



Oregon

John A. Kitzhaber, MD, Governor

Department of Environmental Quality

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December 31, 2013

Tony Flagor
Interfor Pacific Inc
1 Sawmill Road
Gilchrist, OR 97737

RE: Air Quality Permitting Program Rule Updates - Fiscal Advisory Committee

Dear Mr. Flagor:

Thank you for agreeing to serve as a member of our permitting program rule updates fiscal advisory committee. We are forming this committee pursuant to the Oregon Administrative Procedures Act, ORS 183.310 to gather input and recommendations on the adequacy of DEQ's fiscal impact statement for the proposed rule changes. We are specifically seeking the committee's recommendations on whether the rule will have a fiscal impact, what the extent of that impact will be and whether the rule will have a significant adverse impact on small businesses. If the committee indicates that the rule will have a significant adverse impact on small businesses, DEQ will ask for the committee's recommendations on compliance with ORS 183.540 (reduction of economic impact on small business). We will accept comments on the proposed rules during the public notice period which will begin after this committee meets.

The draft Notice of Proposed Rulemaking, which includes the Statement of Economic and Fiscal Impact, and the draft proposed rule will be emailed to you. As you will see, this is a very large rulemaking. The Notice identifies three proposed rules that may have a negative fiscal impact on permitted facilities: update particulate matter standards, change permitting requirements for emergency generators and small natural gas or oil-fired equipment, and change pre-construction permitting program (New Source Review). The rules that will have the largest fiscal impact are the updates to the particulate matter standards, grain loading and opacity in OAR 340-226-0210, 340-228-0210 and 340-208-0110. A separate document containing these rules is also being emailed to you. Because of their apparent fiscal impacts, please focus your attention on those particular rules for discussion at the fiscal advisory committee meeting; however, please know we are seeking recommendations on the fiscal impacts of the entire rulemaking. Please do not distribute the pre-public notice draft version of the rules.

We will meet to discuss the fiscal impact statement of the proposed permitting program rule updates on Thursday, January 23rd at 10:00 a.m. in DEQ's Northwest office, conference room AB on the 4th floor. The address is 2020 SW 4th Avenue, Portland, 97201. We expect to have only one 2 hour meeting.

If you have any questions, please feel free to contact Jill Inahara at 503-229-5001 or inahara.jill@deq.state.or.us.

Sincerely,

for Uri Papish
Interim
Acting Administrator, Air Quality Division
Department of Environmental Quality



