**Air Quality Permitting Overhaul**

The new rulewriting process was designed to front load considerations and evaluate them based on what we know at this time. Things will probably change as we get further into the process.

**SLIDE 1:** The original proposed rulemaking focused on the continuation of streamlining that began in 2001 and 2008. That rulemaking was put on hold because of work on the breakthrough teams. The last time we were here in June, the proposed rulemaking focused on the SIP related portion of the rules for Klamath Falls and Lakeview. Now that the implementation of the breakthrough team recommendations has begun, we would like to go forward with this rulemaking which combines overhauling and breakthrough recommendations in addition to addressing SIP issues in nonattainment areas statewide.

**SLIDE 2**: The problem we are trying to fix is that our air quality rules are complex and not well organized, making permitting for both DEQ staff and the regulated community more difficult than necessary. This was one of the main permitting breakthrough recommendations. Since EPA rules aren’t getting any simpler, we thought we better try and simplify our rules as much as possible. The ideal for this rulemaking is to make the program more efficient, easier to understand and implement, and provide aid for siting some businesses in nonattainment areas.

**SLIDE 3:** What rules are we changing?

**SLIDE 4: RESOURCES SUMMARY**: Since the AQ Permitting Overhaul deals with the most complex rules, it requires the most knowledgeable people, who have allocated time in order to participate. At the June EMT meeting, you raised concerns about whether we would have enough resources to do both this rulemaking and breakthrough implementation work.

This SLIDE 5: **graph** is what we came up with to address your concerns even though this information isn’t normally gathered at this point in the new process. It shows the approximate rulemaking schedule along with the percentage of time that each of the 3 key regional staff would spend on the rulemaking in addition to me working on this full time. EXPLAIN GRAPH Preparation for implementation will occur during lulls in the schedule. Time critical permit actions that may arise during this rulemaking are a new coal handling facility, the Troutdale Energy Center and a PSD application for expansion at Covanta.

SLIDE 6: GANTT CHART: This rulemaking fits into the overall plan for implementing breakthrough recommendations. Step one is changing the rules. After that, work can begin on permitting tools that will improve permit timeliness. Starting the breakthrough implementation work now would only require that it be redone after the rulemaking is complete.

**SLIDE 7: CONSIDERATIONS SUMMARY**: WALK THROUGH CONSIDERATIONS

* Stakeholder risk – high – considerable interest from regulated community, and environmental groups and EPA
* Program risk – medium for do nothing, can’t implement breakthrough recommendations
* Environmental risk – low
* Timing risk – same as program risk
* Financial risk – low
* Legal risk – high because of potential PEAC lawsuit on rulemaking
* Technical risk – low
* Policy risk – medium – changes to minor NSR program
* Political risk – moderately complex if we don’t do rulemaking – sources will complain to legislators
* Implementation risk – moderate – lots of internal and external training

**SLIDE 7: DO NOTHING EXAMPLES**

The rulemaking is on target with program and division priorities because it improves our core process – permitting, saves resources, implements many of the permitting breakthrough recommendations, continues past streamlining efforts, and fixes PSD issues that affect nonattainment areas. The primary purpose of this rulemaking is to reduce needed resources in the future.

ANY QUESTIONS?

SLIDE 8: More details on SharePoint

Based on what you know, does this rulemaking fit into the Agency capacity and priorities?