#### State of Oregon

Department of Environmental Quality Memorandum

**Date:** Feb. 16, 2018

**To:** Environmental Quality Commission

**From:** Merlyn Hough, Director of LRAPA

**Subject:** Agenda item #, Action item: Update LRAPA’s air quality rules to address regulatory updates for industrial and commercial activities for Commission approval

March 21-22, 2018, EQC meeting

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| **Why this is important** | ORS 468A.135(3) and OAR 340-200-0010(3) require that the commission reviews and approve all air quality standards adopted by regional authorities before any such standards are enforced.  |
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| **Background**  | LRAPA proposes to streamline, reorganize and update Lane County’s air quality permit rules. LRAPA also proposes changes to particulate matter emission standards and the preconstruction permitting program to make rules at least as stringent as the state’s. In addition, LRAPA proposes rules to: * Remove certain greenhouse gas permitting requirements to align with the June 23, 2014 Supreme Court decision,
* Expand preconstruction permitting flexibility for small facilities,
* Specify small source permitting exemptions, and
* Increase Air Contaminant Discharge Permit (ACDP) Fees.

The Staff Report describes the proposed rules under the following eight categories:1. Clarify and update air quality rules
2. Update particulate matter emission standards
3. Change permitting requirements for emergency generators and small natural gas or oil-fired equipment
4. Establish two new state air quality area designations, “sustainment” and “reattainment,” to help areas avoid and more quickly end a federal nonattainment designation
5. Designate Oakridge as a state reattainment area while retaining its federal nonattainment designation
6. Change the New Source Review preconstruction permitting program
7. Adjust industrial and commercial activity levels below which some categories of sources are exempt from permitting
8. Increase Air Contaminant Discharge Permit (ACDP) fees by 10% and change the annual increase from the Consumer Price Index (CPI) to 4%.
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| **LRAPA recommendation** | LRAPA recommends that the Oregon Environmental Quality Commission review and approve the proposed LRAPA air quality changes as seen in Attachment B. |
| **Attachments** | A. Staff Report – Notice of rulemaking including Statement of Need, etc.B. Proposed rules – redline/strikethroughC. Board RoadmapD. Oakridge Reattainment Area Supplemental InformationE. Crosswalk of proposed revisions |
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Report prepared by Max Hueftle

*LRAPA Permit Section Manager*