**PERMANENT ADMINISTRATIVE ORDER**

DEQ 199-2018

CHAPTER 340

**DEPARTMENT OF ENVIRONMENTAL QUALITY**

**FILED**

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ARCHIVES DIVISION

SECRETARY OF STATE

& LEGISLATIVE COUNSEL

FILING CAPTION: Clean Fuels Program Updates 2018

EFFECTIVE DATE: 01/01/2019

AGENCY APPROVED DATE: 11/15/2018

RULES:

340-012-0054, 340-012-0135, 340-012-0140, 340-012-0150, 340-253-0000, 340-253-0040, 340-253-0060, 340-253-0100, 340-253-0200, 340-253-0250, 340-253-0310, 340-253-0320, 340-253-0330, 340-253-0340, 340-253-0350, 340-253-0400, 340-253-0450, 340-253-0470, 340-253-0500, 340-253-0600, 340-253-0620, 340-253-0630, 340-253-0640, 340-253-0650, 340-253-0670, 340-253-1000, 340-253-1005, 340-253-1010, 340-253-1020, 340-253-1030, 340-253-1040, 340-253-1055, 340-253-2000, 340-253-2100, 340-253-8010, 340-253-8020, 340-253-8030, 340-253-8040, 340-253-8050, 340-253-8060, 340-253-8070, 340-253-8080, 340-253-8090, 340-253-8100

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The 2009 Oregon Legislature authorized the Oregon Environmental Quality Commission (EQC) to adopt rules to reduce lifecycle emissions of greenhouse gases from Oregon’s transportation fuels by 10 percent over a 10-year period. The 2015 Oregon Legislature authorized the removal of the Dec. 31, 2015 sunset date of the authorizing statute and further authorized the EQC to adopt rules for managing and containing the costs of compliance with the Clean Fuels Program (CFP). The 2017 Oregon Legislature authorized additional provisions to manage and contain the costs of compliance with the CFP. The EQC adopted Phase 1 rules in Dec. 2012, Phase 2 rules in Jan. 2015, and several rule revisions in Dec. 2015, April 2016, Aug. 2016, and Nov. 2017 to implement legislative mandates, update to the latest science, and improve the program.

DEQ proposes the following changes to Division 253 of Chapter 340 of the Oregon Administrative Rules that would:

* update the lifecycle carbon intensity models used to determine the carbon intensities of fuels and the resulting changes to carbon intensity scores from those models;
* add new categories and applications of fuel used to generate credits and add new fuels that could generate credits; and
* make some housekeeping changes.

DEQ also proposes to amend rules under Division 12 of Chapter 340 of the Oregon Administrative Rules to classify certain violations and establish or clarify enforcement criteria for violations of the Oregon Clean Fuels Program.