DEQ determined that the proposed rules identified under the ‘Rules affected, authorities, supporting documents’ section above **affect**:

- Oregon’s National Pollutant Discharge Elimination System and Water Pollution Control Facility permitting programs (OAR 340-018-0030(5)(c))
- Issuance of On-site Sewer Permit under OAR 340-018-0030(5)(d)
- Issuance of NPDES and WPCF Permits is an existing activity identified in the DEQ State Agency Coordination Program as a land-use program.

DEQ’s statewide goal and local plan compatibility procedures adequately cover the proposed rules. Oregon Administrative Rule 340-018-0050(2)(a) ensures compatibility with acknowledged comprehensive plans through submittal of a Land Use Compatibility Statement.

Stakeholder and public involvement

Advisory committee

DEQ convened the Blue Ribbon advisory committee on May 23, 2013. The 16-member committee includes industry, environmental and local government representatives. The committee recommended that DEQ continue with its proposal. Following the meeting, the committee reviewed the fiscal impact statement, specifically impact on small businesses.

EQC prior involvement

DEQ will share information about this rulemaking with the Oregon Environmental Quality Commission in the Director's Dialogue Aug. 21, 2013.

Public notice

The Aug. 1, 2013 *Oregon Bulletin* will publish the Notice of Proposed Rulemaking with Hearing for this proposed rulemaking. DEQ also:

- Posted notice on DEQ's webpage <http://www.deq.state.or.us/regulations/proposedrules.htm> on July 22, 2013.
- E-mailed notice to:
 - Interested parties through GovDelivery on July 22, 2013.
 - Key legislators required under [ORS 183.335](#) on July 22, 2013. Key legislators included:
 - Senator Jackie Dingfelder, Chair, Senate Committee on Environment and Natural Resources
 - Representative Jules Bailey, Chair, House Committee on Energy and Environment
 - Members of the advisory committee on July 22, 2013.
- Mailed the notice by U.S. Postal Service to 3,613 interested parties on July 22, 2013.

Public hearings

DEQ plans to hold one public hearing. The table below includes information about how to participate in the public hearings.

Before taking public comment and according to [Oregon Administrative Rule 137-001-0030](#), the staff presenter will summarize the content of the notice given under [Oregon Revised Statute 183.335](#) and respond to any questions about the rulemaking.

DEQ will add the names, addresses and affiliations of all hearing attendees to the interested parties list for this rule if provided on a registration form or the attendee list. DEQ will consider all oral and written comments received at the hearings listed below before finalizing the proposed rules. All comments will be summarized and DEQ will respond to comments on the Oregon Environmental Quality Commission staff report.

| | Hearing 1 | Hearing 2 | Hearing 3 |
|-------------------------|---|-----------|-----------|
| Date | Aug. 20, 2013 | | |
| Time | 6 p.m. | | |
| Address line 1 | 811 SW Sixth Ave. | | |
| Address line 2 | Portland, OR 97204 | | |
| City | Portland | | |
| Presiding officer | DEQ staff | | |
| Staff presenter | Chris Clipper, Program Analyst, Water Quality | | |
| iLinc conference number | none | | |
| Session number | none | | |
| Participant code | none | | |

Close of public comment period

The comment period will close on Friday, Aug. 23, 2013 at 5 p.m.

DEQ will prepare a response to all comments received during the public hearing and comment period and may modify the proposed rules. DEQ plans to recommend that the Oregon Environmental Quality Commission adopt the rules at its Oct. 16-17, 2013 meeting. DEQ will notify persons of the time and place for final commission action if they submit comments during the hearing or comment period or request to be placed on DEQ's mailing list for this rulemaking. If proposed rules are adopted, fees would become effective Nov. 1, 2013.