

ATTACHMENT B: Comment ID Reference Tables

DEQ received a total of 2,077 comments for Comment IDs 1 through 10. Table B-1 below outlines the ten types of comments from email campaigns. They are listed by email subject and number of commenters. Due to the volume of these types of comments received, DEQ has provided an example of each comment type below. A copy of all email campaign comments are also available on the [Climate 2023 rulemaking](#) website.

Table B-1		
Comment ID reference table and count for email campaign comments submitted		
Comment ID	Email Subject	Number of commenters
1	2023 Climate Rulemaking (version 1)	189
2	Make this 2023 Climate Rulemaking Count!	392
3	2023 Climate Rulemaking (version 2)	203
4	Prioritize justice in Climate Protection Program implementation	113
5	Strengthen the proposed 2023 climate rules	109
6	DEQ's draft rules for Oregon's Climate Protection Program.	442
7	Rulemaking Comment: Please Keep Costs Down	439
8	Rulemaking Comment: Please Expand Renewable Energy Options	158
9	Comments on DEQ Climate 2023 Rulemaking	21
10	DEQ 2023 Climate Rulemaking Comment	11

In addition, DEQ received 218 individual (i.e., non-campaign) comments, including emails and letters sent via USPS. Table B-2 references the name of the commenter and organization (if applicable) for comment IDs 11 through 228. Below DEQ has provided a copy of each individual comment submitted followed by an attachment, if included. All individual comments received, including any email attachments, are also available on the [Climate 2023 rulemaking](#) website.

Table B-2		
Comment ID reference table for all individual comments		
Comment ID	Commenter Name	Organization (if applicable)
11	David Stone	
12	John Limb	
13	Alex Yust	
14	Shane Valle	
15	Rebecca Maloney	
16	Joseph Stenger	

17	Jean Trygstad	
18	KB Mercer	
19	Mary Kate McVey	
20	Karen Galloway	
21	David Zupan	
22	Rene Braga	Unite Oregon
23	Josh Mooney	
24	Dylan Hinson	
25	Adam Baker	
26	Marilyn Feldhaus	
27	Bill Steimer	
28	Karen Gerdes	
29	Elizabeth Olson	
30	John Hamilton	
31	Laura Allen	
32	Sarah Deumling	
33	James Rodell	
34	Emily Polanshek	
35	Julie Kristine Sonam	
36	Helena Birecki	Climate Reality Project
37	Veroune Chittim	
38	Tyson Butler	
39	Teresa McFarland	
40	Susan Palmiter	
41	Rosemarie Gerstner	
42	Rosalyn Gallo	
43	Robert Duval	
44	Rachel Osmundsen	
45	Melanie Carlone	
46	Marci Ditty	
47	Kristin Guest	
48	Krislyn Dillard	
49	Joe Craig	
50	Gary McCuen	
51	Eric Butler	
52	Donald Winn	
53	Dennis West	
54	David Heddy	
55	Darlene Knox	
56	Dana Mozer	
57	Cory Pinckard	
58	Bruce Bauer	
59	Brice Suprenant	

60	Aprelle Banks	
61	Annie Francoise	
62	Ann Watters	
63	Amanda Duncan	
64	Harriet Shaklee	
65	Erica Benedict-Barta	
66	Tom Dunn	
67	Brad Reed	
68	Jean Murphy	
69	Bruce Bauer	
70	Nadia Gardner	
71	Barbara Coombs Lee	
72	Unidentified	
73	Mary Jo Tyler	
74	Alice Duff	
75	Terry Harris	
76	Randall Brewer	
77	Gene Benke	
78	James (last name not provided)	
79	Nick Kravchenko	
80	Wayne Potter	
81	Gail Cordell	
82	J.A. Hutchins	
83	Shawn Graham	
84	Diane Meisenhelter	
85	Clint Talbert	
86	Patrick Sheehan	
87	Allan Huffaker	
88	Rebecca Orf	
89	Molly Foerster	
90	Sam Wolanyk	
91	Gary Beachman	
92	Jill Hettinga	
93	Craig Zarling	
94	Lila Brightbill	
95	Linda Frank	
96	Holly G. Pence	
97	Jean Carlton	
98	Eric Halperin	
99	John Paisley	
100	Jon Simonson	
101	Lauren Lamb	
102	Dale Rembold	

103	Dale Feik	
104	Matt Howard	
105	William Sturdevant	Ed Staub & Sons
106	Lee Moore	
107	Bob Sowden	
108	Daniel Hanthorn	
109	Diana Boom	
110	Marjorie Stevens	
111	Michael Skidmore	Ed Staub & Sons
112	Bryan Bennett	Ed Staub & Sons
113	Steven Harper	Ed Staub & Sons
114	Jimmy Martini	Ed Staub & Sons
115	Linda Kelley	350 Eugene
116	Alan Journet	Southern Oregon Climate Action Now (SOCAN)
117	Chris Swires	Tyree Oil
118	Linda S. Craig	
119	Tom Peck	
120	Kate Ayres	Community Energy Project
121	Robert Powell	
122	Sean Gibson	Modern Hydrogen
123	Tyler McQueen	Twin Eagle
124	Jeremy Price	HF Sinclair
125	Helena Birecki	Climate Reality Project
126	Peg Johnson	
127	Matt Solak	Pacific Propane Gas Association
128	Becky Gladstone	League of Women Voters of Oregon
129	Mike Blaschka	
130	Arlene Sherrett	League of Women Voters of Oregon
131	David Collier	Sierra Club
132	Chris Coughlin	Oregon Consumer Justice
133	Nina Carlson	Miles Fiberglass
134	Pam Witner	UGI Energy Services, LLC
135	Janna Loepky	Avista Utilities
136	Amy Malaki	Sky RNG
137	Diana Helm	Terra Casa, LLC
138	Lori Arce-Torres	Lincoln City Chamber of Commerce
139	Brittany Scott	Parkland
140	Lindsey Rice	Alliance of Western Energy Consumers
141	Brad Staub	Ed Staub & Sons

142	Jodi Hack	Oregon Home Builders Association
143	Martina Simpkins	Anew Climate
144	DJ Builta	Ed Staub & Sons
145	Jane Gorham	Ed Staub & Sons
146	David Fredrickson	Ed Staub & Sons
147	Jes Pack	Ed Staub & Sons
148	Bryan Bailey	Ed Staub & Sons
149	Tara Whiteman	Ed Staub & Sons
150	Ray Seidler	
151	Greg Alderson	PGE
152	Darin Kandra	Ed Staub & Sons
153	Paul Vogel	Columbia County of Oregon
154	Greg Glassow	High Desert Promotions LLC
155	Keith Martin	Ed Staub & Sons
156	Corky Collier	Columbia Corridor Association
157	Mary Moerlins	NW Natural
158	Deborah Meeks	Shell
159	Chris Wilson	Electrochaea
160	Ryan Vazza	Global Partners LP
161	Kristy Jensen	Ed Staub & Sons
162	Lena Prine	Salem Chamber of Commerce
163	Cheyenne Holliday	Verde NW
164	Mike Freese	Oregon Fuels Association
165	Cassandra Farrant	Amp Americas
166	Sam Lehr	RNG Coalition
167	Cassidy DeHague	Ed Staub & Sons
168	Becky Atkinson	Green Gas USA
169	Brian McDonald	Marathon
170	Michael Sullivan	PacifiCorp
171	Jackie White	NW Pulp and Paper
172	Christopher Reigelsperger	WM
173	Michelle Detwiler	Renewable Hydrogen Alliance
174	Dan McGraw	Mercuria
175	Abbie Krebsbach,	Cascade Natural Gas Corporation
176	Natasha Jackson	NW Gas Association
177	Robert Camarillo	Oregon Buildings Trades
178	Sharla Moffett	Oregon Business & Industry
179	Arlene Sherrett	League of Women Voters of Oregon

180	Greer Ryan	Climate Solutions - Joint Letter
181	Erik Andersson	Strategic Economic Development Corporation
182	Robert Short	
183	Lavdeep Singh	Ed Staub & Sons
184	Ryan Kenny	Clean Energy Fuels
185	Sourabh Pansare	Phillips 66
186	Jeffrey Hunter	Perkins Coie
187	Marisa Blackshire	Bloom Energy
188	Jenifer Isais	Ed Staub & Sons
189	Cindi Smith	Ed Staub & Sons
190	Clarkson, et al.	
191	Clarkson, et al.	
192	Dragovich, et al.	
193	William Johnson	
194	Polly Stirling	
195	Trudy Wilkinson	
196	Stuart Liebowitz	
197	Polly Stirling, Dana Bailey, Melanie MacKinnon, Stuart Liebowitz, Scott McKain, Liz Gayner	Douglas County Global Warming Coalition
198	Jemma Crae	
199	Edward Cranston	
200	Pamela de Jong	
201	Amanda Yampolsky	
202	Diane Williams Engelhardt	
203	Craig DMello	
204	Stephen Titus	
205	Dennis West	
206	Dwayne Hedstrom	
207	Nancy Ahnert	
208	Mark Tipper	
209	Jane Stackhouse	
210	Gretchen King	
211	Rosanne Lewis	
212	Dick Dolgonas	
213	Dave Kost	
214	Jill Hunter	
215	Ben Stickney	
216	David Stone	
217	Bruce Bauer	
218	Alan Journet	Consolidated Oregon Indivisible Network Climate

219	Natasha Jackson	Double J Construction
220	Cherice Bock	350PDX
221	Laura Tabor	The Nature Conservancy
222	Ashley Haight	Zero Coalition Oregon
223	Teryn Yazdani	Beyond Toxics
224	Pat Delaquil	Metro Climate Action Team
225	Stephen Baxter	Ed Staub & Sons
226	Tim Gelhardt	Ed Staub & Sons
227	Steven Osborne	Ed Staub & Sons
228	Mary Hale	Ed Staub & Sons

Comment ID# 180 was submitted as a joint comment signed by 34 organizations listed below:

Climate Solutions, 350 PDX, 350 Salem, 350 Washington County, Beyond Toxics, Citizens for a Better Lincoln County, Climate Reality Project, Portland Chapter Climate Solutions, Columbia Riverkeeper, Community Energy Project, Consolidated Oregon Indivisible Network, Douglas County Global Warming Coalition, DPO Environmental Caucus, Earthjustice, Ecumenical Ministries of Oregon, Electrify Now, Environmental Defense Fund, Families for Climate, Green Energy Institute at Lewis & Clark Law School, Metro Climate Action Team, Natural Resources Defense Council, Onward Oregon, Oregon Business for Climate, Oregon Chapter Sierra Club, Oregon Environmental Council, Oregon Interfaith Power & Light, Our Climate, Physicians for Social Responsibility, Pineros y Campesinos Unidos del Noroeste, Rogue Climate, Rural Oregon Climate Political Action Committee, Southern Oregon Climate Action Now, Third Act Oregon, Verde

Comment # 1

Subject: 2023 Climate Rulemaking

Dear 2023 DEQ Climate Rulemaking,

To whom it may concern,

As DEQ knows well, this rulemaking will have far-reaching consequences for the climate and communities in Oregon. By designing guardrails and pathways for regulated entities to comply with Oregon's cornerstone Climate Protection Program (CPP), this rulemaking "if done well" will be vital to ensuring our state stays on track to achieve our climate goals, and to deliver public health, economic, and employment benefits for environmental justice communities in Oregon.

However, given the broad scope of issues and laws touched by this proceeding, there could be very serious unintended consequences if impacts to communities and the climate are not sufficiently considered. I am concerned that DEQ's current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane investments, and would enable the expansion of new large industrial emitters with the potential to emit unfettered climate pollution in Oregon. The stated goals of the CPP are to reduce greenhouse gas (GHG) emissions and other air pollutants, maximize public health benefits, and minimize costs for consumers in environmental justice and other communities in Oregon, yet these RNG projects deliver no direct benefits to Oregonians. Further, allowing covered fuel suppliers to rely on out-of-state biomethane presents the alarming likelihood that investments will be diverted from the Community Climate Investment (CCI) program, which was designed to provide economic, health and comfort benefits to the communities most in need as well as significant emissions reductions.

I therefore strongly urge DEQ to amend the proposed rules by:

- 1) Restricting biomethane (aka renewable natural gas (RNG)) used for CPP compliance to that which produces direct benefits for Oregonians " projects that reduce pollution in Oregon.
- 2) Disallowing hydrogen to be used for CPP compliance unless it is green electrolytic hydrogen (made from renewable energy sources like solar and wind). Why? Not all hydrogen is created equally. Where and how it is produced and used matters significantly when it comes to emissions reduction if it's produced from fossil fuels out-of-state, it could be more polluting than even natural gas.
- 3) Strengthening emissions reduction requirements for new or expanded large industrial facilities in Oregon under the CPP's Best Available Emissions Reduction (BAER) program.

I also strongly support maintaining protective restrictions on biomethane accounting in the current rules where they exist, including notably, that synthetic methane derived from human-caused carbon sources does not comply with the CPP. Doing so will not only help ensure that Oregon stays on track to achieve our climate goals, but will also maximize the associated job creation, cost saving, public health, and economic development benefits ensuring that they benefit Oregon communities, and are not exported out of state.

Thank you for the opportunity to provide comments.

Oregon DEQ, please do every thing can to ensure Oregon has the best possible rules to regulate industry and reduce climate change.

Number of commenters: 189

Comment # 2

Subject: Make this 2023 Climate Rulemaking Count!

Dear Oregon Department of Environmental Quality - 2023 CCP,

To whom it may concern,

As DEQ knows well, this rulemaking will have far-reaching consequences for the climate and communities in Oregon. By designing guardrails and pathways for regulated entities to comply with Oregon's cornerstone Climate Protection Program (CPP), this rulemaking "if done well" will be vital to ensuring our state stays on track to achieve our climate goals, and to deliver public health, economic, and employment benefits for environmental justice communities in Oregon.

However, given the broad scope of issues and laws touched by this proceeding, there could be very serious unintended consequences if impacts to communities and the climate are not sufficiently considered. I am concerned that DEQ's current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane investments, and would enable the expansion of new large industrial emitters with the potential to emit unfettered climate pollution in Oregon. The stated goals of the CPP are to reduce greenhouse gas (GHG) emissions and other air pollutants, maximize public health benefits, and minimize costs for consumers in environmental justice and other communities in Oregon, yet these RNG projects deliver no direct benefits to Oregonians. Further, allowing covered fuel suppliers to rely on out-of-state biomethane presents the alarming likelihood that investments will be diverted from the Community Climate Investment (CCI) program, which was designed to provide economic, health and comfort benefits to the communities most in need as well as significant emissions reductions.

I therefore strongly urge DEQ to amend the proposed rules by:

- 1) Restricting biomethane and hydrogen used for CPP compliance to that which produces direct benefits for Oregonians, by limiting the eligible use of "book and claim" accounting to only biomethane or hydrogen that is injected into a pipeline within Oregon; and
- 2) Strengthening emissions reduction requirements for new or expanded large stationary source facilities in Oregon under the CPP's Best Available Emissions Reduction program.

I also strongly support maintaining protective restrictions on biomethane accounting in the current rules where they exist, including notably, that synthetic methane derived from human-caused carbon sources does not comply with the CPP. Doing so will not only help ensure that Oregon stays on track to achieve our climate goals, but will also maximize the associated job creation, cost saving, public health, and economic development benefits ensuring that they benefit Oregon communities, and are not exported out of state.

Thank you for the opportunity to provide comments.

This message was sent by KnowWho, as a service provider, on behalf of an individual associated with Sierra Club. If you need more information, please contact Member Care at Sierra Club at member.care@sierraclub.org or (415) 977-5673.

Number of commenters: 392

Comment # 3

Subject: 2023 Climate Rulemaking

Dear Oregon Department of Environmental Quality,

Thank you for the opportunity to provide comment on DEQ's 2023 climate rulemaking. The Climate Protection Program (CPP) is a program that is absolutely essential to achieving our state's climate pollution reduction goals, and it was adopted with overwhelming public support following an extensive 18 month rulemaking and stakeholder engagement process.

I am concerned that DEQ's current proposed rules would effectively undermine the CPP.

Specifically, I am concerned that DEQ's current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane investments, and would enable the expansion of new large industrial emitters with the potential to emit unfettered climate pollution in Oregon. By undermining the integrity of the CPP, the current proposed rule amendments will severely compromise the program's intended public health, economic, and employment goals, and thereby hinder benefits for Oregon consumers, workers, local economies, and environmental justice communities across the state.

As DEQ knows well, this rulemaking will have far-reaching consequences for the climate and communities in Oregon. By designing guardrails and pathways for regulated entities to comply with Oregon's cornerstone CPP, this rulemaking "if done well" will be vital to ensuring our state stays on track to achieve our climate goals, and to deliver public health, economic, and employment benefits for environmental justice communities in Oregon.

I therefore strongly urge DEQ to amend the proposed rules to help ensure that Oregon stays on track to achieve our climate goals, but will also maximize the associated job creation, cost saving, public health, and economic development benefits ensuring that they benefit Oregon communities, and are not exported out of state.

Number of commenters: 203

Comment # 4

Subject: Prioritize justice in Climate Protection Program implementation

Dear Oregon Department of Environmental Quality,

I was thrilled when, in Dec 2021, the DEQ passed the Climate Protection Program (CPP) to require 50% emissions reductions in Oregon's largest polluting facilities by 2035, provide direct economic and environmental benefits to communities on the frontlines of climate change and environmental injustices, and more. As an Oregonian who strongly believes in my state taking meaningful, bold steps to mitigate the effects of climate change and provide direct support to frontline communities, I see the CPP as laying out a critically important path, especially since the CPP originally integrated strong community input.

However, I was disappointed to hear that the recent rule-making table did not include community input, and also that the results lacked in meeting the plan's original goals of reducing greenhouse gas emissions by 50%, providing meaningful investments to benefit Oregonians, and holding big polluters accountable.

Therefore, I am calling on the DEQ to adapt the rules for CPP implementation to focus on the original goals of:

- 1) Reducing greenhouse gas emissions and other air pollutants, maximizing public health benefits, and minimizing costs for consumers in environmental justice and other communities in Oregon.
- 2) Keeping economic and health benefits of the Community Climate Investment program in Oregon: investments should materially benefit Oregonians at the frontlines of pollution and the climate crisis, rather than paying for cheap offsets in other places.
- 3) Achieving real reduction of emissions by 50%, rather than allowing companies to invest in biomass-derived fuels such as [renewable natural gas](#) (which is still composed mainly of methane, a greenhouse gas 86 times more potent than carbon dioxide), or hydrogen that is produced in ways that emit fossil fuels.
- 4) Holding big polluters accountable to engage in science-based [best available emissions reductions](#) (BAER) from existing stationary sources and deterring development of new stationary sources in Oregon, with accountability including stakeholder and frontline community input.
- 5) Returning the date for a [new source](#) of stationary pollution to December 31, 2021.

The CPP should facilitate the actual 50% reduction in emissions of all stationary polluting facilities, and Community Climate Investments should benefit those who have already experienced harm from pollutants and who are at most risk from climate impacts.

Thank you for considering these comments and recommendations.

Sincerely,

Brice Suprenant

5404 SE 68th Ave

Portland, OR 97206

Number of commenters: 113

Comment # 5

Subject: Strengthen the proposed 2023 climate rules

Department of Environmental Quality staff,

Thank you for the opportunity to provide comment on DEQ's 2023 climate rulemaking. As DEQ knows well, this rulemaking will have far-reaching consequences for the climate and communities in Oregon.

By designing guardrails and pathways for regulated entities to comply with Oregon's cornerstone Climate Protection Program (CPP), this rulemaking - if done well - will be vital to ensuring our state stays on track to achieve our climate goals and to deliver public health, economic, and employment benefits for environmental justice communities in Oregon. However, given the broad scope of issues and laws touched by this proceeding, there could be very serious unintended consequences if impacts on communities and the climate are not sufficiently considered.

I am concerned that DEQ's current proposed rules would effectively undermine the CPP- a program that is absolutely essential to achieving our state's climate pollution reduction goals, and which was adopted with overwhelming public support following an extensive 18-month rulemaking and stakeholder engagement process. Specifically, I am concerned that DEQ's current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane investments, and would enable the expansion of new large industrial emitters with the potential to emit unfettered climate and air pollution in Oregon.

By undermining the integrity of the CPP, the current proposed rule amendments will severely compromise the program's intended public health, economic, and employment goals, and thereby hinder benefits for Oregon consumers, workers, local economies, and environmental justice communities across the state. I therefore strongly urge DEQ to amend the proposed rules by:

- 1) Restricting biomethane used for CPP compliance to that which produces direct benefits for Oregonians, by limiting the eligible use of "book and claim" accounting to only biomethane or hydrogen that is injected into a pipeline within Oregon; and
- 2) Disallowing hydrogen to count for CPP compliance unless DEQ ensures it is green electrolytic hydrogen, since other hydrogen sources and types are far more polluting and carry a host of risks for our energy system; and
- 3) Strengthening emissions reduction requirements for new or expanded large stationary source facilities in Oregon under the CPP's Best Available Emissions Reduction program.

Doing so will not only help ensure that Oregon stays on track to achieve our climate goals, but will also maximize the associated job creation, cost saving, public health, and economic development benefits-ensuring that they benefit Oregon communities, and are not exported out of state.

Thank you for the opportunity to provide comments.

Number of commenters: 109

Comment # 6

Subject: DEQ's draft rules for Oregon's Climate Protection Program.

Dear Department of Environmental Quality,

The science is clear""we have less than a decade to cut greenhouse gas emissions in half to avoid catastrophic and irreversible climate impacts. Oregonians are already experiencing dangerous climate and health impacts as a result of fossil fuel use, with communities of color, low-income households, and rural communities bearing a disproportionate burden.

Our state is still 19% short of meeting our 2020 emissions reduction target, and does not have sufficient policies in place to put us on track to achieve President Biden's nationally determined contribution (NDC) commitment to cut U.S. emissions in half from 2005 levels by 2030. Without additional policies and programs in place to slash dangerous greenhouse gas emissions, Oregon will continue to fall short - putting lives and livelihoods at risk.

We need to increase our climate ambition, and we can't miss any opportunities to strengthen Oregon's climate programs. The Climate Protection Program (CPP) makes our state only the third in the nation to place an enforceable, declining cap on emissions from transportation and natural gas fuel usage. This program is critical for holding polluters accountable, and we can't accept any weakening of the CPP.

I am concerned that DEQ's draft rules will weaken Oregon's Climate Protection Program. The final rules for DEQ's Climate 2023 rulemaking must:

ENSURE CLIMATE, ECONOMIC, AND PUBLIC HEALTH BENEFITS FOR OREGONIANS. DEQ's draft rules will determine how biomethane and hydrogen are used for compliance with the CPP. I urge DEQ to restrict biomethane used for CPP compliance to that which produces direct benefits for Oregonians, rather than allowing natural gas companies to rely on out-of-state biomethane investments. For the CPP to deliver the climate, economic, and public health benefits that we need, we can't allow natural gas companies to rely on out-of-state biomethane projects for compliance instead of cutting pollution right here, in our home state. It's also critical that the full environmental impacts of biomethane and hydrogen fuels are reflected in compliance obligations under the CPP. Hydrogen is a leak-prone gas with a potent warming effect, and the risks of hydrogen leakage must be incorporated into our decision-making. Careful accounting is needed to accurately reflect the climate impacts of biogas, which are dependent on both source and injection methods.

REQUIRE INDUSTRIAL SOURCES OF EMISSIONS TO CUT CLIMATE POLLUTION IN LINE WITH THE CPP'S DECLINING CAP. All large industrial emitters must be held accountable for their greenhouse gas emissions. Comprehensive coverage of climate pollution is critical, and I urge DEQ to ensure that any new stationary source or proposed modification with the potential to emit greenhouse gasses in any quantity is required to complete a best available emissions reductions (BAER) assessment. BAER assessments must be transparent, with members of the public given a meaningful opportunity to provide review and input. And most importantly, these BAER assessments must be translated into concrete requirements to reduce emissions in line with science-based goals. Under the CPP's current approach, industrial emissions are exempted from binding emissions reduction requirements consistent with the CPP's declining emissions cap. These industrial sources are responsible for approximately 20%

of Oregon's total emissions, and modeling suggests that their emissions will continue to increase over time. It's unacceptable that emissions from these sources could continue to increase under the CPP, placing Oregon's climate future at risk. DEQ must ensure industrial polluters face binding requirements to cut emissions in line with the CPP's declining cap.

This rulemaking will have important consequences for Oregon's ability to cut climate pollution and hold polluters accountable. It's essential that this rulemaking delivers a stronger CPP that prioritizes benefits for Oregon's families and communities.

Number of commenters: 442

Comment # 7

Subject: Rulemaking Comment: Please Keep Costs Down

Dear Nicole Singh,

As an Oregonian, I'm very concerned about the costs and effectiveness of the Climate Protection Program. I urge DEQ not to further increase costs by imposing geographic limitations on renewable natural gas (RNG) because more opportunities for development will increase supply and drive costs down.

- Arbitrary geographic boundaries simply don't make sense and will increase costs for all Oregonians.
- Arbitrary geographic boundaries for RNG would be akin to excluding wind and solar resources from outside of Oregon, preventing us from meeting our clean electricity goals.
- Arbitrary geographic boundaries do not cut more carbon, and in fact, will limit carbon reduction opportunities.

Please confirm that DEQ will not include geographic limits for decarbonized fuels like renewable natural gas and will allow the use of book and claim accounting methodology under the Greenhouse Gas Reporting Rule.

Please keep costs down and focus this program on quantifiable solutions to address climate change.

Number of commenters: 439

Comment # 8

Subject: Rulemaking Comment: Please Expand Renewable Energy Options

Dear Nicole Singh,

As an Oregonian, I'm very concerned about limitations for new renewable energy options in the Climate Protection Program. I urge DEQ to not include geographic limitations on renewable natural gas (RNG) because more opportunities for development will increase supply and drive costs down. Please do not further increase costs and make this program less effective.

- Arbitrary geographic boundaries for RNG would be akin to excluding wind and solar resources from outside of Oregon, preventing us from meeting our clean electricity goals.
- Arbitrary geographic boundaries do not cut more carbon and in fact may limit verifiable carbon reduction.
- Arbitrary geographic boundaries simply don't make sense and will increase costs for all Oregonians.

Please confirm that DEQ will not include arbitrary and ineffective geographic limits for decarbonized fuels like renewable natural gas and will allow the use of book and claim accounting methodology under the Greenhouse Gas Reporting Rule.

Please expand options for decarbonized fuels like renewable natural gas and ensure quantifiable carbon reductions occur as a result of this program.

Number of commenters: 158

Comment # 9

Subject: Climate rule making

Hello,

It's very disappointing to see that the DEQ is following a safe "status quo" path, rather than seizing this opportunity-- and accepting your moral responsibility-- to take the strongest possible action. Given the short timeframe global scientists say we have to reduce emissions in half by 2025, it is imperative for all of our health and safety, that these rulings be as strong as possible in line with the goals of the state Climate Protection Plan.

Here are my specific requests and recommendations:

1. Restricting biomethane and hydrogen used for CPP compliance to that which produces direct benefits for Oregonians, by limiting the eligible use of "book and claim" accounting to only biomethane or hydrogen that is injected into a pipeline within Oregon. Biomass derived fuels should not be allowed exemptions.
2. Strengthening emissions reduction requirements for new or expanded large stationary source facilities in Oregon. Unfortunately, since the adoption of the final CPP rules in 2021, increasing emissions from Oregon's industrial sector has become a reality when we should be holding polluters responsible for decreasing emissions.
3. Maintaining protective restrictions on methane and biomethane accounting in the current rules where they exist, including notably, that synthetic methane derived from anthropogenic carbon sources does not comply with the CPP.
4. Including export and transport facilities in emission reduction and reporting standards. Export facilities should have to list their final destinations. While they may utilize devices to reduce emissions during pumping phases, the open venting of railroad cars to reduce sparking must also be taken under consideration as should potential leakage during storage, transportation, and transfers. Any substantive change of site use should require a new Air Contaminant Discharge Permit (ACDP) or Title V permitting instead of being allowed to operate under old permits. Export facilities add to overall global emissions which affect us all in terms of climate chaos.
5. Biofuels and other so-called renewable fuels should not only be reporting on feedstocks and production methodologies, but also on the fuels used for hydrogenation, esterification or other processing to adequately access the true Carbon intensity numbers. Reporting should also include the land change values necessary to determine what other crops the land could have produced for human consumption as well as associated transportation and fertilizer emissions, and the like for a full picture. Carbon intensity modeling is problematic in numerous ways which is why actual monitoring data and health assessments are preferable.

Thank you for considering these changes, and for doing the right thing by future generations. DEQ is in a position of great power, and great responsibility-- please seize it!

Number of commenters: 21

Comment # 10

Subject: proposed Climate 2023 Rulemaking

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

During a recent DEQ climate Rulemaking Public Hearing on September 18th, it became clear that some groups have reservations about allowing covered entities in Oregon to use book and claim accounting for Bio-Methane from other states. However, these groups seem to support the use of electric vehicles made outside Oregon and the importation of out-of-state electricity, even without direct economic benefits to our citizens. This creates a difference in standards between Bio-Methane and out-of-state electricity.

We urge DEQ to maintain the current regulations for Bio-Methane without further changes. Book and claim accounting has worked well for using out-of-state Bio-Methane in Oregon's electricity generation. Changing these rules could lead to higher electricity costs, impacting consumers, including those in environmental justice communities. To minimize costs and achieve equity, DEQ should refrain from altering existing regulations. Technological advancements can help with CO2 levels, but economic distress from hasty rule changes cannot be easily reversed.

We believe Bio-Methane should not be subject to geographical constraints for book and claim reporting. There should be no requirements to inject Bio-Methane into an Oregon natural gas pipeline, no restrictions on vintage use for greenhouse gas reporting, and no time constraints. Bio-Methane should be allowed to be claimed and delivered to end-users in Oregon, even if it displaces natural gas used in a connected pipeline.

The book and claim regulations established by DEQ at the start of the Greenhouse Gas Reporting program should remain unchanged. They strike a balance between environmental concerns and our state's energy infrastructure needs.

Hydrogen, especially "Gray" and "Blue" Hydrogen, is a lower emissions alternative worth considering. Electric vehicles, while promoted as environmentally friendly, are not entirely carbon neutral, and their production outside Oregon doesn't benefit our state's economy. We must consider the entire lifecycle and make informed decisions.

Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Number of commenters: 11

Comment # 11

From: dns@efn.org

Subject: DEQ Rulemaking "Climate 2023" DEQ is asking for Public Comment on the Proposed Rule Amendments

Sounds good.

I'm for the changes, only if the new rules lead to cleaner air and slow climate change.

- * As long as they are rigorously monitored and enforced.
- * Not like the Port of Morrow fiasco.
- * No proposed fines ultimately negotiated down to meaningless in service to "educating" offenders to get their cooperation.
- * Public, widespread disclosure of fine appeal settlements.
- * Environmental Justice: Such settlements must correct the offending actions where they occur, no far off mitigation benefiting privileged communities.
- * No cronyism with influential businesses.
- * Rules must have teeth so those regulated know you mean business.

Weak enforcement is unfair to competitors who obey the rules.

Dave Stone

Springfield

Number of commenters: 1

Comment # 12

From: johnolimb@gmail.com

Subject: Climate Protection Program

I am concerned to hear that the Rule making Advisory Committee that was establish to further the Climate Protection Program was so heavily composed and influenced by members of the energy industry, with minimal input from environmental groups. And, as would be expected, the resulting rules fall far short on what is required to protect our environment. In particular, the term " best available emissions reduction technology" seems to leave the "Barn Door Open" for allowing corporation to be excused from any serious attempt at methane or carbon dioxide reduction. Please address the short comings of the Advisory

committee.

John Limb

Jackson County

Number of commenters: 1

Comment # 13

From: alexwyust@gmail.com

Subject: Public comment for proposed rules

Hello,

Please amend the rules to disallow out of state investments to qualify as emission reduction credits. All emission reductions or credits should be from in-state investments only.

Thank you

Number of commenters: 1

Comment # 14

From: shane.valle@gmail.com

Subject: Comments to DEQ about proposed CPP rule making

Please amend the rules such that fossil fuel emitters in Oregon do not have carbon offsets located in places other than Oregon as an "out".

Three reasons the rules pertaining to this work against Oregonians and a more sustainable future:

1. This will remove money from the state-wide climate fund and job opportunities for Oregonians to help move our state to a greener energy future;
2. continuing to allow fossil fuel emitters to emit in perpetuity will slow the transition of other parts of our current carbon-intensive system, such as home heating and cooking;
3. carbon offsets can often be of dubious quality and longevity and they are out of Oregon state's ability to guarantee or influence if they are outside our boundaries.

The options before you are whether we want our move to a greener future to work best for Oregonians or work best for companies that don't have any particular love for our state, just making money in it. I hope you'll move to support the version of the rules that supports cleaner air, better environmental behavior, and new job opportunities right here at home instead of allowing fossil fuel companies to kick the can down the road on making a shift that is a long time coming.

Thank you for your time and consideration.

--

Shane Valle

Number of commenters: 1

Comment # 15

From: cedarnd@gmail.com

Subject: 2023 climate rule making

I'm keeping this short and sweet:

Strengthen the CPP rules! The wildfires, storms, flooding are proof that we need to act now!

Rebecca Maloney, 97206

Sent from my iPhone

Number of commenters: 1

Comment # 16

From: joseph.stenger@gmail.com

Subject: 2023 DEQ climate rulemaking regarding CPP

Dear EQC Chair George, Vice Chair Baraso, members of the Commission and DEQ staff:

My name is Joseph Stenger. I am a resident of NE Portland, a grandfather, a family physician, and a citizen with huge concerns about the rapidly increasing calamities due to the deterioration of our climate.

Thank you for the chance to give comments today on DEQ's 2023 climate rulemaking. This rulemaking will affect the future for our children and grandchildren and beyond. It is crucial to get this right, based on the well-known rising level of threat. Every governmental entity should be prioritizing a rapid transition to a clean-energy economy.

This rulemaking is the time to be sure that Oregon is on track to meet the climate targets set out by the Global Warming Commission. Ensuring that regulated entities comply with our Climate Protection Program (CPP) will provide huge cost-saving benefits to public health and create clean jobs and economic vitality. These benefits should be specifically most targeted to communities that historically have suffered the worst environmental damage, such as the Cully neighborhood near where I live. Given the broad scope of issues and laws affected by this rulemaking, there will be deep consequences if the rules do not seriously address impacts to these communities and the climate.

Large corporations that have amassed huge wealth from the sale of dangerous fossil-fuels, while suppressing information about those dangers, must be held to account for their role in converting to a clean-energy future. They should no longer be given allowances that will delay that conversion. Any new stationary source or any proposed modification that has the potential to emit GHGs in any quantity should complete a BAER assessment prior to construction.

DEQ's current proposed rules could undermine the CPP- a program that is absolutely essential to achieving our state's climate pollution reduction goals, a program that was adopted with overwhelming public support following an extensive 18-month rulemaking and stakeholder engagement process. There already is significant leeway in compliance to protect utilities.

Specifically, I am concerned that the current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane investments, and would enable the expansion of new large industrial emitters with the potential to emit unfettered climate pollution in Oregon.

By undermining the integrity of the CPP, the current proposed rule amendments will severely compromise the program's intended public health, economic, and employment goals, and thereby hinder benefits for Oregon consumers, workers, local economies, and environmental justice communities across the state.

I ask you to amend the proposed rules as follows:

- * 1) Restrict biomethane (RNG) and hydrogen used for CPP compliance to that which produces direct benefits for Oregonians; and
- * 2) Strengthen emissions reduction requirements for new or expanded large stationary source facilities in Oregon under the CPP's Best Available Emissions Reduction program.

Synthetic methane derived from anthropogenic carbon sources does not comply with the CPP. I strongly support maintaining protective restrictions on biomethane accounting to that effect in the current rules where they already exist. We also do not want to allow investments to be diverted from the Community Climate Investment (CCI) program.

Doing this will help ensure that Oregon stays on track to achieve our climate goals, and will maximize the resulting job creation, cost saving, public health, and economic development benefits- ensuring that they benefit Oregon communities, rather than those out-of-state.

I appreciate the opportunity to provide comments. I trust that you will make the best choices for all present and future Oregonians.

Joseph Stenger MD

Number of commenters: 1

Comment # 17

From: trygstadjm07@gmail.com

Subject: Oregon Climate protection program comment to Rule making.

Greetings DEQ Administration

One one level I'm surprised at the fact that 12 of the 14 advisory members are from the Oil and Gas sector. After all, this program is intended to protect the 4 million people that reside in Oregon.

What we need is to have less GHG emissions.

We need reliable means to measure Air pollution including PPE

We need strong compliance monitoring and reporting and it should be implemented by Q4 2025.

We need the industry and your agency to place value on the health of the public and of animals, plants, rivers and wetlands.

We need more equal representation on Rule Making Committee

We all know from past behavior that the industry will capitalize on every loophole; notably RTC ;NO NO NO to RTC ! Delete it from the options.

Thank you

CC Governor Kotek

--

Jean Trygstad

Number of commenters: 1

Comment # 18

From: kb@travelinglantern.com

Subject: DEQ 2023 Rulemaking

Chair George, Vice Chair Baraso, and members of the Commission, DEQ and DEQ staff;

My name is KB Mercer and I am a volunteer with the Metro Climate Action Team. My husband David and I are deeply concerned about DEQ's 2023 climate rulemaking.

As DEQ knows well, this rulemaking will have far-reaching consequences for the climate and communities in Oregon. By designing guardrails and pathways for regulated entities to comply with Oregon's cornerstone Climate Protection Program (CPP), this rulemaking - if done well - will be vital to ensuring our state stays on track to achieve our climate goals, and to deliver public health, economic, and employment benefits for environmental justice communities in Oregon. However, given the broad scope of issues and laws touched by this proceeding, there could be very serious unintended consequences if impacts to communities and the climate are not sufficiently considered.

I am concerned that DEQ's current proposed rules would effectively undermine the CPP- a program that is absolutely essential to achieving our state's climate pollution reduction goals, and which was adopted with overwhelming public support following an extensive 18 month rulemaking and stakeholder engagement process. Specifically, I am concerned that DEQ's current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane investments, and would enable the expansion of new large industrial emitters with the potential to emit unfettered climate pollution in Oregon. By undermining the integrity of the CPP, the current proposed rule amendments will severely compromise the program's intended public health, economic, and employment goals, and thereby hinder benefits for Oregon consumers, workers, local economies, and environmental justice communities across the state.

I therefore strongly urge DEQ to amend the proposed rules by:

1) Restricting biomethane and hydrogen used for CPP compliance to that which produces direct benefits for Oregonians; and

2) Strengthening emissions reduction requirements for new or expanded large stationary source facilities in Oregon under the CPP's Best Available Emissions Reduction program.

I also strongly support maintaining protective restrictions on biomethane accounting in the current rules where they exist, including notably, that synthetic methane derived from anthropogenic carbon sources does not comply with the CPP. Doing so will not only help ensure that Oregon stays on track to achieve our climate goals, but will also maximize the associated job creation, cost saving, public health, and economic development benefits- ensuring that they benefit Oregon communities, and are not exported out of state.

Thank you for the opportunity to provide comments.

KB Mercer & David Huffman

10811 SE Schiller St.

Portland, OR 97266

Number of commenters: 1

Comment # 19

From: mkagainstclimatechange@gmail.com

Subject: Changes to this year's Climate Rulemaking

Chair George, Vice Chair Baraso, members of the Commission:

My name is Mary Kate McVey and I am a supporter of Families for Climate. I am the mother of two amazing girls, Fiona Rose (3) and Vivian (7 months).

I am submitting this testimony because as their mother, my most fundamental responsibility is to protect them from harm, and irreversible climate change gravely threatens their future.

The Climate Protection Program is absolutely critical for Oregon to reduce our climate pollution on the urgent timeline dictated by current science. However, I am deeply concerned that the current proposed rules would undermine the effectiveness of the CPP, and put the necessary emissions reductions out of reach.

Specifically, I am worried that DEQ's current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane offsets, which will hinder the transition to non-emitting alternatives, while failing to deliver direct benefits to Oregonians. I am also worried that the rules as currently written will allow new industrial emitters to produce unrestricted climate pollution in Oregon.

I am asking DEQ to make the following important changes to the rulemaking:

Restrict biomethane (aka renewable natural gas (RNG) and hydrogen used for CPP compliance to that which produces direct benefits for Oregonians. The stated goals of the CPP are to reduce greenhouse gas emissions and other air pollutants, maximize public health benefits, and minimize costs for consumers, and out-of-state offsets accomplish none of those goals.

Strengthen emissions reduction requirements for new or expanded large stationary source facilities in Oregon under the CPP's Best Available Emissions Reduction (BAER) program. As the only existing state regulation on major industrial emitters, it is vital that the CPP works to ensure science-based emissions reductions from existing stationary sources and deter development of new stationary sources in Oregon. Given Oregon's growing industrial sector, it is especially critical that DEQ use this rulemaking to strengthen the integrity of the BAER program. Large industrial emitters must be held accountable for their climate pollution.

Oregon families need the Climate Protection Program to live up to its name. Please strengthen the rules so it can protect our children's future, not corporate profits. We're running out of time to do the right thing.

I appreciate the opportunity to comment on this rulemaking.

Number of commenters: 1

Comment # 20

From: karengllwy@gmail.com

Subject: Fwd: 2023 Climate Rulemaking

----- Forwarded message -----

From: Karen Galloway <karengllwy@gmail.com>;

Date: Thu, Sep 14, 2023 at 12:36 PM

Subject: 2023 Climate Rulemaking

To: <climate.2023@deq.oregon>

Hello,

I support CPP to focus on the original goals of reducing greenhouse gas emissions by 50%- this is a meaningful investment for all Oregonians and to hold polluters accountable.

The time is now. Please choose wisely and with our future at the center.

Thank you

Karen Galloway

Number of commenters: 1

Comment # 21

From: zupandavid@gmail.com

Subject: Citizen Comment on Climate Protection Program

Hello DEQ Representatives:

We are strongly opposed to any weakening of the Climate Protection Program originally proposed by DEQ and approved by the Environmental Quality Commission. Instead we urge the following:

- 1) Ignore efforts by the gas utilities to bypass the Community Climate Investment fund.
- 2) Insist that the Best Available Emissions Reduction rules keep industry on a downward trajectory in emissions.
- 3) Encourage the position that only hydrogen produced through electrolysis using renewable energy should be acceptable.

Thank you,

David Zupan, Director

Progressive Voices

Cell: 541-525-6067

Number of commenters: 1

Comment # 22

From: rene@uniteoregon.org

Subject: complete Public Comment for EQC, DEQ Climate Rule Making

Testimony for EQC, DEQ Climate Rule Making without the 2 minute limit

Good afternoon [EQC: Chair George, Vice Chair Baraso, members of the Commission].

My name is Rene Braga and I'm a community member that has suffered the loss of family and property due to global warming related disasters. Thank you for the chance to comment on DEQ's 2023 climate rulemaking. This process has significant implications for Oregon's climate and communities. It's crucial for this rulemaking to effectively set guidelines for compliance with the Climate Protection Program (CPP). When executed effectively, it will play a critical role in keeping Oregon on course to meet our climate objectives and bring benefits to environmental justice communities in terms of public health, the economy, and employment.

I'm deeply troubled by the current proposed rules from DEQ, as they appear to weaken the CPP. This program is absolutely crucial for achieving our state's climate pollution reduction objectives and was established with overwhelming public backing, after an exhaustive 18-month rulemaking and stakeholder engagement process.

The DEQ bears the crucial responsibility of safeguarding the alignment of the Climate Protection Program with its climate objectives, while concurrently delivering substantial public health, economic, and employment advantages to communities within Oregon. It is of paramount importance that the DEQ takes substantial measures to enhance the existing proposed regulations in the following ways:

1-Imposing stringent limitations on the utilization of biomethane, also known as renewable natural gas (RNG), and hydrogen for the purposes of CPP compliance, ensuring that these resources exclusively yield direct benefits for the residents of Oregon.

2-Bolstering the criteria for emissions reduction within new or expanded large-scale industrial facilities operating in Oregon under the CPP's Best Available Emissions Reduction (BAER) program.

And Last, Since the 2021 adoption of the final CPP rules, Oregon's industrial sector has witnessed a concerning rise in emissions. For instance, Amazon is pursuing multiple permits for energy-intensive fossil gas-powered data centers in Eastern Oregon, which will significantly escalate gas consumption and greenhouse gas emissions. We demand the rules be updated, strengthened and always concentrated on looking out for the health of our communities and not the savings in revenue, of billion dollar corporations. Thank you

En Solidaridad,

Rene Braga

Rogue Valley Community Organizer

<https://ci3.googleusercontent.com/mail-sig/AlorK4wRzqlr1UE79CorqnpMOLoOvDG4MoaKOFJKzNPnfrvcV5duh6H2P9UZ0QuHaVvy4udQg_mNgwqE>

Phone: (786)416-1183

Email: rene@uniteoregon.org <<mailto:rene@uniteoregon.org>>

Pronouns: Him, He, El

Languages: English, Spanish

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Number of commenters: 1

Comment # 23

From: josh.mooney@gmail.com

Subject: DEQ Climate Rulemaking Comment

To whom it may concern,

My name is Josh Mooney from Energize Bend, a grass roots group focused on home electrification.

Thank you Chair George and members of the commission and staff for the opportunity to provide comment on DEQ's 2023 climate rulemaking.

The Climate Protection Program is potentially one of the most significant tools that Oregon has to reduce climate pollution in our state and it has been designed to bring health and economic benefits to the residents of our state. But this program will only be effective if the details of the rules support the purpose of the program.

I am very concerned that DEQ's current proposed rules would effectively undermine the purpose of the CPP and I would remind the commission that this program was adopted with overwhelming public support following an extensive stakeholder engagement process and was designed to benefit the residents of Oregon.

The proposed rules would undermine the intended objectives of the program by reducing clean energy projects built here in Oregon, meaning fewer jobs and other local economic benefits particularly for environmental justice communities across the state.

Specifically, I am concerned that DEQ's current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane or hydrogen investments and would enable the expansion of new large industrial carbon emitters.

I therefore strongly urge DEQ to amend the proposed rules by:

- 1) Restricting biomethane used for CPP compliance to that which is produced here in Oregon and provided direct benefits for Oregonians and not allow out of state RNG credits.

2) Disallowing hydrogen to count for CPP compliance unless DEQ ensures it is green electrolytic hydrogen, since other hydrogen sources and types are far more polluting and carry a host of risks for our energy system.

3) Strengthening emissions reduction requirements for new or expanded large stationary source facilities in Oregon under the CPP's Best Available Emissions Reduction program.

These updates are critical to ensure that Oregon stays on track to achieve our climate goals and to maximize the associated job creation, cost saving, public health, and economic development benefits here in Oregon.

Thank you for the opportunity to provide comments.

Josh

Number of commenters: 1

Comment # 24

From: dylanhinson@everyactioncustom.com

Subject: Ciamte Protection Plan Rule making

Dear Oregon Department of Environmental Quality,

Groups across Oregon have worked together extensively to draft the current rules for the climate protection program. These rules have balanced business interests with our community well being to best serve our state.

The Department of Environmental Quality's current proposed rules would allow increased industrial pollution in Oregon and weaken our climate protections by allowing for out of state import of biomethane. As a bioengineer, I understand fully that there is a place for biomethane in our energy sector, but importing it from out of state is illogical and reckless. This move would endanger the health of front line communities and make us miss our climate goals. It also would further damage the health and climate of communities outside of Oregon.

I ask that the DEQ amends its proposed rules to exclude the purchase of biomethane from out of state, protecting our local business, environment and health.

Thank you.

Sincerely,

Dylan Hinson

7117 N John Ave Unit 1 Portland, OR 97203-4889

dylanhinson@gmail.com

Number of commenters: 1

Comment # 25

From: adamlanebaker@gmail.com

Subject: Comment on 2023 GHG Reporting and CPP Rulemaking - DEQ - H2 - Stationary Sources

Hello,

Thank you for providing an opportunity for public comment for DEQ Rulemaking in 2023. I am happy to see DEQ strengthening many areas of the CPP. In particular, I am excited to see Stationary Sources be included within this regulation, but I have a few concerns.

The amendments and rulemaking allow for book and claim of H2 injections based on the H2's carbon intensity. I like that this part of the regulation acknowledges the broad range of GHG emissions from H2 production based on the process and feedstock used.

However, when it comes to stationary source reporting, I am concerned with the definition of "Direct GHG emissions" in the Division 215 of the GHG reporting program as used in section 2 of 340-215-0030 and defined in sections 19 and 30 of 340-215-0020. These definitions exclude the consumption and emission of H2 for industrial processes. This concerns me because it makes it optional for large H2 consumers to report their H2 associated GHG emissions.

I understand that there can be a risk of double counting because H2 producers in Oregon will also have to report their CO2, but this policy choice poses several risk:

1. Stationary Sources could use carbon intensive H2 as a feedstock, fuel, or inert gas emitted directly to the atmosphere. In other words, Stationary Sources can keep emitting by using cheaper high carbon intensity H2 produced out of state and shipped in.
2. Without incentivizing Stationary Sources to use less carbon intensive H2, this could make Oregon H2 producers less competitive because they won't have consumers for low carbon intensity H2. This could lock out Oregon from getting the benefits from this industry growth as this technology becomes more developed because they won't have as large of an initial market.
3. We may fail to monitor Stationary Sources that are actually large emitters (>2500 MT CO2e if H2 associated emissions are concerned) if they are using a lot of more carbon intensive H2 that is not included in the current definition of "Direct GHG emissions". This is of particular concern for the semiconductor industry which uses large amounts of high purity (high value) H2 for a variety of purposes.

This could be fixed if the DEQ makes H2 consumption tracking mandatory for stationary sources that qualify and include the CO2e of that H2 in the emissions of those stationary sources. This will help incentivize the use of low carbon intensity H2 in industry.

My other major concern is how new entrants (new stationary sources) get evaluated on their initial CO2 caps. The best opportunity to lower emissions is at the design phase. This means that new construction should be subject to lower caps for their economic productivity than older facilities in the same industry. These expectations need to be clear for businesses.

Thank you again for doing this work. It is crucial for the health of our state and the future of Oregonians to get this right. I hope you find this public comment helpful.

Best regards,

Adam

Number of commenters: 1

Comment # 26

From: mjfeldhaus@jps.net

Subject: Keep the Climate Protection Plan strong

Dear DEQ;

I support a stronger Climate Protection Plan, not a weaker one. I understand big polluters would like to weaken the CPP. In my view, this would be most harmful for our environment which is under threat from ever worsening pollution and emission of harmful greenhouse gases.

Please do not bow to big polluting companies' pressure tactics!

Sincerely,

Marilyn Feldhaus

12701 SE River Rd

Portland, OR 97222

Number of commenters: 1

Comment # 27

From: 60bigtime2005@gmail.com

Subject: Stronger CPP's

Please resist all efforts to weaken the CPP.

Sent from Gmail Mobile

Number of commenters: 1

Comment # 28

From: karengerdes@comcast.net

Subject: Climate Protection Plan

DEQ:

Let me register my hope that you will do the right thing for Portland, its citizens, and, well, the planet by doing everything you can to keep the CPP strong and effective.

Karen Gerdes

Portland, OR 97222

Number of commenters: 1

Comment # 29

From: revlizolson@gmail.com

Subject: Preserve the original Climate Protection Plan!

To the members of the DEQ Climate Protection Plan rule-making committee,

As a rural Oregonian who had previously expressed my encouragement to the DEQ to develop the Climate Protection Plan, I am outraged and frustrated that the rule-making process is being co-opted largely by representatives of energy corporations who are manipulating the plan to serve the profit interests of the fossil energy industry!

I urge you to ignore the efforts of the gas utilities to bypass the Community Climate Investment (CCI) fund by incorporating out-of-state Renewable Natural gas into their product and evading the CCI focus on promoting social justice in Oregon. We need the Best Available Emissions Reduction rules to keep industry on a steep downward trajectory in emissions. Lastly, if we are to move forward with the use of hydrogen, that we do so only using hydrogen produced through electrolysis using renewable energy.

I encourage you to think and act from a place of moral conviction, from what you know in your heart to be the right thing to do.

Thank you,

Rev. Elizabeth L. Olson

Talent, OR 97540

Number of commenters: 1

Comment # 30

From: jhamilto@mind.net

Subject: Climate Protection Program Rules

Dear Ms/Sir:

I urge ODEQ to return to its original Climate Protection Plan and ignore efforts by the gas utilities to bypass the Community Climate Investment (CCI) fund by incorporating out-of-state Renewable Natural gas into their product and evading the CCI focus on promoting social justice in Oregon,

I insist that the Best Available Emissions Reduction rules keep industry on a steep downward trajectory in emissions.

I urge you to ensure that only hydrogen produced through electrolysis using renewable energy should be acceptable.

Please consider my comments as a rural Oregonian.

Sincerely,

John Hamilton

1217 Park Street, Ashland, OR 97520

(530) 340-2391

Number of commenters: 1

Comment # 31

From: lauraallen@allenmead.com

Subject: Comments on DEQ rulemaking for CPP

Hello, I am an Oregon resident and offer the following comments on the Climate Protection Program rulemaking recommended by the Advisory Committee. It's very disappointing to know that the agency appointed an Advisory Committee stacked with energy industry representatives rather than folks committed to a rigorous effort to implement the CPP as conceived by the Executive Order 20-04 and recommended by EQC. It's no surprise that the proposed rules by the Committee are clearly calculated to undermine the CPP and the need to protect Oregon's environment and economy in the face of climate change. I urge you to reconsider these proposed rules and redraw them with an eye to a rigorous enforcement of CPP as called for by EQC. You after all are the agency tasked with protecting Oregon's environmental quality and to that end to implement the Executive Order.

I urge you to reject the proposed rules, in particular, where they allow unrestricted offsets from investment in biomethane projects out of state, contrary to the Community Climate Investment fund. This will not reduce emissions in Oregon and will compromise the environmental justice goals of CPP.

There are also no restrictions on how hydrogen is produced. This is a serious concern as it could be worse than the fossil fuel it replaces.

Finally, the Best Available Emissions Reduction rules imposed on large industrial emitters should not permit an industry to increase its emissions by increasing production. This would seriously undermine emissions reduction. Surely you can see that. We need to make real efforts to reduce GHG emissions, and I call on you as DEQ to be zealously committed to that.

Thank you.

Laura Allen

Seaside, Oregon

(425) 419-7301

Number of commenters: 1

Comment # 32

From: sdeumling@gmail.com

Subject: The Oregon Climate Protection Program (CPP)

We have long since run out of time to preserve the Oregon I knew as a child in the 1950s. Please, please delay no longer in aggressively tackling climate change. Some of us have been doing our best, in both small and large ways, to live simpler lives, to give up driving, to live in small spaces that need very little energy to heat, as well as encouraging/pushing the powers that be to act in the big ways only they can act - usually unsuccessfully.

In the CPP rule making process please make up for years of inaction by coming down HARD on regulated industries that would like to weasel out of restrictions. Many industries have lost out historically or reinvented themselves. It can be done again. Some folks may suffer in the short term but the long term suffering that will be inflicted by uncontrolled climate change will be FAR WORSE. I beg you to stiffen your collective backbones and stick with the strictest possible rules in this round of rule making. History, as well as your own children and grandchildren, will thank you.

Sincerely,

Sarah Deumling

Zena Forest LLC

Polk County, OR

Number of commenters: 1

Comment # 33

From: jprodell47@gmail.com

Subject: 2023 climate rule-making

Dear DEQ.

Throughout this process, please remember your children and their children. What legacy will we leave them if climate chaos keeps on worsening?

Thank you.

James Paul Rodell

1765 NW Grant Circle

Corvallis, OR 97330

541-829-9002

Democracy and sentient life need our wise and caring stewardship.

Number of commenters: 1

Comment # 34

From: EmilyPolanshek@msn.com

Subject: Climate Protection Plan comment

To Whom It May Concern at Oregon's DEQ:

I write in support of strong rules for the Climate Protection Program (CPP), passed in December of 2021, to require 50% emissions reductions in Oregon's largest polluting facilities by 2035, provide direct economic and environmental benefits to communities on the frontlines of climate change and environmental injustices, and more.

I am a mother and grandmother deeply concerned about the right of all children to live and prosper with confidence in a viable future.

Since the CPP originally integrated robust community input, I was dismayed to read that the recent rule-making table did not, nor has it met the plan's original goals of

- (1) reducing greenhouse gas emissions by 50%,
- (2) providing meaningful investments to benefit Oregonians, and
- (3) holding big polluters accountable.

Big polluters should be held to account to engage in science-based "best available emissions reductions" (BAER) from existing stationary sources and to deter development of new stationary sources in Oregon. Accountability must include stakeholder and frontline community input.

We cannot afford to kick the can down the road. In every locale around the globe, we must do our part by adopting decisive policies to slow and reverse the growing Climate Crisis. Even those opposed to forward-thinking policies will benefit, as will their offspring.

Let's make Oregon a leader in this urgent endeavor and help provide a livable future for humans and all other remaining species.

Please adopt rules for implementation of the CPP that restore its original goals.

Thank you,

Emily Polanshek, Multnomah County 97219

Number of commenters: 1

Comment # 35

From: gratefulrightnow@gmail.com

Subject: 2023 climate rule making

I am opposed to any and all rules that would not protect our environment. I oppose rules that would allow gas utilities to use out of state bio methane investments. I oppose any expansion of industrial emitters. I oppose unchecked climate pollution in Oregon. Come on people, WHAT THE HECK, why is it even a conversation. You know what the right thing to do is. Quit acting like we can go on like this. We must change or die. Please choose to protect our environment. Please.

Sincerely,

Julie Sonam

Julie Sonam

Hearthstone Real Estate

541.335.1225

Number of commenters: 1

Comment # 36

From: helenaster@gmail.com

Subject: 2023 Climate Rulemaking-- please further protect Oregonians' health, safety, and economy

Dear Chair George, Members of the Environmental Quality Commission, and DEQ staff,

Regarding DEQ's Climate 2023 Rulemaking, it is clear that an enormous amount of work, expertise, and care went into the proposed rules. I thank you for considering public comment to improve the rules further. I strongly urge you to amend the proposed rules in three ways in order to fulfill the aims of the Climate Protection Program (CPP). I urge you to:

1. Eliminate the option to use out-of-state biomethane or hydrogen for CPP compliance,
2. Strengthen emissions reduction requirements for new or expanded large stationary source facilities in Oregon under the CPP's Best Available Emissions Reduction program, and
3. Regulate both biomethane and hydrogen across additional health and safety metrics that are essential to achieving the CPP aims of reducing other air pollutants and improving public welfare for Oregon communities.*

I care about this because:

First, as a current resident of Tillamook County and a member of the Climate Reality Project, I am acutely aware of the dangers of climate-change fueled storm surge, flooding, and wildfire risk and fully support climate protection.

Second, having friends in Richmond and Rodeo (California), I know the long-term health harms they have suffered from regular flaring pollution from high temperature hydrogen production. It doesn't matter whether that hydrogen is produced from biogas, biomass, or landfill waste instead of fossil fuels. The flaring risk remains high for all of those pathways. The only safe hydrogen production is green electrolytic production at low temperatures.

Third, about three years ago a "natural gas" (methane) line exploded in my acquaintance's apartment building. He was hospitalized with third degree burns for almost two months, barely saved his elderly neighbor's life, and lost his dog and cat to the flames. The explosion risk of methane is the same whether the methane is "bio" or "fossil."

Fourth, it is clear that solutions like biomethane cannot be solutions at scale. The supply of waste from which to create biomethane is limited- Oregon DOE estimates that gross potential for production is only between 4.6 and 17.5% of Oregon's yearly natural gas usage. Any biomethane policy that incentivizes additional waste production would be harmful to Oregonians, add greenhouse gas emissions, and in the case of incentivizing additional cow manure, would directly affect water quantity and quality. Additionally, biomethane leaks just like fossil methane, adding extremely potent greenhouse gas with a global warming potential 86 times that of carbon dioxide over a 20 year period, and a 100 year GWP of 25 to our atmosphere from every leaking production site, pipe, or appliance.

Fifth, for homes and vehicles, direct electrification is several times more efficient than hydrogen"" this means direct electrification can serve more needs more affordably. Don't let "hydrogen creep" cut into Oregonians' wallets and energy security"" create rules to limit hydrogen to 1) uses that cannot otherwise be decarbonized such as fertilizer and steel production and 2) the amounts that can be produced electrolytically using solar or wind energy that is in excess of grid needs.

It's essential that Oregon's climate rules address the climate crisis in ways that help people in real life. Because GHG calculations on spreadsheets often leave out important metrics, the spreadsheets don't tell the whole story. Considering pollutants other than GHGs, public safety, and water and food security is necessary for real climate protection.

Thank you in advance for upholding all four of the Climate Protection Program's aims in your final rule-making. Reduce greenhouse gas emissions, accelerate the phase-out of fossil fuels, reduce other air pollutants, and improve public welfare for Oregon communities, particularly environmental justice communities.

Sincerely,

Helena Birecki

resident of Tillamook County, OR

*<https://www.oregon.gov/deq/ghgp/cpp/pages/default.aspx>

References:

<https://blogs.edf.org/energyexchange/2023/01/30/rule-1-of-deploying-hydrogen-electrify-first/>

<https://oregoncapitalchronicle.com/2023/07/25/historic-change-facing-drought-legislators-impose-water-limits-on-livestock/> (Governor Kotek signed SB85 since the article was published)

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<https://www.energy.ca.gov/sites/default/files/2021-05/CEC-500-2020-034.pdf>

Number of commenters: 1

Comment # 37

From: verounechittim2@gmail.com

Subject: 2023 Climate Rulemaking

Natural gas is toxic and deserves every restriction to limit its horrible emissions to our country and our earth!

Number of commenters: 1

Comment # 38

From: butler.tyson@gmail.com

Subject: 2023 Climate Rulemaking

Greetings,

As a parent of three who wants a livable climate in Yamhill County and Oregon, where I live, I believe the rules that the DEQ are proposing for the CPP are missing the following key elements:

- * reducing greenhouse gas emissions and other air pollutants, maximizing public health benefits, and minimizing costs for consumers in environmental justice and other communities in Oregon.
- * keeping economic and health benefits of the Community Climate Investment program in Oregon: investments should materially benefit Oregonians rather than paying for cheap offsets in other places.
- * real reduction of emissions by 50%, rather than allowing companies to invest in "renewable natural gas" (which is still composed mainly of methane, a greenhouse gas 86 times more potent than carbon dioxide), or hydrogen that is produced in ways that emit fossil fuels.
- * holding big polluters accountable to engage in science-based "best available emissions reductions" (BAER) from existing stationary sources and deterring development of new stationary sources in Oregon, with accountability including stakeholder and frontline community input.

I firmly believe that these original goals are what the CPP should focus on.

Please reflect the will on regular Oregonians on this matter, not special interests.

Sincerely,

Tyson Butler

Number of commenters: 1

Comment # 39

From: terefar@mykolab.com

Subject: 2023 Climate Rulemaking

Dear DEQ,

I live in Portland because of the city's strong commitment, at least on paper, to protecting the environment. I urge you to place the greatest possible restrictions on fossil fuel use and pollution. Isn't it obvious that we are ruining the entire ecosystem, including human civilization, through the use of fossil fuels? It is to many of us, and we need you to make rules that limit ALL use of fossil fuels now.

Thank you,

Dr. Teresa McFarland

10740 SW 11th Dr, Portland 97219

Number of commenters: 1

Comment # 40

From: spalmiter@gmail.com

Subject: 2023 Climate Rulemaking

Climate change and devastation is here. We see it around the world and in Oregon - affecting farmers, ranchers, fishing industry folks, and every day people. It is critical that Oregon do what it can to reduce carbon emissions. My faith demands that I work to protect all living things.

The Climate Protection Program is to provide benefits to local communities. Please adopt rules that maximize benefits to Oregonians. Specifically, it is vital that DEQ strengthen its current proposed rules by 1) Restricting biomethane (aka renewable natural gas (RNG) and hydrogen used for CPP compliance to that which produces direct benefits for Oregonians.

and 2) Strengthening emissions reduction requirements for new or expanded large stationary source facilities in Oregon under the CPP's Best Available Emissions Reduction (BAER) program.

Thank you.

Susan Palmiter

Portland, Oregon

--

Susan Palmiter

503-705-9144 (cell)

"Changing the world is a joyful and fulfilling process and we let that show." Sunrise Movement

Number of commenters: 1

Comment # 41

From: rosegerstner@gmail.com

Subject: 2023 Climate Rulemaking

Thanks for the opportunity to comment. We should not loosen our regulations and rules in any way. Gas utilities must figure out how to comply with our current rules. Large industries must be held accountable for their emissions. We are in (climate) crisis and businesses must step up and comply with strict emissions standards. The people of Oregon are relying upon the DEQ to do what's best for ordinary people and the environment, not businesses.

Thank you,

Rose Gerstner

5198 Sterling Creek Rd

Jacksonville OR 97530

541-899-3988

rosegerstner@gmail.com

Number of commenters: 1

Comment # 42

From: rosalyngallo@gmail.com

Subject: Climate Protection Plan

To whom it may concern:

I am a senior living in a retirement community overlooking the lovely Willamette River. I understand that Oregon's Climate Protection Plan (CPP) is under assault from big polluting companies. Please do not allow these companies to weaken the CPP. It's important to me that we work towards a cleaner environment, not simply for myself but for my family and the families of our state, now and for decades to come.

Respectfully,

Rosalyn Gallo

Number of commenters: 1

Comment # 43

From: duval5315@gmail.com

Subject: 2023 Climate Rulemaking

Please keep our climate protection strong. Thanks, Robert Duval

Number of commenters: 1

Comment # 44

From: rachel.osmundsen@gmail.com

Subject: 2023 Climate Rulemaking

Hello,

I am very excited about the Climate Protection Program (CPP), and want Oregon to take big bold action on climate change. To do this, the DEQ needs to strengthen the rules for the CPP. We have a crucial chance to affect Oregon's 30-year plan to reduce carbon emissions.

With the current draft rules, I am most concerned about fossil fuel suppliers being able to buy Community Climate Investment (CCI) credits as a way to meet the greenhouse gas emission cap. Fossil fuel suppliers need to ACTUALLY reduce their emissions by 90% by 2050, not just pay for "renewable" natural gas and hydrogen that still emit fossil fuels. Furthermore, I am concerned about companies being able to buy CCI credits out of state, and continue to burn fossil fuels in the state. Oregonians want clean air in their own communities, and want to receive renewable energy directly, not through an offset program. Out-of-state CCI projects do not create jobs in Oregon. Out-of-state investments allow fossil-fuel suppliers to continue to expand fossil fuel infrastructure in Oregon, which is counter to the values of the majority of Oregonians who want a clean energy future right here in our state.

Thank you for your work on this issue. Please keep the economic, health, and safety benefits of a clean energy transition for Oregonians front-of-mind as you move forward in the rule-making process. We need to hold fossil fuel suppliers responsible and create a real reduction of emissions in Oregon.

Thank you,

Rachel Osmundsen

Number of commenters: 1

Comment # 45

From: melcarlone@gmail.com

Subject: 2023 Climate Rulemaking

To whom it may concern,

Let's not AGAIN go backwards due to old ways of doing things! The DEQ must ensure the Climate Protection Program stays on track to achieve its climate goals and deliver public health, economic, and job benefits for Oregon communities. Specifically, it is vital that DEQ strengthen its current proposed rules by: 1. Restricting biomethane (aka renewable natural gas (RNG) and hydrogen used for CPP compliance to that which produces direct benefits for Oregonians. 2. Strengthening emissions reduction requirements for new or expanded large industrial facilities in Oregon under the CPP's Best Available Emissions Reduction (BAER) program.

Economic pressure to change these laws will mean NOTHING when OUR planet is no longer viable.

PLEASE do the right thing!

Dr. Melanie Carlone

Eugene, OR

* Special thanks to the Oregon Environmental Council (OEC) for compiling this information!

Number of commenters: 1

Comment # 46

From: marci.ditty@gmail.com

Subject: 2023 Climate Rulemaking

Oregonians have always respected our beautiful clean lands, waterways and air. Please enforce the restrictions under the BAER program so we do our best toward climate control.

Number of commenters: 1

Comment # 47

From: KGUEST@seattleu.edu

Subject: 2023 Climate Rulemaking

Dear Members of the Climate Rulemaking Group:

I am emailing as a senior citizen living in a retirement community in Portland who works actively with "green teams" in other retirement communities to try to address the climate crisis for the sake of generations to come. I believe that we all have an obligation to try to leave a livable planet for our children and grandchildren, and that will only happen by taking significant steps NOW.

I am concerned that Oregon's important Climate Protection Program could be weakened by the draft rules that the DEQ has proposed. It is imperative that Oregon do everything it can to reduce carbon emissions and provide benefits to local communities.

Please adopt rules that maximize benefits to Oregonians.

Kristin Guest

Portland Oregon

Number of commenters: 1

Comment # 48

From: runteus@gmail.com

Subject: 2023 Climate Rulemaking

As an life long Oregonian I have come to rely on our strong environmental laws here and enjoy the benefits of cleaner air quality then other states with less regulatory oversight. Recently, due to so many wildfires the air quality has been pretty bad. That is why I am so surprised to hear the DEQ is reducing these regulations for large industrial emitters. Everyone has to do their part for clean air from someone like me to huge corporations like Amazon.

I strongly support maintaining protective restrictions on biomethane accounting in the current rules where they exist, including notably, that synthetic methane derived from anthropogenic carbon sources does not comply with the CPP.

Krislyn Dillard

Number of commenters: 1

Comment # 49

From: joesilverton@msn.com

Subject: 2023 Climate Rulemaking

To those involved - each summer large parts of Oregon and the West are blanketed in smoke. This is dangerous to all living things by contaminating the air needed for respiration and greatly reduces the amount of sunshine needed for growth and life. Despite this huge amount of carbon-based pollution Oregon still allows field burning! Some days this adds to existing smoke and on other clear days it totally covers and fouls the air with these HUGE clouds of smoke choking life and blocking the sun. Please stop this ridiculous field burning. The Oregon ag industry is huge and powerful, filled with intelligent people. Apparently they need to be forced to develop ag methods that are safe for all life and not just what is best and most expedient for their profits. Please take action to end this practice. Thank you. Joe and Pam Craig, Silverton OR.

Sent from my iPhone

Number of commenters: 1

Comment # 50

From: mccuen7691@comcast.net

Subject: 2023 Climate Rulemaking

DEQ must ensure the Climate Protection Program stays on track to achieve its climate goals and deliver public health, economic, and job benefits for Oregon communities. Specifically, it is vital that DEQ strengthen its current proposed rules by:

1. Restricting biomethane (aka renewable natural gas (RNG) and hydrogen used for CPP compliance to that which produces direct benefits for Oregonians.
2. Strengthening emissions reduction requirements for new or expanded large industrial facilities in Oregon under the CPP's Best Available Emissions Reduction (BAER) program.

Without a livable planet, nothing else matters.

- Peter Kalmus, NASA Climate Scientist

Number of commenters: 1

Comment # 51

From: butlerep@gmail.com

Subject: 2023 Climate Rulemaking

Greetings,

I'm writing to comment on DEQ's proposed climate protection rules. While this is a strong set of proposals overall, which will help Oregon meet its climate goals, I would like to highlight the need for three areas of improvement:

First, RNG or biomethane, while potentially mitigating some carbon pollution, should not be considered a "renewable energy source" for export--this risks creating a perverse incentive for unsustainable methane producers such as confined livestock operations. Using this product for onsite or local energy production would be acceptable as long as it does not promote increased overall methane release.

Second, large stationary producers should be held to more stringent emissions standards when seeking permits for new or expanded facilities.

Finally, violators should be encouraged as strongly as possible to mitigate emissions and other violations either through self-initiated actions or through supplemental environmental projects; any possible incentives to turn penalties into meaningful solutions should be pursued.

Thank you,

Eric Butler

Number of commenters: 1

Comment # 52

From: winndm@comcast.net

Subject: 2023 Climate Rulemaking

I am writing today to urge the DEQ to strengthen its current proposed rules by increasing emissions reduction requirements on large industrial operations under the BAER program and to not allow out-of-state biomethane investments to count here in Oregon. Thank you very much, Donald Winn, 5252 NE Multnomah St, Portland, OR 97213.

Sent from my iPad

Number of commenters: 1

Comment # 53

From: 2016denpat@gmail.com

Subject: 2023 Climate Rulemaking

CORPORATE AMERICA BELIEVES THEY ARE EXEMPT FROM SCIENCE KNOWLEDGE, COMMON SENSE, WILL OF THE PEOPLE AND LAWS OF THE LAND. WHY? GREED IS THE DRIVING FORCE BEHIND EVERYTHING CORPORATE AMERICA DOES, ALONG WITH THE LIES THEY TELL TO PROVE THEIR INNOCENCE TO THE STUPID CITIZENS WHO BELIEVE THE BULL SHIT OF CLIMATE DENIAL, DANGER, AND DEATH AND DESTRUCTION OF LIVES AND PROPERTY.

ACCOUNTABILITY WILL NEVER HAPPEN UNTIL WE GET THE CORPORATE BOUGHT OFF MINIONS OUT OF OUR GOVERNMENT TOP TO BOTTOM, SENATE, HOUSE AND JUDICIARY. SCOTUS WILL REVERSE ALL THE CIVIL PROGRESS MADE SINCE WW II !!!

DENNIS WEST

OREGON 97498

Number of commenters: 1

Comment # 54

From: dheddy19@gmail.com

Subject: 2023 Climate Rulemaking

Hello,

As a resident of Yamhill County, in this beautiful state of Oregon, I believe the rules that the DEQ are proposing for the CPP are missing the following key elements:

- * reducing greenhouse gas emissions and other air pollutants, maximizing public health benefits, and minimizing costs for consumers in environmental justice and other communities in Oregon.
- * keeping economic and health benefits of the Community Climate Investment program in Oregon: investments should materially benefit Oregonians rather than paying for cheap offsets in other places.
- * real reduction of emissions by 50%, rather than allowing companies to invest in "renewable natural gas" (which is still composed mainly of methane, a greenhouse gas 86 times more potent than carbon dioxide), or hydrogen that is produced in ways that emit fossil fuels.
- * holding big polluters accountable to engage in science-based "best available emissions reductions" (BAER) from existing stationary sources and deterring development of new stationary sources in Oregon, with accountability including stakeholder and frontline community input.

I firmly believe that these original goals are what the CPP should focus on.

Thank you for your time, and for listening today.

Sincerely,

David Heddy

Newberg, Oregon

Number of commenters: 1

Comment # 55

From: knoxruby@bendcable.com

Subject: 2023 Climate Rulemaking

Dear DEQ,

Please help save our planet for everyone including all our future generations. Look at how the climate change has affected us already just think what it will be like in 10 years if we don't do something now. Think of your kids and grandkids do you want them to be able to enjoy all that nature has to offer?

Where we live we weren't able to enjoy almost a whole month of summer due to wildfire smoke and having to stay

indoors. That is not how I want to live. When I was growing up in Oregon we might have one or two wildfires a

summer and they were contained fairly quickly. If you want to see how many fires there are now just get the app

Watch Duty and take a look. It is really sad to see all the beautiful forest going up in smoke and all the wildlife

that is being destroyed. Then take a look around the world at all the climate disasters going on with hurricane, floods,

tornados and fires. Look at what is happening to all the areas with permafrost that are thawing due to warming

climates and all the methane that is being put into our atmosphere causing even more climate warming.

Please help our planet to survive for all to enjoy now and into the future.

Darlene Knox

Number of commenters: 1

Comment # 56

From: asknursedana@gmail.com

Subject: 2023 Climate Rulemaking

Oregonians want the CPP to focus on the original goals of:

- * reducing greenhouse gas emissions and other air pollutants, maximizing public health benefits, and minimizing costs for consumers in environmental justice and other communities in Oregon.
- * keeping economic and health benefits of the Community Climate Investment program in Oregon: investments should materially benefit Oregonians rather than paying for cheap offsets in other places.
- * real reduction of emissions by 50%, rather than allowing companies to invest in "renewable natural gas" (which is still composed mainly of methane, a greenhouse gas 86 times more potent than carbon dioxide), or hydrogen that is produced in ways that emit fossil fuels.
- * holding big polluters accountable to engage in science-based "best available emissions reductions" (BAER) from existing stationary sources and deterring development of new stationary sources in Oregon, with accountability including stakeholder and frontline community input.

Thank you for your work.

Sincerely

Dana Mozer

Family Nurse Practitioner

Portland, Oregon

Number of commenters: 1

Comment # 57

From: corypinckard@grsdelivery.com

Subject: I am concerned that DEQ's draft rules will weaken Oregon's Climate Protection Program.

Dear Oregon Department of Environmental Quality,

Oregon owes a lot of its strengths to rail infrastructure, much of which unfortunately no longer even exists (including the Oregon Electric and Red Electric Interurban Passenger Railways, an elaborate and extensive streetcar grid they interfaced with as well as an integrated bunch of trolley lines.) The turncoat auto industry lobbied to have our taxpayer dollars funded passenger interurban and municipal routes torn out and paved over or else neglected into failure after privatization in acts of premeditated sabotage and treachery; this is before they further betrayed the nation by moving manufacturing out of country decimating the American workforce to only be rewarded for this sedition by being subsidized by our taxes along with being bailed out multiple times only for the executives to pocket the money we were taxed for their personal profits of plunder and pilfering pillage. The further we move away from the logical layout provided by streetcar grids and electric commuter interurban railroads the uglier and less livable the city and its suburbs become. An intelligent coastal city would take advantage of this limited time of people crowding in to install city assets that will benefit us for generations such as a rail route beneath the Willamette meaning the Steel Bridge won't break the light rail circuit interrupting all MAX lines every time it lifts, and railway going between Vancouver and Portland when the new bridge is finally finished. I-5 should be buried on the inner east side stretch to make the area tolerable and reclaim space for the Black community to rebuild their community they had stolen from them. The WES should expand to extend down to Salem reuniting the Portland metropolitan area with our capital. It makes perfect sense to build the full Southwest Corridor (Purple) Line with railway stations on Marquam Hill and at Portland Community College Sylvania Campus, for example, and zero sense not to.

Electric cars also destroy the environment through resource mining, manufacturing processes and ultimately going to the landfill in mass droves. The pollution they cause is simply unnecessary as is the amount of urban space squandered on parking and other paved over autocentric wastes. MORE VEHICLES ON THE ROAD MEANS MORE AVOIDABLE DEATHS WILL CONTINUE TO CONSTANTLY OCCUR! They also perpetuate redlining, urban sprawl, the food deserts that come from that invariably, along with cities that are not navigable as a pedestrian or bicyclist and are, in fact, inhospitable to humanity along with being lethally horrendous towards animals. They add to traffic congestion. Commodification of societal needs and normalization of trying to substitute rampant consumerism where we need standardized, regulated and uniform public utilities doesn't work.

Putting the financial burden of transportation inefficiently and directly on the individual citizen is simply not wise or fair and hasn't been the norm for even 80 years. We need to invest in commuter rail that's properly implemented as it typically is overseas. A commuter rail system is an engineering marvel while buses are just buses. The most reliable predictor of a neighborhood being impoverished is if it has no commuter rail connection. The American people are apathetic through decades of disenfranchisement and a lot of that marginalization (eg Robert Moses's racist urban renewal) is through divestment of public infrastructure, utilities and programs to help the American people. We can't undo the social

inequities inflicted upon and retained by redlining until we transcend the highway robbery carcentric built habitat that physically structurally reinforces them. We're past the point of car dominated transportation being anything better than a tragic hindrance or an outright travesty. Public works materially improving life for the taxpaying citizenry will bolster civic pride.

Transcontinental High Speed Rail should integrate seamlessly with commuter rail networks so it can evenly function as one cohesive system and this will convert flyover country (CONUS flights should be virtually eliminated) back into a thriving heartland by functioning as an artery of commute and commerce which will reduce clustering on the coasts. Similarly, wholly integrated circuits of commuter rail blended with interurban routes, light rail lines, street car grids, subways, and even trolleys along with electric ferries functioning together as a comprehensive, coherent series of interwoven systems would prevent people from having to live on top of each other in city centers in order to have quick access to urban cores and downtown areas so this would stimulate our local economies and prevent gentrification from demolishing cherished heirlooms of our historicity, destroying our classic neighborhoods, shredding the fabric of our communities and toppling our civic landmarks and architectural heirlooms along with other social capital such as venerable culture generating venues. We lost so many marvelous structures for nothing more than mere surface lots as our city was hollowed out on the heels of white flight to the lily white, poorly planned suburbs. Whole swaths of communities were obliterated in a racist/classist attack on the people of Portland and we lost entire neighborhoods along with cultural centers such as the Jazz District, our Italian and Jewish neighborhoods as well as other minorities who weren't even assisted with any sort of fair, decent assistance to relocate. The absolute annihilation of our city still adversely hinders us collectively to this hamstrung day, and the groups targeted, intensely even if so many folks don't know enough to connect the dots of cause and effect.

Numerous studies show that built environments of homogenously bleak and bland duplitecture dreck that profiteering developers push on us for their privatized gains to our public loss for the riches of themselves and corporate slumlords not only cause homelessness from being financially inaccessible to most Americans, but also cause depression from creating such a devastatingly sterile, cold, unloving urban habitat that's too congested and overcrowded to work properly as a correctly engineered built environment. Our roadways are overcrowded and no amount of widening them and adding lanes will do anything to help it because it just leads to induced demand that inevitably grinds to a halt at snags and bottlenecks down the road. Shouldn't American cities be thriving centers of culture and character rather than austere and chintzy morasses of mediocrity?

I believe that we can design the cities of our nation to reflect a future that embraces humanity and that we also must for America to have any sort of a bright future ahead of it. Right now we are mired in the destruction of our cities from the inward attacking neocolonial oppressors who weaponize their clout of wealth against the nation for their own off-shore un-American gains of privileged, parasitic, private profits. This greed fueled anti-social exploitation is present day feudalism driving us into another gilded age. Tons of new petrochemical building "luxury living" housing units remain empty serving only as financial assets in investment portfolios of hedge fund, "private equity" and permanent capital firm cretins sheltering dubiously acquired wealth instead of as direly needed shelter for humans. We deserve a landscape we can be proud of and country should come first before corporate looting and exploitation. Legacies are important and live on forever.

With space opened up in our cities we could rebuild beloved structures now gone missing from economic and environmental disaster utilizing new technologies such as hempcrete and 3-D printing. We could create vertical agriculture, green pocket areas, etc. on spots currently now just serving as paved over squares and nothing more. 20% of Portland is parking lots and paved over area not even suitable for that inefficient usage. We can extend democracy into offering the taxpayer residents democratic say in what their city consists of, how it looks and how it operates promoting civic engagement and participation.

Regards,

Cory Pinckard

10830 SW Canterbury Ln

Tigard, OR 97224

Number of commenters: 1

Comment # 58

From: bbauer1942@yahoo.com

Subject: 2023 Climate Rulemaking

Dear Commissioners,

We need to increase our climate ambition, and we can't miss any opportunities to strengthen Oregon's climate programs. The Climate Protection Program (CPP) makes our state only the third in the nation to place an enforceable, declining cap on emissions from transportation and natural gas fuel usage. This program is critical for holding polluters accountable, and we can't accept any weakening of the CPP.

I want my grandchildren to be able to have a quality life!

I am concerned that the Department of Environmental Quality (DEQ)'s draft rules will weaken Oregon's Climate Protection Program. The final rules for DEQ's Climate 2023 rulemaking must:

ENSURE CLIMATE, ECONOMIC, AND PUBLIC HEALTH BENEFITS FOR OREGONIANS. DEQ's draft rules will determine how biomethane and hydrogen are used for compliance with the CPP. For the CPP to deliver, we can't allow natural gas companies to rely on out-of-state biomethane projects for compliance instead of cutting pollution right here, in our home state. Hydrogen is a leak-prone gas, and the risks of hydrogen leakage must be incorporated into our decision-making.

REQUIRE INDUSTRIAL SOURCES OF EMISSIONS TO CUT CLIMATE POLLUTION IN LINE WITH THE CPP'S DECLINING CAP. All large industrial emitters must be held accountable for their greenhouse gas emissions. Best Available Emissions Reduction (BAER) assessments must be transparent, with members of the public given a meaningful opportunity to provide review and input. And most importantly, these BAER assessments must be translated into concrete requirements to reduce emissions in line with science-based goals.

It's unacceptable that emissions from these sources could continue to increase under the CPP, placing Oregon's climate future at risk. DEQ must ensure industrial polluters face binding requirements to cut emissions in line with the CPP's declining cap.

This rulemaking will have important consequences for Oregon's ability to cut climate pollution and hold polluters accountable. It's essential that this rulemaking delivers a stronger CPP that prioritizes benefits for Oregon's families and communities.

Thank you for your consideration,

Sincerely,

bruce bauer

PO Box 1604

Medford, OR 97501

Number of commenters: 1

Comment # 59

From: bsuprena@gmail.com

Subject: 2023 Climate Rulemaking

To whom it may concern,

As a citizen of Oregon I am writing to you about my concern for the new CPP rules being proposed by the DEQ as it is missing key climate justice elements. The CPP must continue to focus on the original goals of reducing greenhouse gas emissions, maximizing public health benefits, and minimizing costs for consumers. Investments should materially benefit Oregonians. We must reduce our emissions and not "offset" them which really isn't a thing to begin with. You also need to hold the big polluters accountable and continue to reduce our carbon footprint.

Thank you

Number of commenters: 1

Comment # 60

From: emerald.nightfire@gmail.com

Subject: 2023 Climate Rulemaking

We live in a world where every resource counts. When are lawmakers and legislation does not uphold basic policy to keep the environment that we have to live in safe, it makes everything just that much more complicated. Many more people are suffering needlessly. It is already happening everywhere around the globe. Sickness and disease are spreading far more rapidly than they ever have in any time. The ocean cannot oxidize, and we're losing more and more plants and animals that contribute to the ecosystem year after year. This willb not happen in 20, 50, or 100 years from now, but it is happening right now. We have one planet. if mars and Venus are not an example of what can happen when greenhouse gases are allowed to go wild, and unchecked within the atmosphere of a planet doesn't scare you, it should. There's not a speck of life on Mars or Venus, and earth is just that size, yes, it's in the Goldilocks zone, but we still are at risk for this very thing happening on this planet. Natural gas is something that we should've done away with years ago. It's too toxic. It serves no purpose, and this all comes down to money. Yes, I said it it all comes down to money. so you can ask yourself which one do you wanna keep on doing, breathing and living, or making money. I'm not gonna go into all the various reasons why natural gas should be eliminated from society, you know that. I am not going to go into why we should have a neutral carbon footprint, or zero emissions. You already know that. It is high time that the carbon footprint of the United States be one that of a carbon neutral country. It is not that difficult to make this happen. Instead of throwing things into the Landfield, recycle them. Mini , Oregonians are doing just that. Now is the time for you to uphold your end of the deal. We have to live in a carbon, neutral world. None of us Oregonians can do anything about anything outside of the United States, but we definitely can affect Oregon. Do what's right, and step on the side of life and living. That's our reality, every single American only wants to live their best life. And all of you people who gained political and economical power, you have a responsibility to provide the means for that best life. Help organ to become carbon neutral no later than 2030. We can do it . We can start rolling away our dependency on natural gas, oil,, and other non-renewable resources. Please, make the right decision today. Uphold the values, traditions, and more importantly, the spirit of freedom within every American, who bled foughtand died so that we all could live free. Living free does not mean that you have the right to kill us slowly. Living free does not mean you have the right to allow sickness and disease to spread. Moreover, living free does not mean that you have the right to force Oregonians to line your pockets. If you are offended by this, too bad , I don't really care. When you allow a carbon footprint to stay as high as it is, and we keep on relying upon coal natural gas, oil, and all of these other non-renewable resources, you put us on a path of economic failure, sickness and disease, spreading, and inadequate infrastructure to handle societal collapse. Eac each and every one can strive to become better. These changes need to be made now. So, now is the time to stand up and do what's right.

Best regards,

Aprelle Banks

If you can dream it,đŸ’s you can believe it,đŸ’™ and if you can believe it,đŸ’œ you can achieve itđŸ’Ĉ^

Number of commenters: 1

Comment # 61

From: mccuen7691@comcast.net

Subject: 2023 Climate Rulemaking

Climate is one of the most important issues on the agenda. Please delay the effects of climate change as long as possible by reinforcing and applying the rules. Thank you.

Sent from my iPad

Number of commenters: 1

Comment # 62

From: ann.sue@icloud.com

Subject: 2023 Climate Rulemaking

Please, Keep climate protections on track with the new rules. Boost the rules. Thank you Our lives are at stake!

Sincerely

Ann Watters RPE

1940 Breyman NE

Salem, Oregon

97301-4352

1-503-581-6512 home

1- 971-345-7961 mobile

"Faith is the bird that sings when the dawn is still dark."

"" Rabindranath Tagore ""

Number of commenters: 1

Comment # 63

From: ajwduncan@gmail.com

Subject: 2023 Climate Rulemaking

Hi,

I'm a long-time Oregon resident and a member of Climate Reality PDX. I am writing to encourage stronger support of the Climate Protection Program (CPP) by modifying the current proposed climate rules to restrict biomethane used for CPP compliance to that which provides direct benefits for Oregonians and to strengthen emissions reduction requirements for new or expanded large stationary source facilities in Oregon under the CPP's Best Available Emissions Reduction program. The CPP already provides gas utilities with significant flexibility and cost constraints to comply, and increasing emissions from industrial sites threaten Oregon's ability to meet its climate goals. These modifications in the proposed rules will help keep the state's emission reductions on track and maximize public health and economic benefits for Oregonians.

Thank you.

Amanda Duncan, PhD

Beaverton, Oregon

Number of commenters: 1

Comment # 64

From: 1949har@everyactioncustom.com

Subject: 2023 Climate Rulemaking

Dear Oregon Department of Environmental Quality,

You all worked hard to develop a strong CPP, yet there is pushback from businesses and organizations with less of a commitment to protecting our environment from global warming. Please hold firm on the rules as developed. We're all depending on you to protect the interests of the full community, not just those of a limited few.

Sincerely,

Harriet Shaklee

1816 N Watts St Portland, OR 97217-6616

1949har@gmail.com

Number of commenters: 1

Comment # 65

From: ebenedictbarta@gmail.com

Subject: Climate Protection Plan comment

Dear DEQ professionals,

I graduated from the UO ENV Studies program years ago and am now a mental health professional in Eugene.

It makes perfect sense that environmental degradation affects our physical and emotional lives tremendously... afterall we are not seperate from nature or each other (the world over). A strong majority of Oregonians polled are worried about climate change! By 'change' we all know that actually means 'destabilization.'

Please cut through confusion and use your voices of leadership to advocate for environmental *caution* by turning down the volume of outsized voices in industry! Most Oregonians don't have the capacity to track these important details but we know they're important and find out eventually whether our leadership has had our back.

I appreciate all the research and careful recommendations of Eugene's 350 group. Thanks also for what YOU do, including all that may go unrecognized to protect us.

Erica Walla

3301 Donald St Eugene, OR

Number of commenters: 1

Comment # 66

From: tomduinn@hotmail.com

Subject: 2023 Rule Making

I'm upset that the rule making committee has a very large majority of industry members and only two public interest members. Don't be swayed by huge amounts money the "natural" (really fossil fuel) gas industry is spending not to go green with renewables like solar, wind, and biofuels.

Sent from my iPhone

Number of commenters: 1

Comment # 67

From: brad@buildingresilience.org

Subject: Regarding proposed 2023 climate rules. Supporting stronger standards in key areas.

Department of Environmental Quality,

The Climate Protection Program is a historic policy achievement with a lot of potential upsides, as long as it continues to be rigorously updated and the integrity of its goals is maintained.

I'm submitting the following comments on behalf of Building Resilience - a statewide coalition of climate justice and public health, business and labor, faith and frontline communities, environmental, family, and youth organizations. Our mission is to promote access for all Oregonians to healthy, affordable, resilient homes and buildings that run on clean electricity.

One of the innovations of this program, which the Environmental Quality Commission adopted with overwhelming public support, was its focus not only on reducing greenhouse gas pollution, but to the benefit of the health and well-being of Oregonians who are harmed by fossil fuels. The program's mission is to reduce climate pollution and to deliver public health improvements and benefits to our local economy, with particular focus on environmental justice communities.

We're concerned that the new rules under discussion by DEQ now are too loose and may undermine the mission of delivering these multiple benefits to Oregonians- like cleaner air, good-paying jobs, and community improvement.

Specifically, DEQ is considering allowing regulated methane gas utilities to rely on out-of-state biomethane projects, thousands of miles from here, rather than local projects or Community Climate Investments to benefit the people of Oregon.

We recommend restricting biomethane and hydrogen investments to reduce fossil gas pollution to those that directly benefit Oregonians, by limiting the eligible use of "book and claim" accounting to only biomethane or hydrogen that is injected into a pipeline within Oregon. Additionally, we would like to see stronger guardrails in the new rules to ensure only "green" electrolytic hydrogen, made using renewable energy, is used for program compliance and more polluting sources of hydrogen are disallowed.

Doing so will help ensure Oregon achieves climate pollution reduction and will also maximize the associated job creation, cost savings, public health improvement, and economic development benefits locally.

One bright spot of the rules is the exclusion of synthetic methane as a way to comply with the program. We encourage DEQ to hold the line on that treatment.

Thank you for all you do for Oregon.

Brad Reed (he/him)

Campaign Director

Building Resilience

Number of commenters: 1

Comment # 68

From: murphyj@uoregon.edu

Subject: climate protection plan

it's the most important thing in the world right now. Do the right thing, please!

I'm 80 years old am horrified by what we've done, and CONTINUE DOING, to our

planet! Jean Murphy, Eugene

Number of commenters: 1

Comment # 69

From: bbauer1942@yahoo.com

Subject: effects of climate change

The effects of climate change is happening every day. We must make major changes to our laws governing our environment. Please consider what is at state. Thank You

BruceBauer

Number of commenters: 1

Comment # 70

From: nadiaegardner@gmail.com

Subject: Public Comment: Oregon's Climate Protection Program

As a rural, north coast Oregon resident, I am very concerned about climate change's impacts on Oregonians, and I urge DEQ to make rules as rigorous as possible to assure much lower carbon emissions over time in alignment with best available science.

Please:

- Do not weaken the Best Available Emissions Reduction rules and instead adopt rules that put all polluting industries on a downward trajectory of emissions;
- Do not allow gas utilities to import unlimited Renewable Natural Gas from out of state to offset emissions;
- Do not allow gas utilities to use hydrogen unless the hydrogen is produced with electricity generated by renewable fuels; and
- Adopt rules consistent with the CPP as approved by the Environmental Quality Commission.

Thank you for helping to ensure that our children and grandchildren do not have a worse climate crisis situation. It is our fault that we are in the position we are today. We have a responsibility to do better.

Nadia Gardner

80285 Woodland Hts Rd

Arch Cape, OR 97102

Number of commenters: 1

Comment # 71

From: barbaralee11@gmail.com

Subject: Carbon emissions rules

I object to adoption of rules that are less rigorous than possible and that weaken Oregon's contribution to reversing the CLIMATE CRISIS.

Barbara Coombs Lee

Sent from iPhone. Please excuse tiny keyboard goof ups.

Number of commenters: 1

Comment # 72

From: moffisquita@gmail.com

Subject: Climate rulemaking

Please stop increasing our costs with these futile efforts to stop what is cyclical natural climate change.
Take a lesson from the Earth... Adapt!

Sent from my T-Mobile 5G Device

Number of commenters: 1

Comment # 73

From: mojotyl@gmail.com

Subject: Public comment

DEQ should not impose geographic limits for renewable natural gas projects. This seems short sighted. Replacing gas with electricity which also uses fossil fuels to produce is not efficient nor solve tge problem.

Mary Jo Tyler

Oregon citizen

Number of commenters: 1

Comment # 74

From: aliceduff3@gmail.com

Subject: Comments on Climate Protection Program

What is your response to this concern?

Compared to other climate programs, DEQ's price per ton of CO2 is the most expensive in North America. And costs will increase over time as requirements to reduce emissions become more stringent. DEQ should leverage the lowest-cost and most available resources for Oregonians and not include geographic limits for renewable natural gas projects.

And this:

For the past several years, NW Natural has presented feedback and serious concerns to DEQ; those concerns about quantifiably reducing emissions have not yet been addressed. Every dollar spent needs to be invested in effective solutions to lower emissions with transparency and accountability.

It seems to me the State of Oregon is ramming through their own agenda (wanting to be 'a leader'), without caring about the average person who needs to heat their house affordably and effectively. You include trendy phrases such as environmental justice. You say that your "co-benefits and equity assessment found that overall, the Climate Protection Program could result in positive co-benefits and equity benefits. The design and implementation of the Community Climate Investment funds was a key driver of these results." What happens if the Community Climate Investment program doesn't happen? And you even hedge by saying that the Program could result in positive benefits, so it's not even certain. That seems to be gambling with taxpayer money.

Regarding your estimates for implementation costs to the State, you make it sound as if one or two employees may have to spend a few hours on dealing with this program, which is undoubtedly an understatement. Your dept has already spent untold manhours designing, developing and presenting this plan, and you will require staff to implement and maintain this program -- all funded by taxpayers.

You say you "evaluated whether the proposed rule would have an effect on the development cost of a 6,000 SF parcel and construction of a 1,200 SF detached, single-family dwelling on that parcel. DEQ determined the proposed rule amendments will have no impact on the supply of housing or land for residential development. The proposed rule amendments will not impact the cost of labor or administration related to such development." That addresses new construction only. What about the vast majority of housing that already exists, which will be impacted by your new rules? You would prefer that those houses convert to something other than natural gas heating, but many people cannot afford to do that.

You also say that "DEQ recognizes that any proposed rule amendment that might increase compliance costs for individual fuel suppliers regulated by these programs could be passed on to customers. DEQ recognizes that some individual fuel suppliers may experience changes in the number of compliance instruments received from DEQ and this may increase costs for customers of individual fuel suppliers. This would be of additional concern for environmental justice communities that have fewer options to

transition to other fuel sources and who spend a larger portion of their household budgets on energy and fuels." We all know that any and all compliance costs to for-profit companies will always be passed on to consumers, yet you gloss over that.

And yes, I realize that my comments to you will be ignored.

Alice Duff

Portland

Number of commenters: 1

Comment # 75

From: grnbean2017@outlook.com

Subject: CCP

As a born and raised Oregonian, I want to strongly object to the Oregon DEQ's proposed illegal program to remove our gas powered cars and small engines, diesel engines, natural gas stoves, etc.

This "climate change" hoax is just that and you know it! All your alternative fuels will not meet the needs of Oregonians, leaving us vulnerable to cold, heat and costing us untold amounts of money to survive.

As long as China and India keeps pumping out their emissions it won't matter what we do. Our food supplies (plants) need CO2 to grow, you cut that out = no food! Studies (real scientific studies, not your made-up ones) have shown this program will make no difference even if we go to zero emissions .

Having a committee of climate activists from around the state will only present one side of this issue, which is a Left-wing Democrat project. What will be the cost to Oregon residents to be forced switch to your "alternative" sources? Who is going to pay for me to switch my gas stove, my gas clothes dryer, my only heat source - gas fireplace insert? How about my cars, lawnmower, motorcycles?? What accommodations will be made for disposal of all these items? Will it be like the dead windmills, burying them in landfills? That's really good for the environment!

Again, I totally object to your total emissions ban plan and hope you will look long and hard at this proposed plan and be honest with Oregonians about the total cost and detriment to our people and state!!

Sincerely,

Terry Harris

Myrtle Point, Oregon

Number of commenters: 1

Comment # 76

From: constituent@civiclick.com

Subject: Rulemaking Comment: We can't afford this!

Dear Nicole Singh,

We can't afford our utilities now as we are retired and on a fixed income. With 17% increases in groceries, 27% increases in electric rates and 50+% increases in gasoline the past 2 years senior citizens are being asked to sacrifice our medicines and eat less just to keep from losing our homes.

Stop hurting the citizens of Oregon with these needless mandates that accomplish virtually nothing but cost us enormously in our ability to have even a modest life.

As an Oregonian, I'm very concerned about the costs and effectiveness of the Climate Protection Program. I urge DEQ not to further increase costs by imposing geographic limitations on renewable natural gas (RNG) because more opportunities for development will increase supply and drive costs down.

- Arbitrary geographic boundaries simply don't make sense and will increase costs for all Oregonians.
- Arbitrary geographic boundaries for RNG would be akin to excluding wind and solar resources from outside of Oregon, preventing us from meeting our clean electricity goals.
- Arbitrary geographic boundaries do not cut more carbon, and in fact, will limit carbon reduction opportunities.

Please confirm that DEQ will not include geographic limits for decarbonized fuels like renewable natural gas and will allow the use of book and claim accounting methodology under the Greenhouse Gas Reporting Rule.

Please keep costs down and focus this program on quantifiable solutions to address climate change.

Sincerely,

Randall Brewer

2577 NE 55th Pl

Lincoln City, OR 97367

rbrewer26@charter.net

Number of commenters: 1

Comment # 77

From: gene.benke@gmail.com

Subject: DEQ rule makings

Sent from my iPhone. Hello long time OREGON resident do not take away my Natural Gas use rights or increase taxes on the use ! Period ! Increase Taxes on people that use Green and charge enormous fees on the ones that use Green, like those that want Electric Vehicles and the like in their homes. What you might ask why ? BECAUSE THERE IS SCIENTISTS THAT REBUKE A CRISIS WITH CARBON ! I am sure you can use COMMON SENCE and SCIENCE ago prove CARBON will not change or KILL THE PLANET. Thanks for your consideration and please do the right and affordable decision for all the PEOPLE Gene Benke Linn County OREGON

Number of commenters: 1

Comment # 78

From: jamesg4170@frontier.com

Subject: Greetings, my wife and I are retired. We can't just snap our fingers and and conjure up more money to fund unproven pipe dreams. When DEQ goes after our natural gas supply DEQ is hurting us. We heat our home, heat our water and cook our food with natur...

Number of commenters: 1

Comment # 79

From: constituent@civiclick.com

Subject: Climate program: increasing rates more??

Dear Nicole Singh,

Northwest Natural Gas has done the work and supplied you with a plan PROVEN to accomplish lowered emissions.

You are ignoring that? - and marching on to raise rates yet again?

We lower income citizens have had and still have NO protection against your department raising rates to what is already a significant burden on our finances.

We live very frugally (and spend responsibly) on a meager income obtained through honest hard labor!!

We plead with you to rethink, further research ideas and not just pull more money from our far too stretched budget as an easy answer.

Sincerely,

Nick Kravchenko

6655 sw. Florence lane

Portland, OR 97223

Jusrelaxin2@gmail.com

Number of commenters: 1

Comment # 80

From: keepmekurrent@gmail.com

Subject: Take action to ensure CCP is adopted to ensure effective solutions

It essential that the Climate Protection Program , CPP, be adopted so that it meets the standards of EO 20-04 be met. Any effort to delete the intent of 20-04 should be stopped. Please do not allow hydrogen to be produced unless it is produced with fuels developed from renewable fuels. Please do not continue to deploy any use of more fossil fuels.

Number of commenters: 1

Comment # 81

From: cordellbank@comcast.net

Subject: Climate Protection Program:Please don't Weaken Rules

To Whom It May Concern:

Please make the CPP as strong as possible. Anyone paying attention realizes how precarious our environment is, even if we do have the occasional period when things seems somewhat normal.

I have lived on my small woodlot for 20 years and have seen the decline in forest health on my property and our public and private forestlands. If we do not turn this decline around we're in for a very hard ride.

We should be vigorously pursuing all opportunities to slow the rate of global warming. As the Department of Environmental Quality, please don't assist those who are currently profiting from our energy crisis by weakening the Climate Protection Plan. If this happens, your department will have to be renamed the DNEQ...the Department of Non Environmental Quality.

Sincerely, A distressed citizen,

Gail Cordell

Oregon City OR

Number of commenters: 1

Comment # 82

From: createyourjoy@outlook.com

Thank you for requesting that members of the public comment on the proposed rules for the Climate Protection Plan before you finalize them. The public has a huge stake in protecting the climate as so many of us feel the greatest effects when it is not protected. I am one of those people, and I have children, so am even more concerned about their future. Oregon should pull out all the stops to make their Climate Protection Program the best in the country. I want to be proud that I live here.

I am very concerned that you seem to have so many members on the Rulemaking Advisory Committee that represent financial interests tied to the regulated industries that the rule-making affects. It seems like too much of a conflict, so I hope you will listen to the public comments more than to the opinions of conflicted commenters and advisors. I am a resident who is very concerned about the lack of enough action on climate to stop the worst, and compounding effects of rapid climate change.

One thing I have heard is that you are allowing credits, similar to RECs in CA, for investments by a company like Northwest Natural Gas in biomethane projects outside of Oregon. That is really a mistake, as then this company does not have to do as much to switch out of natural gas to something less damaging to the atmosphere, like geothermal. Plus, with this way of giving credit, the benefits go out of state. We need to move fast towards stopping the use of natural gas here because methane that is released throughout its life cycle, from coming out of the ground through fracking, to its final use, is 80 times more powerful, (traps 80 times more heat than carbon dioxide), as a GHG in the first 20 years it is in the atmosphere. We have so little time to stop the tipping points; it may already be too late.

And I have heard you are making rules regarding the use of hydrogen, promoting its use as possibly a more sustainable source of energy. I do not believe it is much more than a distraction right now, but there may be some hydrogen that is created in a way that is green enough that it might be worth looking at. But your regulations must be very precise on what the definition of "green" is.

Gas companies all over the country are involved in strategies - worked out by a common lobbying group - to water down climate action regarding their current product. Please let the public, who overwhelmingly want the Climate Protection Program and want it to be very strong, see that you have not allowed it to be weakened by conflicted financial interests.

Thank you for reading this and giving me a chance to say what I am thinking about the Climate Protection Plan rule-making process.

J.A. Hutchins

P O BOX 7715

Eugene, OR

Number of commenters: 1

Comment # 83

From: shawn@peak.org

Subject: Climate Program - Public Comment

I'll keep this simple. Please don't let your reach exceed my grasp. Meaning, that good intentions are not enough, you must pursue good policy. Good policy in this case means a reasonable and affordable roll-out that doesn't bring with it a lot of unintended negative consequences.

A good example of bad policy masquerading as a good intention, is that fool Biden's mandate to replace 50% of all carbon fuel vehicles with EV technology by 2030. That's not even theoretically possible, it's not even a semi-reasonable target. It's pure politics.

The world is not about to burst into flames if we aren't 100% zero emissions in 10 years. Take your time, don't give in to naïve and uninformed hysteria.

Thank you.

Shawn Graham - Corvallis, OR.

Sent from Mail for Windows

Number of commenters: 1

Comment # 84

From: meissun@hotmail.com

Subject: Testimony on Climate 2023 rulings

I was disappointed to see the unbalanced roster of folks on the Climate 2023 Rulemaking Committee, heavily stacked with industry and few environmental representatives. Given the make-up of the group it is not surprising that the rulings continue to rely on industry guestimate self-reporting through an industry-stacked methodology. The environmental coalition I work with in Portland OR, primarily on the CEI HUB, is very disturbed that DEQ is still utilizing old AP-42 standards written by the oil industry with self-reporting based on the BAER survey. This methodology has been shown to vastly underestimate the amount of emissions by up to 59% and for the Climate Protection Plan to realistically address emission reductions is fully insufficient. Other states utilize preferred newer standards, including EPA methods 204 and 325 to replace company guestimates with actual air quality monitoring DATA, emissions inventories, and health assessments. Oregon should move away from the antiquated BAER system and problematic modeling the rulings are based on.

We are also concerned that DEQ's current proposed Climate 2023 rules would effectively undermine the CPP- a program that is absolutely essential to achieving our state's climate pollution reduction goals, and which was adopted with overwhelming public support following an extensive 18 month rulemaking and stakeholder engagement process. DEQ's current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane investments, and would enable the expansion of new large industrial emitters with the potential to emit unfettered climate pollution in Oregon. By undermining the integrity of the CPP, the current proposed rule amendments will severely compromise the program's intended public health, economic, and employment goals, and thereby hinder benefits for Oregon consumers, workers, local economies, and environmental justice communities across the state.

We strongly urge DEQ to amend the proposed rules by:

- 1) Restricting biomethane and hydrogen used for CPP compliance to that which produces direct benefits for Oregonians, by limiting the eligible use of "book and claim" accounting to only biomethane or hydrogen that is injected into a pipeline within Oregon. The CPP already provides significant flexibility/cost constraints for gas utilities to comply. Allowing further flexibility-e.g. use of RTCs-will hinder the transition to non-emitting alternatives and fail to reduce climate/air pollution or deliver health/consumer benefits for environmental justice communities in Oregon.

These projects deliver no direct benefits to Oregonians, while CCI will provide economic, health and comfort benefits to the communities most in need as well as significant emissions reductions.

Further, allowing covered fuel suppliers to rely on out-of-state biomethane presents the alarming likelihood that investments will be diverted from the Community Climate Investment (CCI) program.

The CCI program was developed and informed by many months of engagement with environmental justice communities in Oregon, with the goal of supporting investments that maximize public health,

jobs, and cost-saving benefits for these and other communities historically disenfranchised and disproportionately impacted by economic disinvestment, health challenges, and environmental harms.

2) Strengthening emissions reduction requirements for new or expanded large stationary source facilities in Oregon. Unfortunately, since the adoption of the final CPP rules in 2021, increasing emissions from Oregon's industrial sector has become a reality when we should be holding polluters responsible for decreasing emissions.

3) Maintaining protective restrictions on methane and biomethane accounting in the current rules where they exist, including notably, that synthetic methane derived from anthropogenic carbon sources does not comply with the CPP. Similarly, why exempt airplane fuels and biogenic fuels from certain emission reductions and reporting standards?

4) Including export and transport facilities in emission reduction and reporting standards. Export facilities should have to list their final destinations. While they may utilize devices to reduce emissions during pumping phases, the open venting of railroad cars to reduce sparking must also be taken under consideration as should potential leakage during storage, transportation, and transfers. Any substantive change of site use should require a new ACDP or Title V permitting instead of being allowed to operate under old permits. Export facilities add to overall global emissions which affect us all in terms of climate chaos.

5) Not eliminating the phrase "additional documentation must be available for verification upon request" from a number of the sections. Instead, under 340-15, 042 biofuels and other so-called renewable fuels should not only be reporting on feedstocks and production methodologies, but also on the fuels used for hydrogenation, esterification or other processing to adequately access the true Carbon intensity numbers. Reporting should also include the land change values necessary to determine what other crops the land could have produced for human consumption as well as associated transportation and fertilizer emissions, and the like for a full picture. Carbon intensity modeling is problematic in numerous ways which is why actual monitoring data and health assessments are preferable.

-š-š-š-š-šThank-you for your time and consideration. It is imperative for all of our health and safety, given the short timeframe global scientists say we have to reduce emissions in half by 2025, that these rulings be as strong as possible in line with the goals of the state Climate Protection Plan instead of fostering business-as-usual or false solutions.

Diana Meisenhelter, XR Action Team

inner NE Portland resident

Cell: 503-349-1460

Number of commenters: 1

Comment # 85

From: cmtalbert@gmail.com

Subject: Rules to limit fossil fuel emissions - PLEASE MAKE THEM!

Hello,

I saw the rules that DEQ is making to limit fossil fuel usage and to encourage actual renewable energy (which does NOT include natural gas). Please proceed with all haste. We need to stop using fossil fuels everywhere in order to have a livable planet for our children.

You should also know that I only found out about this because NW Natural (we have a natural gas stove that we have not yet been able to replace) sent us a piece of greenwashing inviting us to urge you to weaken the rules. DO NOT WEAKEN the rules. Make them stronger. We cannot afford to continue to allow companies like NW Natural to keep doing what they've been doing for the past decades. That's how we got in this mess.

I'll stand with you if you take strong action on climate change.

Thank you,

Clint Talbert

West Linn, OR.

Number of commenters: 1

Comment # 86

From: patrick@patricksheehan.com

Subject: comment

October 9, 2023

Oregon Department of Environmental Quality

Attn: Elizabeth Elbel and Nicole Singh

700 NE Multnomah St., Room 600

Portland, OR 97232-4100

RE: 2023 Climate Rulemaking Comments from Concerned Workers and Business Leaders

I appreciate the opportunity to provide public comments on DEQ's proposed changes to the Greenhouse Gas Reporting Program (Division 215) and the Climate Protection Program (Division 271).

I am concerned about cost impacts to our state's workforce and families. I urge DEQ to help keep costs down by using the most effective and efficient ways to reduce emissions.

"ç I support decarbonized fuels - like renewable natural gas - as tools for reducing emissions, including from sources outside of Oregon.

"ç Decarbonized fuels provide tangible greenhouse gas savings by displacing the use of more carbon intensive fuels, regardless of the end use location or a pipeline connection to Oregon. Reducing emissions anywhere, within Oregon or otherwise, creates a climate benefit everywhere, including for Oregonians.

"ç Imposing arbitrary geographic limits on where environmental attributes can be procured harms rather than helps Oregonians. This would be akin to excluding wind and solar resources from outside of Oregon - which would prevent us from meeting our clean electricity goals.

"ç Limitations will increase compliance costs under the Climate Protection Program. As a business operating in Oregon, we are concerned with efficiency and cost. It is important that real carbon reductions are achieved by the Climate Protection Program in the most cost-effective manner.

"Ç Proven and auditable carbon accounting methods are important. The standard book and claim accounting methodology for decarbonized fuel use from across North America provides a mechanism for proper greenhouse gas accounting under the Greenhouse Gas Reporting Rule while controlling costs.

Please control for costs.

Increasing decarbonized fuel supply decreases costs, which is why we urge DEQ to be consistent with other carbon markets and programs by not arbitrarily including geographic limitation on biomethane and renewable natural gas in the Climate Protection Program and Greenhouse Gas Reporting Rule.

Sincerely,

Patrick Sheehan

Patrick Sheehan

Oregon Real Estate Broker

Better Homes & Gardens Real Estate

Patrick@PatrickSheehan.com

www.PatrickSheehan.com

(503) 734-0337 Mobile

(Global clients may reach me via WhatsApp at that number)

12550 SE 93rd Ave., #200

Clackamas, OR 97015

Oregon Broker License: 200506399

NRDS ID# 709013636

Number of commenters: 1

Comment # 87

From: allan_huffaker@hotmail.com

Subject: Climate Protection Program Comments

Its very important that we find more sources of clean burning natural gas.

America does NOT need more regulation, we need more innovation.

Natural Gas, along with other sources of clean energy like nuclear will drive our economy forward.

Small Scale Modular Reactors can produce large amounts of hydrogen to power transportation and industry.

There needs to be fewer regulations, not more.

The time for American Energy Independence is now!

Allan Huffaker

Number of commenters: 1

Comment # 88

From: orf.rebecca@gmail.com

Subject: Make the emissions reduction rules as strong as possible

I am an Oregonian who supports strong state action to address the climate crisis.

The Best Available Emissions Reduction rules should not put polluting industries on a downward trajectory of emissions. Gas utilities should be prohibited from importing unlimited Renewable Natural Gas from out of state to offset emissions or using hydrogen unless the hydrogen is produced with electricity generated by renewable fuels.

For the sake of all of us- and our children, grandchildren, and future generations--DEQ must adopt rules consistent with the CPP as approved by the Environmental Quality Commission. I urge you to make the rules as rigorous as possible to assure a reduction in carbon emissions.

Sincerely,

Becky Orf, Ashland Or 97520

Number of commenters: 1

Comment # 89

From: foerstermolly@gmail.com

Subject: make CPP a rigorous program committed to reducing carbon emissions.

I'm an Oregonian from birth and I want rigorous climate action in my state. Take climate change seriously.

Molly Foerster

Bend, OR

Number of commenters: 1

Comment # 90

From: constituent@civiclick.com

Subject: Rulemaking Comment: stop the hysteria.

Dear Nicole Singh,

Global Warming I mean Climate Change I mean GLOBAL BOILING OH NO WE'RE ALL GONNA DIE is another scam to gain power and money, just as covid was. CO2 is plant food and necessary for life on this planet. Stop the hysteria. Stop the taxes. Stop the lies.

Sincerely,

sam wolanyk

5235 NE 42nd Ave

Portland, OR 97218

samwolanyk@gmail.com

Number of commenters: 1

Comment # 91

From: gbeachman@gmail.com

Subject: DEQ comments

Make certain you guys expand this renewable idea OUTSIDE the borders of Oregon. The wind guys do it so make certain this thought gets into the new plans for the natural gas folks too.

Gary Beachman

Retired

Number of commenters: 1

Comment # 92

From: pjhettinga@comcast.net

Subject: No!

I do not support DEQ's over reaching plan in the name of climate change. Stop! Just Stop!

This will not help the environment but it will cripple business create more financial hardship on those already vulnerable families.

Please listen to real science not political messaging and fear mongering. The road to hell is paved with good intentions.

~Jillian

Number of commenters: 1

Comment # 93

From: craig.zarling@comcast.net

Subject: Carbon reduction plan

Dear DEQ,

Thanks for allowing me to comment on the climate action plan; this is a crucial subject for all of us and I hope to help get it right.

My comment is to include region wide renewable resources rather than more geographically limited areas in planning and calculating progress. In our Western region the power needs and power generation vary widely within timeframes, and power transfer and storage between areas is likely to be part of a less wasteful power plan.

Craig Zarling

Portland

Sent from my iPad

Number of commenters: 1

Comment # 94

From: Imbrightbill@gmail.com

Subject: DEQ Rule Change on Renewables

Please tell the Governor to ignore the whining of Big Business and proceed in all haste with all initiatives to save our planet. The concerns about costs may be immediate, but they ignore the long term costs to humans, plants, animals, and insects that inhabit this planet.

If CEOs are so concerned about costs being passed on to consumers, tell them to turn over their obscene paychecks to defray some of those costs. They are enriching themselves while passing the all more permanent costs to life on Earth onto their consumers.

And that's not called capitalism. It's called selfish greed masquerading as concern for the consumer.

Lila Brightbill

6230 SE 32nd Ave.

Portland, OR 97202

971.221.3125

lila5402842@gmail.com

Number of commenters: 1

Comment # 95

From: LindaDFrank@msn.com

Subject: State Action Addressing Climate Crisis

I am an Oregonian who wants state action to address the climate crisis, and I oppose efforts to weaken the Best Available Emissions Reduction rules. I urge rules that put polluting industries on a downward trajectory of emissions;

The DEQ must adopt rules consistent with the CPP as approved by the Environmental Quality Commission.

Please make the rules as rigorous as possible to assure a reduction in carbon emissions.

Thank you,

Linda Frank, Bend Oregon

Number of commenters: 1

Comment # 96

From: pencehollyg@gmail.com

Subject: Climate Protection Rulemaking

This is in reference to the request for comments posted at
<https://ormswd2.synergycs.com/HPRMWebDrawer/Record/6391239/File/document>.

I have reviewed the material, and find the proposed rules to be fair and reasonable. The development of "chain of custody" for our energy sources, from initial production to final use, will help us better understand our markets and real-world infrastructure. Suppliers and distributors will likely complain of the increase in recordkeeping burdens, but I do not regard that as sufficient objection. Having accurate knowledge will be an indispensable support in our efforts to decarbonize.

I would encourage the EQC to adopt the proposed rules.

Holly G Pence

North Portland

Number of commenters: 1

Comment # 97

From: jscarlton1768@gmail.com

Subject: Please make rules as rigorous as possible to reduce carbon emissions

We are Oregonians who strongly support state action to address the climate crisis.

To this end, we ask that you :

- * oppose efforts to weaken the Best Available Emissions Reduction rules and urge rules that put polluting industries on a downward trajectory of emissions,
- * that you oppose allowing gas utilities to import unlimited Renewable Natural Gas from out of state to offset emissions,
- * that you oppose allowing gas utilities to use hydrogen unless the hydrogen is produced with electricity generated by renewable fuels,
- * that DEQ must adopt rules consistent with the CPP as approved by the Environmental Quality Commission.

Thank you for your consideration,

Dr. Steven and Jean Carlton

Bend, Oregon

Number of commenters: 1

Comment # 98

From: ehod1@yahoo.com

Subject: Rigorous rules for CPP

Hello,

I am writing in regard to the proposed rules for the Climate Protection Program. Please consider the following.

1. Polluting industries must be on a downward trajectory of emissions. Do not weaken the Best Available Emissions Reduction rules.
2. Do not allow gas utilities to import unlimited Renewable Natural Gas from out of state to offset emissions.
3. Only allow gas utilities to use hydrogen if the hydrogen is produced with electricity generated by renewable fuels.

DEQ must adopt rules consistent with the CPP as approved by the Environmental Quality Commission. DEQ must make the rules as rigorous as possible to assure a reduction in carbon emissions.

Thank you,

Eric Halperin

Gearhart OR

Number of commenters: 1

Comment # 99

From: bekilet@hevanet.com

Subject: Rulemaking at DEQ

To Whom it May Concern

As a citizen who breathes the air, drinks the water, and hopes that our state will thrive in a healthy environment I am deeply concerned that DEQ must protect these vital resources. We all know that certain business practices produce toxic substances. It is in all of our best interests to deal with these in a way that does not harm our health. Whatever the process, the result must provide us with that healthy environment.

As you know, more and more Oregon residents are concerned enough to fight for a clean environment. We will stand up and denounce anyone who stands in the way. I ask you please find the will and the way to be an asset, not a liability.

Thanks,

John Paisley,

Portland, OR

503 839 0199

Number of commenters: 1

Comment # 100

From: JONSIMONSON@msn.com

Subject: CPP Charges

All CPP implementation should focus on reducing costs, supporting RNG, and supporting hydrogen blending with natural gas. Any attempt to reduce natural gas connections should be shunned. During an ice storm 2 winters ago, I was without power for several days. Because I have natural gas I had hot water, I could heat with my gas fire place, and I could cook with the stove and natural gas BBQ.

Jon Simonson

Happy Valley, OR

Number of commenters: 1

Comment # 101

From: laurenl@berqrng.com

Subject: Climate 2023 Rulemaking: Appendix of Proposed Rules

Dear Nicole and Elizabeth,

Our core business at BerQ RNG is developing and operating projects that turn biogas into RNG, creating healthy returns for our investors and project partners. We focus on developing small to medium-sized projects in Ontario, Quebec, and the Mid-Western to the North-Eastern United States. Our team brings their 95+ years of combined industry experience to each project, is technology agnostic, and chooses the best in class technology for each specific development.

We are a lean RNG developer with several projects in execution, helping dairy farms, municipalities, and Fortune 500 companies to reduce their environmental impact and create economic value.

BerQ RNG offers the following comments regarding the Oregon Department of Environmental Quality's (DEQ) final draft Appendix of Proposed Rules. Specifically, we would like to express our support for, and urge DEQ to finalize its current definition for "Book and Claim" within the Greenhouse Gas Reporting Program (GGRP) portion of the regulations, as follows:

"Book and Claim" refers to the accounting methodology where the environmental attributes of an energy source are detached from the physical molecules when they are commingled into a common transportation and distribution system for that form of energy. The detached attributes are then assigned by the owner to the same form and amount of energy when it is used. For the purposes of this division, the common transportation and distribution system must be connected to Oregon.

Maintaining Alignment with Existing Programs in Oregon and Worldwide

This framework remains in line with existing policies in Oregon which are designed to incent the development and use of renewable gas, an array of state- and federal-level programs, and international standards that govern greenhouse gas (GHG) accounting:

Oregon's renewable gas procurement targets established by SB 98[1] and the Clean Fuels Program[2] are two key programs which are designed to incent the use of renewable natural gas (RNG) in Oregon's residential & commercial thermal and transportation sectors. These sectors comprised around 69% of the state's GHG emissions in 2021,[3] requiring expedient deployment of clean fuels and electricity to

decarbonize. DEQ's current draft Book and Claim definition fits with these programs, which allow for the procurement of renewable gas via existing energy transportation and distribution infrastructure.

The use of market-based instruments within a system that utilizes book-and-claim accounting can be seen in Renewable Gas Standard and Clean Heat Standard policies in California, Colorado, Minnesota, New Hampshire, British Columbia, and Quebec. The same system is employed under Low-Carbon Fuel Standard programs in California, Washington, British Columbia, and Canada on the federal level, as well as EPA's Renewable Fuel Standard. Furthermore, other voluntary renewable energy procurement frameworks from World Resources Institute, Climate Disclosure Project, The Climate Registry, RE100, and Airport Carbon Accreditation allow for the purchase of RNG certificates to qualify in this manner.

Importantly, GHG accounting leader World Resources Institute (WRI) is currently updating its standards surrounding market-based procurement. Their recently published guidance explicitly allows companies reporting under the Greenhouse Gas Protocol to use market-based instruments for renewable gas purchases, stating that "companies purchasing certificates may wish to consult with their auditors and consider rules provided by relevant target-setting programs or applicable regulatory schemes in their jurisdiction(s) on how to report these purchases in their reports."^[4] In other words, these existing Book and Claim practices are deemed acceptable by WRI.

Avoid Limitations Which Would Hurt Renewable Energy Growth

In finalizing its Book and Claim definition, DEQ must consider not only the objective of maintaining alignment with existing programs, but also the effects of potential limitations on market-based instruments. Specifically, we urge DEQ not to place artificial geographic limitations on renewable energy supply that are not also placed on the use of conventional energy supply. For example, in the case of imported renewable gas, such limitations would stifle industry growth in a time where it remains crucial to replace imported fossil gas and reduce methane emissions in the organic waste sector.

Injection into a common pipeline system is the lowest-GHG way of transporting renewable gases, book-and-claim layers well on top of the way conventional gas is traded and incentivizes the buildout of RNG resources in a rational way beginning with the most cost-effective projects. Renewable gas producers cannot change physical flow of the gas system significantly until volumes reach scale and displace a significant share of fossil gas. The supply of conventional gas which currently serves Oregon primarily originates out of state; the existing market for physical gas delivery optimizes moving gas from supply to demand in a least cost and generally lowest GHG manner.

Maintaining consistency and fungibility between all North American RNG markets through the aligned use of book-and-claim will increase competitiveness, improve investment certainty, and lead to the sustainable growth of the renewable gaseous fuel industry. The use of full book-and-claim accounting for the vast majority of North American RNG has already resulted in overwhelmingly positive greenhouse gas emission reductions.

Conclusion

BerQ RNG appreciates the opportunity to provide feedback in support of DEQ's current draft regulations regarding renewable gas procurement under the GGRP. We urge DEQ to uphold this framework to incent (1) recycling of organic waste into renewable fuels and platform molecules which can (2) replace fossil-derived fuels and feedstocks in various sectors of the economy while (3) reducing methane emissions and improving other air and water quality impacts associated with waste management in Oregon and beyond.

Sincerely,

Lauren Lamb

Environmental Attribute Manager

BerQ RNG

lauren@berqrng.com

+1.412.925.0160

[1] <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/SB98/A-Engrossed>

[2] <https://www.oregon.gov/deq/ghgp/cfp/pages/cfp-overview.aspx>

[3] <https://www.oregon.gov/deq/ghgp/pages/ghg-inventory.aspx>

[4] <https://ghgprotocol.org/blog/interim-update-accounting-biomethane-certificates>

Number of commenters: 1

Comment # 102

From: mdrembold@comcast.net

Subject: DEQ to Expand Renewables

Dear Person:

I don't want any renewable path as it certainly becomes a muddled up mess. I am also tired of all the tricks encouraging people like me to sign up to a letter someone else wrote up. Any use of electricity in place of what we currently use is a huge mistake since electric power has been a concern for over 50 years (shortage) and the reason all household appliances wear an energy savings label worthy of tax rebates and such. Plus when you add that 70 percent of electricity is provided by fossil fuel -- it all actually becomes a joke. Create electric power with renewable energy?

Renewable energy is energy that is produced from natural processes and continuously replenished. A few examples of renewable energy are sunlight, water, wind, tides, geothermal heat, and biomass. If this is what is being proposed lots of luck with that as it will be an order of magnitude more difficult, complicated, expensive, not able to support current requirements. And you certainly can't expect vehicles to run on that. Try selling the idea of nuclear energy and see how far you get with that.

-Dale Rembold-

Number of commenters: 1

Comment # 103

From: dfeik33@comcast.net

Subject: Climate Protection Program testimony

To: Climate Protection Program receiver of testimony, submitted October 12, 2023

From: Dale Feik

During the September 18, 2023, public Hearing on Climate 2023 Rulemaking I made oral public testimony. I said that at the EQC meeting in Newport September 14, 2023, Colin McConnaha suggested that people search DEQ's website to learn about the Best Available Emission Reduction (BAER) program. I did. I learned that there are 14 facilities listed to have over 25,000 metric tons of GHG emissions. During my public testimony I said that Intel has applied to DEQ to increase their Greenhouse gas emission from 819,000 tons per year(which calculates to 1.5 tons per minute) to 1,698,000 tons per year which calculates to 3 tons per minute). That would make Intel the largest greenhouse gas emitter in Oregon.

In 2012, three natural-gas-fired electricity producing plants greenhouse gas emission range from 888,000 to 1,118 tons per year. Before it closed operating, the coal-fired Boardman plant could emit 2,510,00 tons per year. Of the 14 facilities subject to the Best Available Emission Reductions, only Amazon on PDX - Data Center has been called in. PDX GHG emissions are about 97,000 tons per year. Note again that intel is proposing in their Prevention of Significant Deterioration Application to DEQ to be allowed to emit 1,698,000 tons per year.

I said I read the Public comment received about Amazon's Data Center, May 2023.

1. Oregon Legislators
2. Climate Solutions

3. Green Energy Institute and Northwest Environmental Defense Center, a member of the 14-person Climate 2023 Rulemaking advisory Committee.

I said please act on their recommendations, and that 14 people serve on the Climate Rulemaking committee, and that only two people represent climate/environmental organizations; the rest represent industry organizations; those two environmental organizations are Climate Solutions, and Green Energy Institute. At the public Hearing, a representative of one of those organizations provided detailed comment that I encourage you to seriously consider; and please consider their written comments from the Oregon Legislative delegation, which includes input from Senators Jeff Merkley and Ron Wyden.

I also said that during Richard Whitman's leadership of the Department of Environmental Quality, he disbanded the DEQ Blue Ribbon Water Advisory Committee and the DEQ Air Toxic Advisory Committee because, from my point of view as a person who attended those meetings, they were stacked with mostly Industry lobbyists. Those committees were reestablished with experts in Toxic Emissions, epidemiologists, EPA experienced personal, etc. In other words, people who are not biased toward industry profits.

I said that I wished that the Climate Rulemaking Advisory Committee members were not a ratio of 12 to 2 in composition; and that I was glad that Climate Solutions Green Energy spokesperson provided written testimony, even though that person had some input during the Climate Rulemaking Advisory Committee meetings.

To augment my public testimony: After reading a story in the Oregonian by the reporter Gosia Wozniacka titled 'Climate-change regulations challenged in court', in which it starts with "Students in Eugene marched out of school in March 2023 to protest NW Natural's effort to stop local electrification efforts. NW Natural and two other gas utilities, an oil-industry group and a

dozen other local trade organizations are now challenging the state's signature emission-reduction Climate Protection Program in court.

I encourage you use the best litigation attorneys at the Department of Justice who represents the DEQ and the Environmental Quality Commission to not let the industry attorneys win this case.

See attachment titled "Climate change regulations challenged in court by Gosia Wozniacka The Oregonian Oct. 1, 2023.docx

Respectfully submitted,

Dale Feik, Ed.D.

dfeik33@comcast.net

Cell: 503-504-5972

1. Chair of Washington County Citizen Action Network (WC CAN) -

<https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fwww.wc-can.org%2F&data=05%7C01%7CClimate.2023%40stateoforegon.mail.onmicrosoft.com%7C095e5f8e21f94bc59a2908dbcb8ef8e1%7Caa3f6932fa7c47b4a0cea598cad161cf%7C0%7C0%7C638327587163074802%7CUnknown%7CTWFpbGZsb3d8eyJWljojMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6Ikk1haWwiLCJXVCi6Mn0%3D%7C3000%7C%7C%7C&sdata=DhVU63nvx1qiWb2%2BYqfCJROmedNdkPOIQdVHC6TMkvQ%3D&reserved=0> ** active links at the top of the page

2. Project Director of Hillsboro Air & Water -

<https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fhillsboroairwater.org%2F&data=05%7C01%7CClimate.2023%40stateoforegon.mail.onmicrosoft.com%7C095e5f8e21f94bc59a2908dbcb8ef8e1%7Caa3f6932fa7c47b4a0cea598cad161cf%7C0%7C0%7C638327587163074802%7CUnknown%7CTWFpbGZsb3d8eyJWljojMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6Ikk1haWwiLCJXVCi6Mn0%3D%7C3000%7C%7C%7C&sdata=dBMXJFqepiBWYR8II7uoYTKkq4rwwkWioFYsMkz3SFM%3D&reserved=0>

** Washington County Citizen Action Network (WC CAN) is a coalition of grassroots advocates (individuals and groups) dedicated to improving quality of life in Washington County by promoting healthy and sustainable communities, social and economic justice, and open and responsive government.

Number of commenters: 1

Comment # 104

From: matt.howard@edstaub.com

Subject: fuel

fossil fuels are still essential to everyday life in this country phasing out fossil fuels at this time is economic suicide.

Number of commenters: 1

Comment # 105

From: william.sturdevant@edstaub.com

Subject:

Hello you talk about replacing fossil fuels or doing away with them here's the problem you have no back up solutions solutions that you present us with don't work you're making environmentally friendly fuel that doesn't work at all the other deal is with heating oil do you want this on your conscience people freezing to death because they don't have no heat yeah maybe 2030 maybe 40 maybe 50 years you might be fossil fuel free but I doubt it because you're always going to need some kind of fossil fuel trying to save the environment which is not really working yeah the other countries that are producing emissions we're tied into these other countries we all know that we need rules and regulations but when you take it to the extreme that's where I draw the line the stuff you're putting on us is nonsense the electrical get grids are going to be forced with brown out black out and everything else we have no infrastructure in place to build nuclear plants to produce clean energy and by forcing the petroleum business out of business revenue that will be lost will be devastating where does the nonsense end and reality begin thank you for your time and have a nice day--

William Sturdevant

Fuel Delivery Driver

Bend

541-330-8356

william.sturdevant@edstaub.com

www.edstaub.com

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Number of commenters: 1

Comment # 106

From: lee.moore@edstaub.com

Subject: DEQ Rulemaking

As a combat veteran who has deployed and worked around the world one of the advantages we have had as Americans is being partially energy dependent without high taxation and over bias regulation. Right now with the outbreaks of war in our world the last thing we need is more restrictions and rules on our fossil fuels industry. Higher gas prices and availability hurt our Veterans and service members who are on limited income as well as the rest of our great country who struggle every day to make ends meet.

Please think deeply about our state of Oregon, many of us live rural and do have to commute, run our farms and companies each day. Please do not put a strain on our wonderful state and its wonderful people.

I support this letter 100% below

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

During a recent DEQ climate Rulemaking Public Hearing on September 18th, it became clear that some groups have reservations about allowing covered entities in Oregon to use book and claim accounting for Bio-Methane from other states. However, these groups seem to support the use of electric vehicles made outside Oregon and the importation of out-of-state electricity, even without direct economic benefits to our citizens. This creates a difference in standards between Bio-Methane and out-of-state electricity.

We urge DEQ to maintain the current regulations for Bio-Methane without further changes. Book and claim accounting has worked well for using out-of-state Bio-Methane in Oregon's electricity generation.

Changing these rules could lead to higher electricity costs, impacting consumers, including those in environmental justice communities. To minimize costs and achieve equity, DEQ should refrain from altering existing regulations. Technological advancements can help with CO2 levels, but economic distress from hasty rule changes cannot be easily reversed.

We believe Bio-Methane should not be subject to geographical constraints for book and claim reporting. There should be no requirements to inject Bio-Methane into an Oregon natural gas pipeline, no restrictions on vintage use for greenhouse gas reporting, and no time constraints. Bio-Methane should be allowed to be claimed and delivered to end-users in Oregon, even if it displaces natural gas used in a connected pipeline.

The book and claim regulations established by DEQ at the start of the Greenhouse Gas Reporting program should remain unchanged. They strike a balance between environmental concerns and our state's energy infrastructure needs.

Hydrogen, especially "Gray" and "Blue" Hydrogen, is a lower emissions alternative worth considering. Electric vehicles, while promoted as environmentally friendly, are not entirely carbon neutral, and their production outside Oregon doesn't benefit our state's economy. We must consider the entire lifecycle and make informed decisions.

Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

Lee Moore

Sales & Marketing Representative

541-668-5827

lee.moore@edstaub.com

www.edstaub.com

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Number of commenters: 1

Comment # 107

From: bcsowdon@centurylink.net

Subject: anthropogenic greenhouse gas

A theory is not fact!

Global Warming is based on pure Theory!

Most of which has been debunked!

Anthropogenic carbon dioxide can't be changing climate, because CO2 is only a trace gas in the atmosphere and the amount produced by humans is dwarfed by the amount from volcanoes and other natural sources. Water vapor is by far the most important greenhouse gas, so changes in CO2 are irrelevant.

The alleged "hockey stick" graph of temperatures over the past 1,600 years has been disproved. It doesn't even acknowledge the existence of a "medieval warm period" around a.d. 1000 that was hotter than today is. Therefore, global warming is a myth.

Global warming stopped in 1998; Earth has been cooling since then.

Climatologists conspire to hide the truth about global warming by locking away their data. Their so-called consensus on global warming is scientifically irrelevant because science isn't settled by popularity.

Climatologists have a vested interest in raising the alarm because it brings them money and prestige.

Bob Sowdon

Woodburn, Oregon

Number of commenters: 1

Comment # 108

From: dan_hanthorn@hotmail.com

Subject: DEQ Climate Protection Program Rules Comments

With a 47-year career as an environmental professional, specializing in water and residual solids treatment, I have the education, knowledge and experience to provide comments regarding Climate Protection Rulemaking. The eventual outcomes of DEQs efforts will have broad and impactful implications as they should. Sensible, rational new Rules are paramount to climate protection.

For your consideration, I submit:

Potentially useful methane is produced in municipal and private facilities as a byproduct of wastewater treatment. However, the resulting biogas containing methane is heavily contaminated and of limited value. Biogas cleanup to pipeline quality gas is typically not cost effective onsite at producers' facilities. As a result, most biogas is flared or burned to the atmosphere without treatment releasing other, coproduced contaminants.

I support NWNatural's efforts to recycle and provide pipeline quality treatment of biogas. Recycling biogas will improve the climate by both: 1) the reduction of atmospheric contamination due to flaring of untreated biogas; and 2) providing a replacement for traditional (and additional) natural gas supplies.

To do so quickly and soon the new rules must keep costs down, and incentivize and subsidize, this important climatological and social transition.

Respectfully submitted,

Daniel R Hanthorn

541-602-5463

Number of commenters: 1

Comment # 109

From: dianaboom@comcast.net

Subject: FW: Dept of Environmental Quality Climate 2023 Rulemaking

I agree with the position of the League of Women Voters Oregon Climate Emergency Team that changes are needed to close loopholes and guarantee robust emissions reductions.

Therefore the Climate 2023 rulemaking changes should:

- * Ensure direct benefits for Oregon communities by only allowing biomethane (aka Renewable Natural Gas) compliance credits for production within Oregon, not from out-of-state.
- * Restrict hydrogen for CPP compliance unless DEQ ensures it is green electrolytic hydrogen. Other hydrogen sources and types are far more polluting, with more risks for our energy system.
- * Strengthen emissions reduction requirements for industries.

Diana Boom

PO Box 328

Lake Oswego OR 97034

Number of commenters: 1

Comment # 110

From: greenstevens@gmail.com

Subject: FW: Climate 2023 Rulemaking

DEQ's program rules need to enforce strong compliance and reporting obligations for regulated gas utilities and industry, to ensure that Oregon can meet its stringent goals for reducing GHG emissions while delivering the maximum public health and economic benefits for Oregonians, especially in underserved communities.

The Climate 2023 Rulemaking should:

- * Ensure direct benefits for Oregon communities by only allowing biomethane (aka Renewable Natural Gas) compliance credits for production within Oregon, not from out-of-state.
- * Restrict hydrogen for CPP compliance unless DEQ ensures it is green electrolytic hydrogen. Other hydrogen sources and types are far more polluting, with more risks for our energy system.
- * Strengthen emissions reduction requirements for industries

I have served on the Climate Action Advisory Board for the City of Corvallis for several years. As a city, we count on the DEQ, DOE and State Legislators to provide leadership and parameters to reduce a large portion of the GHG gasses emitted by our community, knowing that we have roles to play on the local level, as well. Without strong regulations at the state level, we are left with very difficult means to reach our CO2 reduction goals.

Please rise up and resist the influence of the fossil fuel industry.

Thank you.

Marjorie Stevens

1214 NW 12th St

Corvallis OR 97330

greenstevens@gmail.com

541-602-9971

Member, Corvallis League of Women Voters

Number of commenters: 1

Comment # 111

From: skids646464@gmail.com

Subject: Fossil fuels

Michael Skidmore

Sent from my iPhone

Number of commenters: 1

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

During a recent DEQ climate Rulemaking Public Hearing on September 18th, it became clear that some groups have reservations about allowing covered entities in Oregon to use book and claim accounting for Bio-Methane from other states. However, these groups seem to support the use of electric vehicles made outside Oregon and the importation of out-of-state electricity, even without direct economic benefits to our citizens. This creates a difference in standards between Bio-Methane and out-of-state electricity.

We urge DEQ to maintain the current regulations for Bio-Methane without further changes. Book and claim accounting has worked well for using out-of-state Bio-Methane in Oregon's electricity generation. Changing these rules could lead to higher electricity costs, impacting consumers, including those in environmental justice communities. To minimize costs and achieve equity, DEQ should refrain from altering existing regulations. Technological advancements can help with CO2 levels, but economic distress from hasty rule changes cannot be easily reversed.

We believe Bio-Methane should not be subject to geographical constraints for book and claim reporting. There should be no requirements to inject Bio-Methane into an Oregon natural gas pipeline, no restrictions on vintage use for greenhouse gas reporting, and no time constraints. Bio-Methane should be allowed to be claimed and delivered to end-users in Oregon, even if it displaces natural gas used in a connected pipeline.

The book and claim regulations established by DEQ at the start of the Greenhouse Gas Reporting program should remain unchanged. They strike a balance between environmental concerns and our state's energy infrastructure needs.

Hydrogen, especially "Gray" and "Blue" Hydrogen, is a lower emissions alternative worth considering. Electric vehicles, while promoted as environmentally friendly, are not entirely carbon neutral, and their production outside Oregon doesn't benefit our state's economy. We must consider the entire lifecycle and make informed decisions.

Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

Comment # 112

From: bryan.bennett@edstaub.com

Subject: Deq rule making

Please see attached letter thank you

Number of commenters: 1

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

During a recent DEQ climate Rulemaking Public Hearing on September 18th, it became clear that some groups have reservations about allowing covered entities in Oregon to use book and claim accounting for Bio-Methane from other states. However, these groups seem to support the use of electric vehicles made outside Oregon and the importation of out-of-state electricity, even without direct economic benefits to our citizens. This creates a difference in standards between Bio-Methane and out-of-state electricity.

We urge DEQ to maintain the current regulations for Bio-Methane without further changes. Book and claim accounting has worked well for using out-of-state Bio-Methane in Oregon's electricity generation. Changing these rules could lead to higher electricity costs, impacting consumers, including those in environmental justice communities. To minimize costs and achieve equity, DEQ should refrain from altering existing regulations. Technological advancements can help with CO2 levels, but economic distress from hasty rule changes cannot be easily reversed.

We believe Bio-Methane should not be subject to geographical constraints for book and claim reporting. There should be no requirements to inject Bio-Methane into an Oregon natural gas pipeline, no restrictions on vintage use for greenhouse gas reporting, and no time constraints. Bio-Methane should be allowed to be claimed and delivered to end-users in Oregon, even if it displaces natural gas used in a connected pipeline.

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Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

Comment # 113

From: steven.harper@edstaub.com

Subject: Letter of Concern

To whom it concerns...

Thank you

--

Steve Harper

Number of commenters: 1

Dear DEQ Team,

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Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,



Steve Harper

Comment # 114

From: thefish001@gmail.com

Subject: 2023 Rulemaking

--

Thanks,

Jimmy Martini

Bridge Town Market

Lowell, OR

Number of commenters: 1

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

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Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

Jimmy Martini
Owner, Bridge Town Market

Comment # 115

From: coordinator@350eugene.org

Subject: 2023 Climate Rulemaking testimony

Please accept and consider this testimony from 350 Eugene.

Thank you for your continued work on behalf of Oregonians.

Linda Kelley

350 Eugene

Number of commenters: 1

September 9, 2023

Dear Members of the DEQ rule-making committee,

Thank you for the opportunity to submit testimony.

The passage of the Climate Protection Plan (CPP) is an important step towards reaching our climate safety goals. As with any legislation, the success of the outcome is due to the specifics in the rule-making process.

We are very disturbed to see the make-up of the rule-making advisory committee. (RAC).

We note that of 14 members, only two are public interest groups. How can such a heavy reliance on the regulated industries' input serve the public interest? We in Eugene are acutely aware of how the gas industry can manipulate public opinion through large expensive campaigns to derail safer electrification regulations.

The current concessions to regulated industries allow out-of-state RNG bio-methane investments and could enable the expansion of new large industrial emitters, defeating the goals of the Climate Protection Plan (CPP). The current proposed rule amendments will compromise the program's intended public health, economic, and employment goals, and hinder benefits for Oregon consumers, workers, local economies, and environmental justice communities across the state.

We are also concerned that this type of out of state investment would divert money from the Community Climate Investment fund, created specifically to focus on benefits to Oregonians.

We see Northwest Natural Gas is already seeking to comply with the CPP by purchasing Renewable Thermal Certificates associated with RNG outside of Oregon. Please strengthen requirements by restricting bio-methane used for CPP compliance to that which would produce direct benefits to Oregonians.

Finally, we ask you to strengthen the emissions reduction requirements for new or expanded stationary source facilities in Oregon under the BAER Act. These large emitters must pivot to use their economic base to be part of the solution, not part of the problem.

This rule-making is vital to ensure this program stays on track to achieve its stated climate, public health, and economic goals. You are in a crucial role to make sure this actually happens.

Thank you for considering our testimony.

Patty Hine

President, 350 Eugene

Comment # 116

From: alanjournet@gmail.com

Subject: Comments on the proposed CPP rules adjustment

Lindsay:

I was planning to offer oral testimony today at the EQC meeting but cannot do so tomorrow because I have appointments all morning.

Thus, please find attached comments submitted to DEQ on the proposed rule from Southern Oregon Climate Action Now plus comments from the Climate, Energy & Environment Team of the Consolidated Oregon Indivisible Network and the Congressional District 2 Indivisible group.

Thanks,

Alan

Alan Journet

Co-facilitator

Southern Oregon Climate Action Now (SOCAN)

<<https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fsocan.info%2F&data=05%7C01%7Clindsay.trapp%40stateoforegon.mail.onmicrosoft.com%7C52a0ed3a442c49c96dcb08dbb584562e%7Caa3f6932fa7c47b4a0cea598cad161cf%7C0%7C0%7C638303352568672390%7CUnknown%7CTWFpbGZsb3d8eyJWljoImC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6IjEhaWwiLCJXVCi6Mn0%3D%7C3000%7C%7C%7C&sdata=tOPGs8wpw5XdWeEfuM8aCVKBiNiuifO66bMIktXVpM4%3D&reserved=0>> <https://socan.eco>

541-301-4107 Cell

541-500-2331 VOIP

7113 Griffin Lane

Jacksonville, OR 97530-9342

alanjournet@gmail.com <<mailto:alanjournet@gmail.com>> or

alan@socan.eco

Southern Oregon Climate Action Now

SOCAN

Confronting Climate Change

<https://socan.eco>

Alan R.P. Journet Ph.D.
Cofacilitator
Southern Oregon Climate Action Now
alan@socan.eco
541-500-2331
August 31st 2023

Reference Proposed adjustments to the DEQ (EQC approved) Climate Protection Program
Chair George and members of the Oregon Environmental Quality Commission.

I write as cofacilitator of Southern Oregon Climate Action Now (SOCAN socan.eco), an organization of over 2,000 rural Southern Oregonians who are concerned about the climate crisis and urge statewide action to address it. The mission of SOCAN is to promote awareness and understanding of the science of global warming and its climate chaos consequences and stimulate individual and collective action to address it. Since rural Oregonians occupy the frontlines in experiencing the impact of the increasing temperatures, decreasing snowpack, drought, wildfires, and extreme weather that the climate crisis imposes, we are strongly committed to statewide action.

It was this mission that led us to engage extensively and consistently as DEQ held preliminary meetings and then orchestrated the Rulemaking Advisory Committee that advised on the development of the Climate Protection Program. Although there were elements of the CPP which we questioned, we felt that it overall provided a program that could make a substantial contribution to achieving greenhouse gas emissions reductions. This, we judged, would place our state at the forefront of responsible emissions reductions consistent with Intergovernmental Panel on Climate Change targets. However, what we always knew was that the key questions would ultimately surround how the program was translated into the rules governing its actualization.

It is, therefore, with great disappointment that we see what has been happening in the development of the actual rules that enable the program.

As the rulemaking process has progressed, we have been offering suggestions as to what we feel is proposed that undermines the CPP. Regrettably, it appears that these comments have been ignored. Frankly, from the composition of that RAC, it appears that DEQ established a committee that was preordained to undermine the CPP. That committee had but two representatives of environmental / climate conscious organizations and no representatives from social equity organizations. This contrasted markedly with the 12 representatives from the corporate energy arena. Clearly, the committee was laden with representatives from the very

industries that have contributed to the problem throughout the many decades that Oregon has had voluntary emissions reduction goals and has failed to meet them. It is because of their decades of inaction that we are as far behind the eight-ball as we currently are. Yet, they were here anointed with an opportunity to further undermine our state's efforts, and they seemingly are succeeding. To those who might argue that this interpretation comprises unreasonable polemic, I respond that simultaneously to undermining the CPP, many of these same entities are engaged in a legal effort to reject the entire Climate Protection Program. We can only hope that the public rises, as we do here, to oppose their efforts. If Oregon is to achieve its share of emissions reductions, the Climate Program must be retained and must not be weakened.

I wish to offer comments on three major aspects of this effort to undermine the CPP: the RNG allowance, the BAER program, and the focus on Hydrogen as a solution.

1) The Renewable Natural Gas Boondoggle

The methane utilities have consistently engaged in the rulemaking process for the Climate Protection Program. Unfortunately, although their claim was to collaborate and commit to reducing greenhouse gas emissions from their product's use, they really have not offered credible good faith efforts to accomplish this. Indeed, they continue to claim that natural gas is 'the clean fossil fuel' when they are fully aware of the full life cycle assessments including upstream emissions that give the lie to this claim. These same entities have, furthermore, joined the cabal of industries attempting to thwart the CPP through the courts. The RNG and Hydrogen scams are cases in point.

In short, full lifecycle assessments of greenhouse gas emissions, considering the far greater global warming potential imposed by methane compared to carbon dioxide, reveal that, in terms of its global warming impact, fracked and conventionally extracted methane gas can easily be as bad as – if not worse than – coal as an energy source. Indeed, a recent peer-reviewed paper by Gordon *et al.* (2023) offers the following important conclusions:

- 1- "...gas with a 0.2% leakage rate is on par with coal at all analyzed levels of CMM [Coal Mine Methane] leakage."
- 2- "Based on existing studies, coal has a median lifecycle GHG [emissions rate] of 980 kg CO₂e per kWh (with an absolute minimum of 675 and maximum of 1689) and gas has a median lifecycle GHG of 501 CO₂e/kWh (with a minimum of 290 and maximum of 988)."
- 3- "...global gas systems that leak over 4.7% of their methane (when considering a 20-year timeframe) or 7.6% (when considering a 100-year timeframe) are on par with life-cycle coal emissions from methane leaking coal mines."
- 4- "methane leakage from gas production systems [ranges] from <1% to >66%.

Note that while the median value (# 2) for global warming emissions from gas usage is half that of coal, the range for gas emissions overlaps that for coal. Item 4, compared to 3, reveals again that methane gas is, at least as bad as coal in terms of emissions. This implies that gas is, in

some situations, worse than coal. Since leakage rates increase with age (e.g., Weller *et al.* 2020), it seems inevitable that emissions will increase as infrastructure ages.

DEQ lacks the authority to assess full life cycle (upstream) emissions, but the transmission of gas through leaky pipelines from neighboring states will inevitably result in methane leakage that is unassessed. Allowing RNG produced in another state, whether piped into Oregon or simply transmitted elsewhere through pipelines, will result in Oregon's program simply reducing in-boundary emissions by exporting emissions to other states. The only solution to this is simply to disallow such an option.

While Lee *et al.* (2021) for example, argue that RNG is substantially better than natural gas in terms of full life cycle emissions, Feinstein and de Place (2021) make the case that it is a flawed remedy because: it's availability is insufficient to replace much natural gas, its inclusion raises the cost of the gas, emissions from natural gas already account for nearly a quarter of national greenhouse gas emissions, the limited RNG available should be used for industrial processes that find electrification difficult and not be wasted in general pipelines serving domestic usage, and finally that RNG is being used by the industry as a greenwashing scam. The goal seems to be to allow it to continue and even expand its current destructive business model of marketing climate pollution. Feinstein and de Place (2021) conclude by arguing: "Although there may be some modest climate benefit for a few niche applications like heavy industry, RNG cannot be a replacement for the way we use natural gas now." Billimoria and Henchen (2020) and Auguste *et al.* (2018) likewise argue that the best route to reducing greenhouse emissions does not include promoting natural gas utility efforts to extend their polluting grip on our energy supply.

Matthewson (2023) offers a valuable concern: "...while natural gas is an improvement over coal and other fossil fuels, continued reliance on it—not to mention any further development — at the expense of carbon-free alternatives will impede our ability to meet the Paris Agreement climate goals and avoid the worst impacts of global warming." Meanwhile, Kemfert *et al.* (2022) offer the valuable insight that: "We highlight that natural gas is a fossil fuel with a significantly underestimated climate impact that hinders decarbonization through carbon lock-in and stranded assets."

The gas industry seems to us to be seeking to undermine the Climate Protection Program by compromising the Community Climate Investment fund's ability to promote socially just activities in Oregon, activities that can offset emissions legitimately. This component of the program exports climate pollution to neighboring states where leaking pipelines emit the methane that is RNG. It is transparently obvious that the goal here is simply to promote a business model that accentuates the climate crisis.

In our judgment, DEQ should simply disallow this effort and return to its original plan requiring fossil fuel utilities that cannot achieve their reduction goals to invest in the Community Climate Investment fund that benefits Oregonians. Failing that, efforts by the utilities to replace their product with RNG should be restricted to sources within Oregon. Recall, a critical component of

the CPP, and especially the CCI fund is to benefit Oregonians, especially those experiencing a history of social injustice. This effort by the utilities bypasses and compromises that goal.

Industry

It was our position during the development of the program, that industry should be under the same reducing cap as the fossil fuel sector. The DEQ position was to favor the Best Available Emission Reduction (BAER) approach which may, or may not, result in emissions reductions, especially if industries expand production. Given that BAER is the focus for the industrial component, we now argue this program should:

- place all large polluters on a substantial downward trajectory in emissions such that the industrial sector can achieve the statewide reduction goals stipulated in the program,
- hold large emitters accountable for the climate pollution they produce and insist on the best available technology,
- not encourage the expansion of existing pollution sources or the development of new sources,
- require that potential new polluters should demonstrate plans prior to construction that confirm their inclusion of the BAER technology,

Hydrogen

It is certainly the case that when hydrogen combusts, the product is water. This creates the impression that hydrogen is a totally benign energy source. Regrettably, this is only the case in the artificial and unreasonable assessment that only accounts combustion emissions. Although the planet contains a vast amount of hydrogen, it is unfortunately not easy to separate it from the compounds with which it associates. Most methods require substantial heat and thus consume considerable energy.

The Hydrogen option might look promising so long as the Hydrogen employed is extracted from water using electrolysis through a process driven only by renewable energy sources (so-called Green Hydrogen). However, even this raises the real question as to whether renewable energy should be used to produce Hydrogen and thus maintain the natural (methane) gas industry. More reasonable might be a plan to commit renewably generated energy directly to end uses.

More troubling is the prospect of employing alternative processes for producing Hydrogen, since such technologies confront other problems. Howarth and Jacobson (2021), for example, report that using Hydrogen generated from methane (so-called blue hydrogen) is actually more greenhouse gas emissions intensive than combusting the methane itself. Furthermore, even if the renewable energy were available to produce green Hydrogen, as Erdener *et al.* (2023) point out “existing gas-fired power plants or industrial processes, may not be designed to tolerate hydrogen blending beyond a given limit; for many existing gas-fired power plants, this limit is 5% volume.” On a slightly more optimistic note, Esposito (2022) reports a limit of 20%, but notes that even if this Hydrogen is renewably generated, the greenhouse gas emissions

reduction amounts to only 6 – 7%. Esposito also adds that this would raise the price of methane by 2 – 4 times.

It seems to us incredibly unfortunate that the recent rulemaking process, dominated as it was by the very offenders whose inaction has led to the desperate situation of non-compliance in which we find ourselves, has so seriously weakened the program approved by the EQC. We object strenuously to this weakening and encourage DEQ to return to the program that was previously approved.

Respectfully Submitted



Alan Journet

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CLIMATE ENERGY & ENVIRONMENT TEAM



Alan R.P. Journet Ph.D.

Co-Chair

Climate Energy & Environment Team
Consolidated Oregon Indivisible Network

alanjournet@gmail.com

541-500-2331

September 7th 2023

Terrie Martin

Chair,

Ord2 Indivisible Steering Committee

PO Box 1242 Phoenix, OR 97535

Reference Proposed adjustments to the DEQ (EQC approved) Climate Protection Program

[Nicole Singh and Elizabeth Elbel](#)

Climate.2023@deq.oregon.gov

We write on behalf of the Consolidated Oregon Indivisible Network Climate Energy and Environment Team and the ORD2 Indivisible Chapter to express our grave concerns about threats posed to the Climate Protection Program (CPP) as a result of the contributions of the unfortunately biased Rulemaking Advisory Committee.

When proposed by the Department of Environmental Quality and approved by the Environmental Quality Commission, the CPP exhibited very positive signs, when actualized, of moving Oregon in the needed direction towards substantial greenhouse gas emissions. It is always the case, however, that the acid test for policies and programs is how the rulemaking turns them into reality.

It is, therefore, with great disappointment that we see what has been happening in the development of the actual rules that enable the program.

We are very disturbed that the result of this RAC's contributions seems to have been to weaken the program substantially. The main point in developing the CPP was to place our state on a trajectory of substantially reducing emissions as we approach the critical year of 2050. It was generally agreed among members of the climate conscious community that both industry and the fossil fuel distribution sector should be placed under a reducing cap. That industry was carved out to be placed under a Best Available Emissions Reduction regime was, and remains, a profound disappointment.

We now find that the same fossil fuel corporations that were a leading cause of the state's failure to lower its emissions under the voluntary program established by HB3543 in 2007 are trying to undermine the program that was established by DEQ as a result of a Rulemaking Advisory Committee in which they participated. Their efforts represent a two-pronged attack using both the courts and the ongoing rulemaking. In the former, they are trying to undermine the entire program, while in the latter, they are trying to weaken critical components.

The RNG Scam

An important component of the CPP is the Community Climate Investment fund through which covered entities are able to offset a small proportion of their emissions reduction requirements by investing in projects that reduce emissions and that are located in Oregon and benefit disadvantaged Oregonians. By attempting to bypass the limited offsets allowed through the CCI protocol these polluters seek to gain unlimited offsets by investing in offset projects out of state. Not only does this harm the very communities that the CCI was designed to benefit, but it also seeks offsets through the use of Renewable Natural Gas (Biomethane) knowing full well that because of the limitations in its authority, DEQ cannot accurately assess the full life cycle emissions resulting from the production and transmission of that gas. The claim that RNG is a clean alternative to fracked methane is almost certainly exaggerated.

Finally, we note that, to the extent that RNG is available, it absolutely should not be wasted by pumping it into the transmission lines. Rather, this fuel should be reserved for use by those industries that find electrifying difficult.

When these concerns are augmented by our understanding of the exaggerated claims that the gas utilities make for the potential for the limited supply of RNG to replace fracked gas in our domestic pipelines, the misinformation and deception that are essential to this gas utility effort become more offensive. We urge DEQ to reject this effort and simply return to the program as originally written whereby gas utilities need to seek offset credits through the CCI and thus benefit Oregonians.

Industry

The purpose of the BAER requirement is to require industry to adopt technologies that place them on an emissions reduction trajectory reasonably commensurate with the Cap and Reduce approach. Industry should not be permitted to weaken this goal by undertaking expansion that results in increased emissions even when BAER technology is in place. Similarly, industries that elect to develop activities in Oregon should be subjected to BAER technology at their inception.

We urge DEQ to establish rules that place all major climate polluters on a downward trajectory and not include loopholes that allow them to increase emissions.

Hydrogen

We acknowledge that when Hydrogen is combusted, the product is water, and that this physical reality seems to make Hydrogen a valuable route to take in the search for emissions reductions. However, just as full lifecycle assessment is necessary for us to determine the value of RNG, so is it necessary to undertake lifecycle assessment before we can determine the merits of Hydrogen. In short, the critical question concerns how that Hydrogen is produced and transmitted. The evidence indicates that only genuinely green Hydrogen, produced by electrolysis using renewable sources to provide the energy needed, achieves the goal that is sought. Since Hydrogen production is energy intensive, and other means of producing Hydrogen are inherently intensive emitters of greenhouse gases and largely negate the combustion benefits, it makes no sense to establish a greenhouse gas emissions reduction program that potentially results in procedures that result in increased emissions. Just as is the case with using RNG generated out-of-state and piped to Oregon, promoting Hydrogen while ignoring the production procedure will likely result simply in Oregon exporting its GHG emissions. The Oregon commitment to reducing its greenhouse gas emissions should not be a sleight-of-hand that reduces our in-boundary emissions while increasing emissions elsewhere. We urge DEQ to take steps to reverse the trend of weakening the CPP established by the Rulemaking process recently completed and endorsed by the EQC.

Respectfully Submitted

A handwritten signature in black ink, appearing to read "Alan Journet".

Alan Journet Ph.D.
7113 Griffin Lane
Jacksonville OR 97530-9342

A handwritten signature in black ink, appearing to read "Terrie Martin".

Terrie Martin
Chair, Ord2 Invisibile Steering Committee
PO Box 1242 Phoenix, OR 97535

Comment # 117

From: chris.swires@tyreeoil.com

Subject: Public Comment

Attached please find our public comment for your proposed rulemaking.

Thank you,

<<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.tyreeoil.com%2F&data=05%7C01%7CClimate.2023%40stateoforegon.mail.onmicrosoft.com%7C6dd2834d06dd433b900808dbb63c7211%7Caa3f6932fa7c47b4a0cea598cad161cf%7C0%7C0%7C638304143132961505%7CUnknown%7CTWFpbGZsb3d8eyJWljojMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6IjEhaWwiLCJXVCI6Mn0%3D%7C1000%7C%7C%7C&sdata=hE1r888o0J0KaLKiuFRKQH3Ds7Cq30gmiw9EXNGBna8%3D&reserved=0>> Chris Swires

Tax and Compliance Specialist

o: (541) 687-0076 x1112

d: (541) 687-0076

e: chris.swires@tyreeoil.com

w: tyreeoil.com

a: 2076 Irving Rd // Eugene, OR // 97402

<<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.linkedin.com%2Fcompany%2Ftyreeoil&data=05%7C01%7CClimate.2023%40stateoforegon.mail.onmicrosoft.com%7C6dd2834d06dd433b900808dbb63c7211%7Caa3f6932fa7c47b4a0cea598cad161cf%7C0%7C0%7C638304143132961505%7CUnknown%7CTWFpbGZsb3d8eyJWljojMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6IjEhaWwiLCJXVCI6Mn0%3D%7C1000%7C%7C%7C&sdata=t3B4LI1oFH0N5m8eGggTiEOJhJwEyx5wjGJB%2Bw6CUOY%3D&reserved=0>>

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Public Comment on Proposed Rules Office of Greenhouse Gas Programs Climate 2023 Rulemaking

Our Company wishes to comment on Division 271 Climate Protection Program. Specifically, we wish to comment on the need to create a mechanism to exempt uses of fuel that are not combusted or oxidized from counts of obligated parties by adding to 340-270-0110.

Example:

Our company has multiple customers that are located in both Washington and Oregon.

The Washington Climate Commitment act allows for exemptions to be made if a supplier can demonstrate to WA Ecology satisfaction that the product is not combusted or oxidized. WA 173-446-040(2)(v).

Going through a rigorous review by Washington Ecology, a customer of ours was able to provide sufficient documentation to show that the fuel they were purchasing was not combusted, but rather combined with other raw materials as part of their manufacturing process.

We would like to have the opportunity to apply for an exemption in Oregon on behalf of our customer. Since Non-Bio Diesel is imported into Oregon, customers without an exemption would be at an economic disadvantage to continue to use this product in their manufacturing process.

<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.instagram.com%2Ftyreesin
ce1988%2F&data=05%7C01%7CClimate.2023%40stateoforegon.mail.onmicrosoft.com%7C6dd2834d06d
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&reserved=0>

<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Ftwitter.com%2FTyreeOil&data=0
5%7C01%7CClimate.2023%40stateoforegon.mail.onmicrosoft.com%7C6dd2834d06dd433b900808dbb63
c7211%7Caa3f6932fa7c47b4a0cea598cad161cf%7C0%7C0%7C638304143132961505%7CUnknown%7C
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%7C%7C%7C&sdata=WcEFU0YNE4y569AVD%2BNTDnHB5GBT%2BT5FPpIsyBI2WgA%3D&reserved=0>

Number of commenters: 1

Comment # 118

From: lindacraigpdx@gmail.com

Subject: 2023 Climate Rule Making

To Environmental Quality Commission and Department of Environmental Quality:

Number of commenters: 1

When you adopted the CPP, you included strong goals for the program with which I agree:

- Reduce greenhouse gas emissions to address the worsening effects of climate change and, in so doing, advance co-benefits from reductions in other air contaminants.
- Enhance public welfare for Oregon communities, particularly environmental justice communities.
- Accelerate the transition from fossil fuels to lower carbon energy sources.

The CPP makes those goals clear, but the draft rules you are considering don't go far enough to meet the goals.

For those of us who follow the science and feel a moral obligation to protect the lives of future generations on our planet, it is incumbent on us to do what we can to reduce climate-altering emissions to protect people and other life from the worst effects of climate change. The Oregon Climate Action Commission (formerly the Oregon Global Warming Commission) tells us that Oregon is on track to meet its GHG emission-reduction goals **if and only if** the programs we have in place, such as the Climate Protection Program, are implemented to their full potential.

You have received excellent and more specific and technical comments from people whose work I respect, so instead of repeating their messages, I will endorse comments made by MCAT, Green Energy Institute, OEC and others who are asking for stronger rules. I ask you to do your part now to make the CPP as strong as possible. The IPCC tells us that there is no time to waste if we wish to keep a livable planet.

Please recognize your obligation to our children and grandchildren by strengthening these rules to make the CPP as strong as it can be.

Comment # 119

From: tompecktorrence@gmail.com

Subject: Comment letter to DEQ RE: Environmental Quality Commission & the imbalance of the Rulemaking Advisory Committee

September 17, 2023

Department of Environmental Quality,

Dear DEQ Board,

I am a resident of Eugene Oregon and am extremely concerned that human activity of over producing CO2 and other Greenhouse gas emissions into the atmosphere is causing our planet to over heat.

I am also extremely concerned at the direction the DEQ is taking. The Climate Protection Program that was approved last year by the (EQC) is under threat by the inappropriate imbalance of the utility company representation on the Rulemaking Advisory Committee. As you know, of the 14 members, 12 are representing the utilities companies. This will produce outcomes that will bypass the Community Climate Investment fund and will not create a downward trajectory of greenhouse gas emissions. We encourage the position that only hydrogen produced through electrolysis using renewable energy should be acceptable.

We need to take dramatic action to curb the climate emergency that we are clearly facing. I strongly urge the DEQ to maintain the original Climate Protection Program that was approved last year by the Environmental Quality Commission (EQC).

Sincerely,

Tom Peck

2180 Friendly St.

Eugene, OR 97405

Number of commenters: 1

Comment # 120

From: kate@communityenergyproject.org

Subject: Community Energy Project Comments on DEQ Climate Rulemaking 2023

To the DEQ Climate Rulemaking Committee and Department of Environmental Quality,

Thank you for the opportunity to provide comments on the 2023 DEQ Climate Rulemaking. Below you will see the attached PDF with Community Energy Project's comments.

Please let me know if you have any questions or issues with the document.

Thank you,

--

Kate Ayres

Policy and Advocacy Manager

Community Energy Project

2705 E. Burnside, Suite 112

Portland, OR 97214

Website | Twitter | Facebook

[she/her]

Number of commenters: 1



2705 E Burnside St Suite 112,
Portland, OR 97214

Tele 503.284.6827
Fax 503.284.9403
www.communityenergyproject.org
Tax ID# 94-3040817

September 22, 2023

via climate.2023@deq.oregon.gov

RE: Strengthening the Proposed 2023 Climate Rules

Department of Environmental Quality,

Community Energy Project (CEP) appreciates the opportunity to submit comments related to Oregon Environmental Quality's (DEQ) 2023 Climate Rulemaking. CEP offers the following with the understanding that the rulemaking will have far reaching impacts on Oregon's climate and communities.

It is important to ensure that regulated entities are properly complying with Oregon's monumental Climate Protection Program and Clean Energy Act (HB 2021), making this rulemaking central to ensuring our state is staying on track with achieving our climate goals, and delivering public health, economic, and employment benefits for Oregon's environmental justice communities. We urge DEQ to ensure that the program not only stays on track to achieve these goals, but that it makes certain that environmental justice communities are prioritized.

CEP is concerned that DEQ's current proposed rules would effectively undermine the CPP— a program that is absolutely essential to achieving our state's climate pollution reduction goals, and which was adopted with overwhelming public support following an extensive 18 month rulemaking and stakeholder engagement process. Specifically, we are concerned that the current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane investments, and allow for new large industrial emitters with the potential to emit further climate and air pollution in Oregon.

CEP has concerns on allowing utilities to rely on out-of-state compliance methods for CPP compliance rather than investing in Oregon specific solutions that will provide economic and health benefits to Oregon communities and customers. Relying on out-of-state compliance methods lowers the number of local jobs here in Oregon coming out of this program implementation. We urge DEQ to ensure that Oregonians are seeing the greatest benefit in the implementation of this program.

Further, allowing out-of-state biomethane investments will not only allow for the potential for further climate and air pollution in Oregon, but there are concerns over how this framing could be misleading to Oregon customers. If a regulated utility in Oregon is able to continue emitting pollution using fossil natural gas, while stating that they are reducing emissions with their out-of-state investments and compliance methods, Oregon communities may believe that what is being delivered through their pipes is renewable, or offers less emissions.

CEP also highlights that hydrogen is an emergent fuel type, and the emission reduction potential and safety of hydrogen blending as a method for greenhouse gas emission reduction is still up in the air. CEP supports the proposed added requirement for lifecycle emissions reporting for hydrogen, transparent and accurate reporting is necessary for hydrogen projects.

CEP urges DEQ to amend the proposed rules by restricting biomethane or hydrogen used for CPP compliance to those that produce direct benefits for Oregonians, by limiting the eligible use of “book and claim” accounting to only biomethane or hydrogen that is injected into a pipeline within Oregon.

The above amendment will not only help ensure that Oregon stays on track to achieve our climate goals, but will also maximize the associated job creation, cost saving, public health, and economic development benefits and benefit Oregon communities, ensuring these benefits are not exported out of state. We also urge DEQ and other advocates to evaluate if DEQ should be given more authority in further legislation to ensure that these programs are implemented in a way that benefits Oregon communities. CEP is concerned that DEQ does not have the authority in current language to call for the specificity needed to implement these programs fully.

We appreciate the opportunity to provide comments.

Respectfully submitted,

/s/ Kate Ayres

Kate Ayres
Policy and Advocacy Manager
Community Energy Project
E. kate@communityenergyproject.org

Comment # 121

From: bbrocketb@bctonline.com

Subject: Rule Making Comments and support documents

Good Day

This E latter to this body, is to support true possible adjustments necessary, not based on ideology, but the ethos and

values of all of us in Oregon.

This process will be though the inclusion of documents, one peer reviewed and published, and reports on treaty failure

and the resulting consequences. Since most actions by this body come from policies created by Federal policies,

material which seems oblique to the conversation is in fact directly related to the ongoing "climate" community.

To the documents:

1. Research into Carbon as an element, beginning in 1957. This document is an accurate accounting of Revelle and

his research, and more importantly for the introspection of those who believe in the "science" of CO2 as a toxin or

necessity to generate draconian controls to modify, the co-opting by two individuals to regenerate into a push tool

to force policies not in evidence. Please note the document was produced in 2009.

1.

2. The documents here are from Gordon Fulks an Astrophysicist who is in residence in Oregon. The basic point of the

issues noted in his observations are he is not a "Federally Paid Scientist".

2.

2.a

3. This document, while mildly more of a media view, encapsulates the questioning of CO2 program, as a true function

of other than wealth distribution. This is not meant to denigrate, but remove the Carbon Tax racketeering which simply

adds burden to the Oregon Taxpayer in policies not in true evidence of need.

3.

4. One issue in bodies such as this that must be addressed is use of commission and omission, in the choice of winners

and losers. This Peer reviewed and published document, with all respect, should be involved in policy discussions.

the implications are clear to both the introspection and intent of the use of this treaty in ways not intended. This affects

your decision process. A quick reread of Document # 2, (the false premise) puts society at unnecessary risk.

At this juncture, the issue of "siloining" is necessary. Siloining is the control of information vertically by entities, while other

entities operate horizontal, thus allowing data and information to be disseminated narrowly to one group, and broadly to

another. To that end, two documents that appear unrelated are being included, as they in fact are the beginning of the

process this body is engaged in without implicit knowledge.

5. With all respect, what must be understood, is the road to the point you have arrived, is making decisions based on false

premises, not your fault, but promoted by ideological interests. This powerpoint, (Oregon Specific), was built 14 years ago,

and proven by the now obvious discussions by scientists refuting the United Nations (and WEF), Blackrock, and others.

In the event time is an issue, note page # 13, and the intent of the little known "Wildlands Project". The United Nations

Environmental Program in 1995 published demands noted. I have the 1100 page publication in my library.

5. Historical Timeline: http://www.slideshare.net/slideshow/embed_code/28345505

6. In an attempt to provide value to society, and to Oregon specifically, as my home, this map is one page and visual

interpretation of the attempted control through the "Wildlands Project" created with cover of the "Biodiversity Treaty",

that was in fact rejected by the Senate and brought back, through the "Sustainable Development" policies, which

are in fact not Congressionally mandated.

In conclusion, from the beginning years ago, the road leads to the false premisses that are propelling the slow destruction of our Constitutional Founding Documents through deceit. Questions feel free, for comment

does not provide the value of documentation, to the true need of integrity in decision.

With abiding respect

Lieutenant Robert K. Powell GDO (Ret) ph: 971-275-0510

137990 S Mueller RD

Oregon City, Oregon

Number of commenters: 1

Comment # 122

From: sean.gibson@modernhydrogen.com

Subject: Rulemaking Comment

Please find attached a comment letter for consideration in the Climate 2023 Rulemaking process, submitted on behalf of Modern Hydrogen.

Please let us know if you have any questions.

Regards,

Sean

Sean Gibson

Government Relations

(650) 762-9587

ModernHydrogen.com

Sean.Gibson@ModernHydrogen.com

Number of commenters: 1



Mothusi Pahl
Modern Hydrogen
18912 North Creek Pkwy
Bothell WA 98011
Phone: (201) 504-8363

▶ **Oregon Department of Environmental Quality
Office of Greenhouse Gas Programs**

Colin McConnaha
Manager, Office of Greenhouse Gas Programs

BACKGROUND

Modern Hydrogen is a Bill Gates-backed climate technology company focused on accelerating the decarbonization of heat and power. Built on the understanding that we cannot afford to wait decades for our electrical infrastructure to deliver true, emissions-free power to our homes and businesses, Modern's pre-combustion carbon capture technologies help commercial and industrial operators eliminate CO₂ emissions in heat and power applications – with no new infrastructure. This means greater grid reliability, lower energy costs, and faster decarbonization.

REQUEST

We respectfully request that the following be considered in the Oregon Department of Environmental Quality Office of Greenhouse Gas Program's Climate 2023 Rulemaking process.

Support all technologies and fuels that achieve policy and program goals, particularly those that empower the commercial, industrial and transportation sectors to reduce emissions and decarbonize hard-to-abate operations including with equipment that integrates with existing infrastructure and fuel supplies and accelerates decarbonization.

Specifically, recognize pre-combustion carbon capture as an emerging emissions reduction strategy and the unique benefits of distributed hydrogen production and delivery at or near the point-of-use, which current policies and rules generally do not accommodate.

Further, recognize distributed methane pyrolysis as a distinct category of emissions reduction technologies that require alternative methodologies for documenting production and delivery of fuels (e.g., onsite hydrogen) and related emissions reductions that are not covered in current models (e.g., GREET) to include solid carbon capture (in addition to carbon oxides) and the value of permanent storage of that solid carbon (e.g., paving materials).

Provide a fast-track process for review and approval of new pathways based on emerging technologies that reduce emissions greater than or equal to existing clean fuels/energy pathways, specifically, pre-combustion carbon capture and distributed methane pyrolysis.

Prioritize lifecycle assessments (LCA) from sources to uses (e.g., well-to-wheel) and embodied carbon of related new construction (e.g., production facilities and carbon sequestration projects) to determine lowest emissions fuel/energy options and align incentives appropriately.

Recognize the positive socioeconomic co-benefits of displacing methane combustion with pre-combustion carbon capture at local point sources in communities including health impacts, as well as utilization of existing methane gas infrastructure, businesses and workforces, and local sourcing of clean energy technologies.

Take caution to not embed biases in policies and rules that distort markets and limit pathways for emerging technologies that can support decarbonization and emissions reduction.

Additional comments and specific rule change requests follow.

We are available to provide additional context and answer any questions to help clarify our comments.

Regards,



Mothusi Pahl
Modern Hydrogen
9/21/2023

ADDITIONAL INFORMATION:

Amend rules by adding the underlined copy below to 340-271-0110 Covered Entity and Covered Emissions Applicability, section 4, B, iii [Covered emissions do not include:] “Emissions avoided where the use of natural gas results in pre-combustion carbon or greenhouse gas emissions captured and stored, if sufficiently documented by information provided to DEQ.”

Amend rules by adding the underlined copy below to 340-215-0042 Recordkeeping Requirements 4) Regulated entities reporting biomass-derived fuels or hydrogen, as required under OAR 340-215-0044(5), must retain supporting documentation that authenticates the delivery or purchase quantity and quality of the hydrogen or gaseous or liquid biomass-derived fuel between parties.”

Recognize that distributed hydrogen production at or near the point-of-use avoids emissions generated from vehicular transportation, distribution and storage of hydrogen or alternative fuels, as well as large-scale hydrogen production facility construction, and simplifies documentation processes given hydrogen production and delivery is on-site at customer location (as is pre-combustion carbon capture); specific emissions accounting of carbon storage are dependent on end use locations (e.g., onsite, local, remote) and from methane production and distribution are dependent on methane type (e.g., fossil, RNG, biogas) and delivery to methane pyrolysis reactor (e.g., pipeline, vehicle).

Comment # 123

From: tyler.mcqueen@twineagle.com

Subject: Comments for Discussion Draft Rules - Division 215

Twin Eagle is a non-covered marketing entity.

Twin Eagle appreciates the opportunity to provide comments regarding the latest proposed rule changes under the Discussion Draft Rules - Division 215 Climate 2023 Rulemaking Advisory Committee GHG Reporting Program.

Twin Eagle believes a deliberate omission of electrolytic hydrogen and other waste feedstocks as components in biomethane and renewable natural gas will be detrimental to the progress of the CPP. We believe the current proposed language prohibits the participation of "Renewable Hydrogen" derived fuels as part of the Climate Protection Program.

We believe the commission should include additional language under "Biogas", "Biomethane", and "Renewable Natural Gas" to support Power-to-X fuels.

The attached comments are to help and ensure that DEQ does not impermissibly preclude renewable fuels made from certain renewable biomass and renewable resources from participating in the CPP program. Our proposed changes and definitions are to help advise the committee on how best to achieve the stated goals of the CPP.

Please find attached our comments.

Best,

Tyler McQueen

TWIN EAGLE

1700 City Plaza Drive, Suite 500

Submitted via email to Climate.2023@DEQ.Oregon.Gov

Rulemaking Advisory Committee
Office of Greenhouse Gas Programs
Department of Environmental Quality
State of Oregon

Re: Request for Comments on Climate 2023 Rulemaking

Twin Eagle is a non-covered marketing entity looking to commercially support utilities and end-use entities in their decarbonization pursuits.

Twin Eagle appreciates the opportunity to provide comments regarding the proposed rule changes under the Discussion Draft Rules – Division 215 Climate 2023 Rulemaking Advisory Committee GHG Reporting Program. The Department of Environmental Quality’s proposal to formally define “Biomethane” as proposed in the latest change will have the unintended consequence of excluding certain renewable fuels made from renewable biomass, and other renewable feedstocks, thereby reducing the slate of fuels capable of addressing the need to decarbonize the natural gas sector. We also believe the proposed language disregards the economic impact that low cost renewable fuels can provide Oregonians. We strongly recommend that the DEQ’s latest proposed definition of “Biomethane” not be adopted and propose an alternative definition that addresses the DEQ’s concern while expanding the potential for the production of renewable fuels consistent with Oregon’s legislative intent under Senate Bill 98.

It is essential to reduce greenhouse gas emissions (GHG). Oregon has been a leader in developing a framework to support the reduction in emissions. Among the solutions to climate change is the production of many types of renewable fuels to be utilized across all sectors. A competitive solution is Power to X, where electrolytic hydrogen is used as a feedstock for E-RNG or E-Methane. Hydrogen is combined with waste gas to produce a renewably sourced gas that substitutes fossil natural gas. Current language does not support these paths and thus allows for certain feedstocks to be emitted, rather than captured and reused.

The latest language would drastically narrow the scope of what can be considered under the CPP in a manner that is not consistent with the intent of the program, which is to reduce GHGs, while providing a substitute for fossil fuels. We also believe that this change will inadvertently reduce the availability of supply, and ultimately increase costs to Oregonians.

The proposed language does not go far enough to meet the requirements of the CPP or the intent of the states’ legislature in the definitions. Twin Eagle believes that the products defined as “Biomethane” and “Renewable Natural Gas” should be treated synonymously throughout the program and be reinforced by language utilized in the definitions stated in O-SB-98 and ORS 757.392.

In order to provide investment confidence that the Power-to-X fuel is permissible, we propose:

1. **“or renewable resources” and “Renewable Natural Gas” as defined in O-SB-98 – 3.7 be unstruck from the definitions under 340-215-0020.7**
2. **“including renewable hydrogen and waste gases used as a feedstock” be added to the definition**

and read as follows:

7) “Biomethane” or “Renewable Natural Gas” means refined biogas, or another synthetic stream of methane produced from biomass feedstock or renewable resources (including renewable hydrogen and waste gases used as a feedstock), that has been upgraded to meet pipeline quality standards or transportation fuel grade requirements, such that it may blend with, or substitute for, natural gas.

We believe the above proposed language allows for renewable hydrogen combined with waste gases, currently being emitted, to be permissible as a compliant product that substitutes fossil fuels and remains in line with the CPP and the commission’s intent.

This proposed definition would ensure that DEQ does not impermissibly preclude renewable fuels made from certain renewable biomass and renewable resources from participating in the CPP program. Our proposed definition also avoids improperly allowing non-renewable sources of energy to be defined as renewable fuel (fossil derived hydrogen).

We commend the programs addition of “Book and Claim” accounting. This form of validation and tracking will provide additional resources of supply and ultimately lower the cost to Oregonians.

The opportunity to participate in Oregon’s CPP and similar state programs are needed to attract investors, renewable fuel users, and develop the business case to construct plants at a large enough scale to make a difference. Thank you for the opportunity to comment on why the proposed Draft Rule Changes do not work and ultimately harm the program’s intent.

Sincerely,



Tyler McQueen

Commercial Development

Twin Eagle

Spring, Texas 77389

281-653-0829 office

Tyler.McQueen@twineagle.com

www.twineagle.com

Number of commenters: 1

Comment # 124

From: Jeremy.Price@HFSinclair.com

Subject: proposed rule comments

Please see HF Sinclair's public comments to the CPP Proposed Rule.

Thank you,

Jeremy

CONFIDENTIALITY NOTICE: This e-mail, and any attachments, may contain information that is privileged and confidential. If you received this message in error, please advise the sender immediately by reply e-mail and do not retain any paper or electronic copies of this message or any attachments. Unless expressly stated, nothing contained in this message should be construed as a digital or electronic signature or a commitment to a binding agreement.

Number of commenters: 1

Comment # 125

From: earthsanity@gmail.com

Number of commenters: 1

Comment # 126

From: pjonriver@yahoo.com

Subject: 2023 Climate Rulemaking

Enough is as good as a feast.

Number of commenters: 1

Re: 2023 Climate Rulemaking

We are a consortium of Green Team leaders from seven Willamette Valley retirement communities. Two years ago, on September 25, we commented to DEQ on the Climate Protection Plan. Oregon's CPP must be steadfast in its goal to substantially reduce carbon emissions by 2030.

The concerns we expressed then are still valid, only more urgent. To reiterate:

- **Follow the Science.**
- **No Free Passes for Industrial Polluters.**
- **Invest in pollution reduction projects that begin the long road to environmental justice for Oregon communities.**

Today we write to reiterate those concerns and emphasize a new one that has developed as the biggest polluters attempt to water down the proposed rules.

DEQ's current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane investments and would enable the expansion of new large industrial emitters with the potential to emit unfettered climate pollution in Oregon.

We urge DEQ to amend the proposed rules by:

- Restricting biomethane and hydrogen used for CPP compliance to that which produces direct benefits for Oregonians; and
- Strengthening emissions reduction requirements for new or expanded large stationary source facilities in Oregon under the CPP's Best Available Emissions Reduction program.

There will be no 'second chances' to save our planet. No 'do overs.' Please remain resolute to the adopted CPP goals.

Kristin Guest, Chair, Grays Going Green
Holladay Park Plaza

Rosemary Hamilton-Kelly, Chair, Green Team
Mary's Woods

Kathy Suri, Chair, Green Team
Mirabella Portland

Marilyn Gottschall, Green Team
Rose Villa

Joan McNamara, Chair, Green Team
Willamette View

Barbara Westmoreland, Green Team
Friendsview

Laura Monczynski
Rogue Valley Manor

Comment # 127

From: Matt@kdafirm.com

Subject: Rulemaking Comment__DEQ Climate 2023

Please find attached comments from the Pacific Propane Gas Association.

Thank you.

Matt Solak

Executive Director

Pacific Propane Gas Association

Office: 844.585.4940

Cell: 269.470.8729

Number of commenters: 1



October 1, 2023

Sent via e-mail to: Climate.2023@deq.oregon.gov

Nicole Singh and Elizabeth Elbel
Oregon Department of Environmental Quality
700 NE Multnomah Street
Portland, OR 97232-4100

Re: PPGA Comments regarding DEQ's Climate 2023 Rulemaking

Dear Nicole and Elizabeth:

Thank you for the opportunity to provide feedback on the Oregon Department of Environmental Quality's (DEQ) Climate 2023 Rulemaking.

The Pacific Propane Gas Association (PPGA) is the state trade association representing Oregon's propane industry. Our membership includes small multi-generational family businesses and large companies engaged in the retail marketing of propane gas to Oregonians. Our members provide clean-burning and critical energy to residential, commercial and agricultural customers in the state. Currently, users of propane have found value in propane's environmental benefits, versatility, and affordability. Oregon's propane industry generates more than \$541 million in economic activity annually.¹

Our understanding is that the Oregon Department of Environmental Quality (DEQ) proposes to effectively implement a holding limit. However, the design of that holding limit departs substantially from existing holding limit designs from other programs in several ways. First, the holding limit is set at 150 percent of a fuel supplier's annual compliance obligation. Second, the holding limit is calculated at a single point in time (e.g., 22 November 2025), rather than continuously throughout the year. Third, if a holding limit is exceeded, then next year's allocation of allowances is reduced for that fuel supplier. We see potential adverse and/or unintended consequences with each of these design features as elaborated on below.

- A 150 percent holding limit based on annual compliance obligation is overly restrictive.
 - It is unclear why the DEQ believes that 150 percent of an entity's annual compliance obligation is an appropriate holding limit. Such a restrictive annual limit makes it unnecessarily difficult for a fuel supplier to minimize its compliance costs in any given year (due to the small 150 percent limit) as well as across years (due to the limit applying annually rather than across many years).

¹ https://www.npga.org/wp-content/uploads/2020/06/OREGON_Propane-1-Pager_2020.pdf

- Holding limits should not be applied at a single point in time and doing so invites adverse and unintended consequences.
 - In other programs, holding limits are applied to individual accounts, such that they are enforced continuously. Enforcing annual holding limits at a single point in time may invite unintended consequences. For example, if a fuel supplier is significantly over the holding limit leading up to the November deadline, then that fuel supplier may choose to sell off allowances right before that deadline, possibly leading to major liquidity events which will increase price volatility.
- Holding limits punish early actions to reduce carbon emissions.
 - There seems to be an underlying assumption that the cause of banked compliance instruments is inherently bad and therefore must be limited. However, fuel suppliers are incentivized to reduce emissions if they can bank compliance instruments for sale in later years. For example, if a fuel supplier is deciding whether to invest in a project that completely reduces their emissions, then their holding limit would equal zero and they would receive zero allowances in the next compliance period. In this context, the cap-and-reduce program provides no incentive to make such an investment. In other programs, the fuel supplier would be awarded with the ability to bank their current year's compliance instruments without any penalty as well as not having future issuances of compliance instruments completely eliminated.

More generally, there are many alternatives to holding limits that may maximize benefits and minimize costs. Insofar as holding limits are intended to address potential market power issues, which we see no evidence of in Oregon, then identified alternatives include more frequent auctions, more frequent issuances of compliance instruments, and/or auction purchase limits (e.g., Schatzki and Stavins, 2011).² A consignment auction could be implemented such that instruments could still be effectively allocated freely while nonetheless boosting price discovery and market liquidity (Burtraw and McCormack, 2017).³ Such consignment auctions can be designed flexibly and applied to a wide range of different environmental markets (e.g., Pizer, Wang, and Munnings, 2023).⁴

Thank you for allowing us to share our feedback.

Sincerely,



Matthew Solak
Executive Director
Pacific Propane Gas Association
matt@kdafirm.com
(844) 585-4940

² Schatzki and Stavins. 2014. Three Lingering Design Issues Affecting Market Performance in California's GHG Cap-and-Trade Program. Report by Harvard Kennedy School.

³³ Burtraw and McCormack. 2017. "Consignment Auctions of Free Emissions Allowance". *Energy Policy*.

⁴ Wang, Pizer, and Munnings. 2022. "Price Limits in a Tradable Performance Standard". *Journal of Environmental Economics and Management*.

Comment # 128

From: lwvor@lwvor.org

Number of commenters: 1

Comment # 129

From: mike@mikelcustoms.com

Dear Climate DEQ,

As an Oregonian, I'm concerned about bearing the costs of the Climate Protection Program. I am concerned that some extremists are trying to take away my energy choice.

With historically high inflation and low-income communities usually suffering the brunt of high utility bills, I urge you to continue to keep our energy costs low. Please do not place geographic limitation on renewables such as renewable natural gas because more opportunities for developing RNG will increase supply and drive costs down for everyone.

Arbitrary geographic boundaries for RNG would be the same as excluding wind and solar resources from outside of Oregon.

Arbitrary geographic boundaries do not cut more carbon and in fact may limit verifiable carbon reduction.

Arbitrary in-state boundaries don't make any sense and will harm Oregonians at the pump and in their household.

Please confirm that DEQ will remove the geographic limitation on RNG and preserve all decarbonization options to keep costs down.

Thank you for your consideration,

Sincerely,

Mike Blaschka

2724 Cady Rd

Jacksonville, OR 97530

mike@mikelcustoms.com

Number of commenters: 1

Comment # 130

From: lwvor@lwvor.org

Subject: Climate 2023 Proposed Rulemaking - LWVOR - Comments

Hello,

Please see attached testimony sent from Claudia Keith, Climate Emergency Coordinator, and Arlene Sherrett, Climate Emergency Portfolio, on behalf of the League of Women Voters of Oregon.

Best regards,

Staff

League of Women Voters of Oregon

Phone: 503-581-5722; Email: lwvor@lwvor.org; Web: www.lwvor.org

Number of commenters: 1

October 13, 2023

To: [Colin McConaha](#), DEQ, Manager, Office of Greenhouse Gas Programs
[Elizabeth Elbel](#), DEQ, Manager, GHG Reporting Program and GHG Inventory
[Dept of Environmental Quality Climate 2023 Rulemaking](#)

Re: Climate 2023 Proposed Rulemaking - **Comments**

The League of Women Voters believes climate change is a serious threat facing our nation and planet and supports climate goals consistent with the best available science to ensure a stable climate system for future generations. The League advocates in favor of laws, regulations, and policies to mitigate climate change and its impact. We have been participating in the CPP rulemaking since its inception in 2021.

The League of Women Voters of Oregon (LWVOR) strongly supports the CPP's primary goals as identified by DEQ from the beginning of its original rulemaking:

- **Emissions:** Achieve significant greenhouse gas (GHG) reductions
- **Equity:** Promote benefits and alleviate burdens for environmental justice communities and impacted communities
- **Costs:** Contain costs for businesses and consumers

DEQ's program rules need to enforce strong compliance and reporting obligations for regulated gas utilities and industry, to ensure that Oregon can meet its stringent goals for reducing GHG emissions while delivering the maximum public health and economic benefits for Oregonians, especially in underserved communities.

We acknowledge DEQ's hard work with diverse interest groups to establish this vital program. During the 2021 rulemaking, [we expressed our belief](#) that the rules fell short of requiring certain measures that seemed essential for Oregon to achieve its GHG reduction targets—for example, caps on emissions from large stationary sources and from natural gas-fired power plants.

The 2023 rulemaking offers an opportunity to strengthen the CPP's effectiveness and ensure that it benefits Oregon consumers, workers, local economies, and underserved communities. We believe the current proposals include many positive refinements. In particular, we support:

- Permanent adoption of the temporary rule adopted by the EQC in 2022, stating that GHG emissions from natural gas delivered by a utility, whether combusted or oxidized, are covered emissions. This rule closes a loophole that might have allowed significant amounts of emissions from large industrial processes to escape regulation. [LWVOR supported the temporary rule](#) during the 2022 rulemaking.

- Redefining "biomethane" (the emissions from which are exempted by the CPP by definition) so as to properly exclude synthetic methane produced from non-biogenic feedstocks. Any reliance on synthetic methane as an alternative to natural gas should generate compliance obligations under the CPP cap.
- Amending the GHG Reporting Program rules to require regulated entities to submit more detailed reporting of emissions data for biomass-derived fuels and hydrogen, including lifecycle carbon intensity of the delivery pathway, amount of natural gas use displaced in Oregon, and records demonstrating that no other party can make a claim on the environmental attributes being reported; stronger reporting and more accurate accounting will strengthen compliance with existing programs and inform future regulation.

At the same time, we share the environmental community's concerns about several provisions that could seriously impede the CPP's progress toward its stated goals.

Use of out-of-state investments for CPP compliance

The proposed rules would allow gas utilities to use out-of-state investments in biomethane and hydrogen projects as a compliance mechanism. We agree with environmental advocates that such investments would deliver no direct benefits for Oregonians in terms of GHG reductions, public health or job creation, and in fact could divert funding from the existing Community Climate Investment (CCI) program, to the extent that utilities find biomethane and hydrogen investments more attractive.

The CCI program is designed to play a key role in generating community benefits by enabling regulated entities to earn compliance credits while prioritizing projects that benefit Oregon communities. CCI funds may only be used for projects in Oregon—e.g., transportation or building upgrades—that add GHG emissions reductions that wouldn't otherwise occur.

Accordingly, we join other advocates in urging DEQ to disallow the use of out-of-state investments in biomethane for purposes of CPP compliance. Compliance credits should be allowed only for biomethane injected into a pipeline within Oregon.

Stationary source emissions

Major industrial emitters reportedly account for about 20% of Oregon's GHG emissions. During the 2021 rulemaking, we expressed our belief, in line with that of environmental advocates, that "large stationary sources should be regulated for both their on-site combustion of natural gas and the emissions generated by their industrial processes." We have disagreed with DEQ and EQC's decision to exempt stationary sources from the CPP's declining emissions caps and to regulate their emissions through a Best Available Emissions Reduction (BAER) approach.

Currently, only the-largest stationary sources—those with covered emissions of at least 25,000 metric tons of carbon dioxide equivalent per year—are subject to BAER. To date, only two of the 15 facilities currently subject to BAER have been called in to prepare a BAER assessment.

We agree with environmental advocates that the current site-specific BAER approach will not effectively reduce sector-wide emissions; in fact, stationary source emissions would seem likely to increase as Oregon incentivizes the expansion of larger emitters such as data centers and semiconductor manufacturers.

The CPP must strengthen requirements for new or expanded large stationary source facilities in Oregon to reduce their GHG emissions. If DEQ intends to continue to exempt these sources from binding emissions caps, DEQ should set the emissions threshold for requiring sources to prepare a BAER assessment as low as possible.

Additional issues

LWVOR is concerned that the definition of “Environmental Attribute” in the context of what may be claimed as a compliance instrument is too broad, and could open the door for greenwashing. It includes “...offsets, allowances, credits, avoided compliance costs, emission rights and authorizations under any law or regulation, or any other comparable emission registry, trading system, or reporting or reduction program for greenhouse gas emissions that is established, certified, maintained, or recognized by any international, governmental, or nongovernmental agency.” We suggest instead that reported claims of potential emission reductions must have strong guardrails such as independent review and must meet a certain minimum requirement of benefit for Oregonians.

Finally, we note that even as this rulemaking progresses, we are disappointed that the CPP is under legal attack by fossil fuel and other industry groups seeking to overturn this cornerstone program. We are hopeful that the CPP will survive this attack and the program rules moving forward will tighten, rather than roll back, the covered entities’ obligations to comply in ways that achieve true emissions reductions and promote widespread benefits for Oregonians.

We thank DEQ for the opportunity to comment on this proposed rulemaking.



Rebecca Gladstone
Co-President LWVOR



Claudia Keith
Climate Emergency Coordinator



Arlene Sherrett
Climate Emergency Portfolio

Cc: [Kathleen George, Environmental Quality Commission Chair](#)

Comment # 131

From: nellybel@comcast.net

Subject: Oregon Sierra Club Comments re proposed 2023 Climate Protection Program rule revisions

The Oregon Sierra Club is submitting the attached comments regarding the proposed 2023 Climate Protection Program rule revisions.

Thank you

David Collier

Oregon Sierra Club

Number of commenters: 1



OREGON CHAPTER SIERRA CLUB

1821 SE ANKENY ST • PORTLAND, OR 97214

PHONE (503) 238-0442 • FAX (503) 238-6281

OREGON.CHAPTER@SIERRACLUB.ORG

WWW.OREGON.SIERRACLUB.ORG

**SIERRA
CLUB**
FOUNDED 1892

October 6, 2023

Leah Feldon, Director
Department of Environmental Quality
700 NE Multnomah St.
Portland, OR 97232

Colin McConnaha, Manager, Office of Greenhouse Gas Programs
Nicole Singh, Senior Climate Policy Advisor, Office of Greenhouse Gas Programs
Ali Mirzakarili, Administrator, Air Quality Division

Submitted to: Climate.2023@deq.oregon.gov

Re: Proposed Climate Protection Program rulemaking

Dear Director Feldon, Mr. McConnaha, Ms. Singh, Mr. Mirzakarili

On behalf of the 73,000 members and supporters of the Oregon Chapter of the Sierra Club, thank you for this opportunity to comment on DEQ's proposed Climate Projection Program (CPP) rule revisions. As DEQ knows well, this rulemaking will have serious consequences for the success of the CPP and Oregon's overall climate strategy. By designing guardrails and pathways for regulated entities to comply with Oregon's cornerstone Climate Protection Program, this rulemaking – if done well – will be vital to ensuring our state stays on track to achieve our climate goals, and to deliver public health, economic, and employment benefits for environmental justice communities in Oregon. However, given the broad scope of issues and laws affected by this rulemaking, we have concerns about the risks of serious unintended consequences if impacts to communities and the climate are not sufficiently considered. We ask that the Environmental Quality Commission be vigilant in its oversight of DEQ's proposed revisions to ensure the CPP delivers its intended benefits to Oregon and its people.

Issue #1: Protect the Community Climate Investment Program and maintain DEQ's credibility and trust with the Environmental Justice Community

We are very concerned that DEQ's current proposal would allow fossil gas utilities to rely on out-of-state RNG/Biomethane and hydrogen projects to comply with the CPP (e.g., through the Book & Claim provision). Of great concern is the new rule language of proposed 340-215-0040(7)(a) which

suggests that regulated entities would be allowed to use “Book & Claim” accounting to generate compliance credits from biomethane or hydrogen from pipeline delivered gas when the pipeline is part of the natural gas transmission and distribution network “**connected to Oregon**”. The term Connected to Oregon suggests that regulated entities would be allowed to generate compliance credits from out-of-state sources. Allowing fossil gas utilities or other regulated entities to comply with the CPP via out-of-state investments would be a fundamental betrayal of the work and trust built over years between DEQ, the EQC, Environmental Stakeholders, and the Environmental Justice Community. It is also deeply concerning that allowing this rule change for biomethane and hydrogen would create a very dangerous precedent for any regulated entity under the CPP to purchase so-called “emission reduction credits” from anywhere in the county to satisfy their compliance obligation. DEQ and EQC must stop this bad precedent before it gets a foothold.

After years of discussion and negotiation between DEQ and its stakeholder community the agency developed the Community Climate Investment Program (CCIP) as the singular alternative compliance mechanism to be used in the CPP. The Community Climate Investment Program provides each regulated entity an alternative path to meeting CPP compliance obligations. The core purpose of the CCIP is to provide a flexible alternative compliance path that also produces air quality, environmental justice, and economic benefits **for Oregon Communities**.

The Community Climate Investment Program provides benefits for local air quality, public health, local economies and jobs, environmental justice and more, all in Oregon. Allowing fossil gas utilities to circumvent the CCIP by purchasing out-of-state credits would drastically undermine and harm the CCIP by diverting investment away from critically valuable local climate projects, provide zero benefit to Oregon, and would allow the fossil gas industry to subvert a cornerstone policy of Oregon’s CCP. It would also undermine a fundamental principle of the CPP which is to achieve emission reductions **in Oregon**. Out-of-state “credits” also present a much higher risk of uncertainty and fraud than relying solely on verifiable reductions from Oregon’s CCIP.

The 2023 Biennial Zero Emissions Vehicle Report from the Oregon Department of Energy highlights in great detail how Oregon is challenged with building out essential public and private charging infrastructure to support rapid adoption of EV’s. They also note that Oregon is behind in meeting its EV and climate goals. ODOE highlights the particular challenge of achieving equity in the EV space and the urgent need to bring more EVs and charging infrastructure to low income, EJ neighborhoods. The CPPs Community Climate Investment Program can and should play a significant role in helping bring badly needed EV investment to EJ neighborhoods. Allowing out-of-state credits for alternative compliance not only undermines the CPP broadly, it specifically undermines the multi-agency efforts to bring EV’s to EJ areas. DEQ’s proposal also begs the question of how well, if at all, CPP leadership are actually coordinating with other climate programs at DEQ, ODOE, and ODOT to achieve Oregon’s climate goals. DEQ’s current proposal undermines DEQ’s own Clean Cars program. All of DEQ’s climate programs need to be in close coordination and pulling in the same direction.

To ensure the effectiveness and integrity of the program EQC must **limit the eligible use of “book and claim” accounting to only biomethane or hydrogen that is injected into a pipeline within Oregon.** The rule language of 340-215-0040(7)(a) and any other related rule language should be amended to make clear regulated entities can not generate CCP compliance credits from out-of-state sources.

Additionally, we strongly encourage DEQ and the EQC to avoid being distracted by exploring overly complicated options accounting for biomethane transport such as “sub-national” pipeline distribution schemes or sub-national "trading hub" strategies. Those ideas distract from the clearest and most effective approach the CCP should use to fulfill its purpose. While DEQ and EQC may not be able to regulate all aspects of interstate biomethane transport, they can and must regulate what types of CCP compliance credits are allowed and not allowed for Oregon. DEQ may possibly believe that the CCP rule authority may allow Book & Claim credits from out-of-state sources, however the rules do not require DEQ to allow Book & Claim credits from out-of-state sources. DEQ and EQC can and must say no to this harmful idea. EQC must ensure CPP emission reductions actually occur in Oregon and must also protect the purpose and integrity of the Community Climate Investment Program.

The Environmental Quality Commission must reaffirm through this and all future rulemakings that fossil gas utilities and other entities regulated by the CCP can only meet their compliance obligations in one of two ways; either through direct emission reduction at their facilities or by investing in emission reduction through the Community Climate Investment Program. Now as in the past, regulated industry will often seek to weaken the CCP by looking for the cheapest way to comply at the expense of the CCP’s purpose and integrity, including seeking out-of-state credits that provide no benefit to Oregon communities and thus diverting investment from the Community Climate Investment Program. The EQC must be the safeguard against these types of loopholes that undermine the CCP’s integrity and effectiveness, now and in the future.

Issue #2: Best Available Emission Reduction (BAER) requirements

In the 2021 CCP rulemaking DEQ and EQC made the decision to not include stationary industrial sources under the CPP emissions cap and to instead rely on DEQ’s Best Available Emission Reduction (BAER) permitting approach to evaluate emission reduction options for existing stationary industrial sources and to possibly reduce those emissions. As the name implies, achieving any emission reduction under the BAER program is solely dependent on determining which, if any, emission reduction technologies and production changes are the “best available”, which is of course a subjective determination, especially when a source is allowed to consider their cost of control when claiming what “best available controls” are. The entire BAER program is fraught with risk of industrial sources gaming the program to their advantage. We still believe the BAER approach is a fundamental flaw in DEQ’s program and that stationary source GHG emissions should be included under the CCP cap. However, if Oregon is to rely on the BAER program, it is essential that DEQ implement the most rigorous and most effective program possible, as swiftly as possible.

Our chief concern is that the proposed rule will enable the growth of new and existing large industrial polluters (e.g. new or expanding data centers, semiconductor manufacturers, etc.) without requiring mandatory emission limits, or adequate public engagement and stakeholder/public input on BAER assessments and determinations. As the only existing state regulation addressing GHG pollution from major industrial emitters, it is vital that the CPP works to ensure science-based emission reduction from existing stationary sources and to minimize the GHG pollution impact of new stationary sources in Oregon.

As Oregon's economy grows and new industrial capacity comes on-line, it is essential that DEQ's BAER program truly minimize emission increases from new and expanding industrial sources. Failure to do so undermines the critical achievements and progress made so far by Oregon's suite of GHG pollution reduction programs, including all the businesses complying with the CCP emissions cap. Therefore, DEQ and EQC should ensure this proposed rule strengthens the program and requires that BAER assessments be conducted for any proposed new stationary source or any proposed modification of an existing source that has the potential to emit GHG pollution. DEQ should also make clear in its rules that no permit will be issued for new or expanding emission sources until and unless DEQ formally approves a facility's BAER analysis through a public process.

It is essential that DEQ operates a transparent and inclusive permitting program in regard to BAER determinations and actively encourages the public to review and comment on BAER determinations. It is especially important for DEQ regional staff and administrators to ensure that local neighborhood groups have the opportunity to review and comment on any relevant BAER determination.

We also have ongoing concerns about the resource ability and diligence of DEQ to implement the BAER program. Historically DEQ's stationary source permitting program has been chronically understaffed and can be slow to implement industrial emission reduction requirements through permits. This is especially concerning given that DEQ's permitting process can take many years to affect changes or implement emission control requirements. Through this rulemaking we ask that the EQC affirmatively and clearly state their expectations that DEQ invest the time, money, and regional permitting staff needed to make implementing the BAER program a top priority for the agency and specifically for its regional permitting managers and staff.

Issue # 3: The treatment of Hydrogen in the CCP

DEQ and the EQC must ensure that the CPP rules make the critical distinction between clean hydrogen (e.g. hydrogen made from renewable energy sources like solar and wind) and dirty hydrogen (i.e. hydrogen made from fossil fuels). We note that the rule has a single definition of "Hydrogen" in 340-215-0020(34). That definition is inadequate. Accounting for this critical difference in **how** hydrogen is produced is essential for the transparency, effectiveness, and integrity of the CCP. The DEQ and EQC

should not allow fossil-derived hydrogen to receive any emission reduction credit in the CCP. It is also critical that the program track and disclose **where** hydrogen is produced. The DEQ and EQC should not allow any fossil-derived hydrogen produced out-of-state to be used as a CCP compliance credit. Allowing dirty hydrogen to be used in Oregon undermines the intent, effectiveness, and credibility of the CCP.

Issue #4: Make-up of DEQ's Rules Advisory Committee

We have serious concerns over the makeup of DEQ's Rules Advisory Committee (RAC) for this proposal. The advisory committee discussed and influenced DEQ on several policy choices and rule revisions affecting the success of the CCP. Yet, as EQC Chair George noted at the Sept 15th EQC meeting, the 14 member RAC for this rulemaking was composed almost entirely of regulated businesses and included only two environmental stakeholder organizations. That was a serious mistake on the part of the CCP program leadership that should never be repeated. Stacking any RAC in favor of regulated industry gives DEQ a skewed perspective on those critical issues and harms the trust, long fought for, between DEQ and its stakeholder community. This industry influence is clearly visible in DEQ's proposal to allow CCP compliance credits to be generated by out-of-state projects. Given the overwhelming industry influence on the RAC and its recommendations to DEQ the EQC should give considerable weight to the comments submitted by the two environmental organizations on the RAC when considering this proposed set of rule revisions.

Thank you again for the opportunity to comment.

Sincerely,



David Collier, Conservation Committee
Vice-Chair, Oregon Sierra Club



Debra Higbee, Conservation Committee Chair,
Oregon Sierra Club

Comment # 132

From: ccoughlin@ocj.org

Subject: Comments on Proposed Rule

Attached are Oregon Consumer Justice's comments on the proposed rule on the Climate Protection Program. Thank you for this opportunity.

Chris

Chris Coughlin | she/her/hers (hear my name)

Policy Director

ccoughlin@ocj.org

ocj.org

503.312.8178

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Number of commenters: 1



Oregon Consumer Justice
3055 NW Yeon Avenue, #1336
Portland, OR 97210
(503) 406-3311

October 6, 2023

Submitted to:

Nicole Singh and Elizabeth Elbel
Department of Environmental Quality
climate.2023@deq.oregon.gov

Thank you for this opportunity to provide the Department of Environmental Quality with comments on the proposed rules for the Climate Protection Plan (CPP) and the Community Climate Investment (CCI) Program.

Oregon Consumer Justice (OCJ) is a nonprofit consumer advocacy organization advancing a justice movement that puts people first through policy, community engagement, and the law. We work to end predatory practices and ensure that bad actors are held accountable so all Oregonians can live with dignity, good health, joy, and economic opportunities. We aim to ensure that financial and business transactions are reliably safe and that all Oregonians understand and know how to exercise their consumer rights.

The Oregon Department of Environmental Quality's (DEQ) 2023 Climate Rulemaking will have far-reaching consequences for the climate and communities in Oregon. OCJ is concerned that the proposed rules could result in serious unintended consequences if impacts to communities and the climate are not adequately considered. If done well, the rulemaking will help ensure the CPP stays on track to deliver its stated climate goals and public health, economic, and employment benefits for environmental justice communities in Oregon.

The proposed rule allowing covered fuel suppliers to rely on out-of-state biomethane presents the alarming likelihood that investments will be diverted from the CCI program. The CCI program was developed and informed by many months of engagement with environmental justice communities in Oregon. Its goals include



Oregon Consumer Justice
3055 NW Yeon Avenue, #1336
Portland, OR 97210
(503) 406-3311

supporting investments that maximize public health, jobs, and cost-saving benefits for these and other communities historically disenfranchised and disproportionately impacted by economic disinvestment, health challenges, and environmental harms.

OCJ urges DEQ to strengthen the proposed rule and ensure Oregon's cornerstone CPP stays on track to deliver its stated climate goals and benefits for environmental justice communities in Oregon.

Thank you again for this opportunity to provide comments, and please let us know if you need any further clarification or information on any of the comments above.

Regards,

Chris Coughlin
Policy Director



Comment # 133

From: Nina.Carlson@nwnatural.com

Subject: Letter comments on DEQ CPP rulemaking on behalf of Miles Fiberglass

Please find attached letter of comments on behalf of Miles Fiberglass.

NC

Number of commenters: 1

October 10, 2023

Oregon Department of Environmental Quality
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

RE: 2023 Climate Rulemaking Comments from Concerned Workers and Business Leaders

We – the organizations that represent highly skilled workers and diverse industries that make up Oregon’s economic engine – appreciate the opportunity to provide public comments on DEQ’s proposed changes to the Greenhouse Gas Reporting Program (Division 215) and the Climate Protection Program (Division 271).

Though our groups represent a wide range of industries and perspectives, we are unified in a common concern about cost impacts to our state’s workforce and families. We urge DEQ to help keep costs down by using the most effective and efficient ways to reduce emissions.

- We support decarbonized fuels – like renewable natural gas – as tools for reducing emissions, including from sources outside of Oregon.
- Decarbonized fuels provide tangible greenhouse gas savings by displacing the use of more carbon intensive fuels, regardless of the end use location or a pipeline connection to Oregon. Reducing emissions anywhere, within Oregon or otherwise, creates a climate benefit everywhere, including for Oregonians.
- Imposing arbitrary geographic limits on where environmental attributes can be procured harms rather than helps Oregonians. This would be akin to excluding wind and solar resources from outside of Oregon – which would prevent us from meeting our clean electricity goals.
- Limitations will increase compliance costs under the Climate Protection Program. As a business operating in Oregon, we are concerned with efficiency and cost. It is important that real carbon reductions are achieved by the Climate Protection Program in the most cost-effective manner.
- Proven and auditable carbon accounting methods are important. The standard book and claim accounting methodology for decarbonized fuel use from across North America provides a mechanism for proper greenhouse gas accounting under the Greenhouse Gas Reporting Rule while controlling costs.

Please control for costs.

Increasing decarbonized fuel supply decreases costs, which is why we urge DEQ to be consistent with other carbon markets and programs by **not** arbitrarily including geographic limitation on biomethane and renewable natural gas in the Climate Protection Program and Greenhouse Gas Reporting Rule.

Sincerely,

Lori Olund
President
Miles Fiberglass & Composites

Comment # 134

From: pwitmer@ugies.com

Subject: GHI Energy Comments to Rulemaking

Good morning,

GHI Energy is pleased to submit the attached comments in support of the Oregon Dept of Environmental Quality's Greenhouse Gas Reporting Program.

Thank you,

Pam Witmer

Pam Witmer, VP Govt Affairs

UGI Energy Services, LLC

pwitmer@ugies.com

610-373-7999 (office)

717-579-8735 (cell)

Number of commenters: 1



October 11, 2023

Nicole Singh and Elizabeth Elbel
Oregon Department of Environmental Quality
811 SW Sixth Ave.
Portland, OR 97204-1390

Climate 2023 Rulemaking: Appendix of Proposed Rules

Dear Ms. Singh and Ms. Elbel,

GHI Energy is a leading renewable natural gas (RNG) company that has been actively engaged in the renewable natural gas low carbon fuels market for several years.

GHI Energy offers the following comments regarding the Oregon Department of Environmental Quality's (DEQ) final draft Appendix of Proposed Rules. Specifically, we would like to express our support for, and urge DEQ to finalize its current definition for "Book and Claim" within the Greenhouse Gas Reporting Program (GGRP) portion of the regulations, as follows:

"Book and Claim" refers to the accounting methodology where the environmental attributes of an energy source are detached from the physical molecules when they are commingled into a common transportation and distribution system for that form of energy. The detached attributes are then assigned by the owner to the same form and amount of energy when it is used. For the purposes of this division, the common transportation and distribution system must be connected to Oregon.

Maintaining Alignment with Existing Programs in Oregon and Worldwide

This framework remains in line with existing policies in Oregon which are designed to incent the development and use of renewable gas, an array of state- and federal-level programs, and international standards that govern greenhouse gas (GHG) accounting:

Oregon's renewable gas procurement targets established by SB 98¹ and the Clean Fuels Program² are two key programs which are designed to incent the use of renewable natural gas (RNG) in Oregon's residential & commercial thermal and transportation sectors. These sectors comprised around 69% of the state's GHG emissions in 2021,³ requiring expedient deployment of clean fuels and electricity to

¹ <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/SB98/A-Engrossed>

² <https://www.oregon.gov/deq/ghgp/cfp/pages/cfp-overview.aspx>

³ <https://www.oregon.gov/deq/ghgp/pages/ghg-inventory.aspx>

decarbonize. DEQ’s current draft Book and Claim definition fits with these programs, which allow for the procurement of renewable gas via existing energy transportation and distribution infrastructure.

The use of market-based instruments within a system that utilizes book-and-claim accounting can be seen in Renewable Gas Standard and Clean Heat Standard policies in California, Colorado, Minnesota, New Hampshire, British Columbia, and Quebec. The same system is employed under Low-Carbon Fuel Standard programs in California, Washington, British Columbia, and Canada on the federal level, as well as EPA’s Renewable Fuel Standard. Furthermore, other voluntary renewable energy procurement frameworks from World Resources Institute, Climate Disclosure Project, The Climate Registry, RE100, and Airport Carbon Accreditation allow for the purchase of RNG certificates to qualify in this manner.

Importantly, GHG accounting leader World Resources Institute (WRI) is currently updating its standards surrounding market-based procurement. Their recently published guidance explicitly allows companies reporting under the Greenhouse Gas Protocol to use market-based instruments for renewable gas purchases, stating that “companies purchasing certificates may wish to consult with their auditors and consider rules provided by relevant target-setting programs or applicable regulatory schemes in their jurisdiction(s) on how to report these purchases in their reports.”⁴ In other words, these existing Book and Claim practices are deemed acceptable by WRI.

Avoid Limitations Which Would Hurt Renewable Energy Growth

In finalizing its Book and Claim definition, DEQ must consider not only the objective of maintaining alignment with existing programs, but also the effects of potential limitations on market-based instruments. Specifically, we urge DEQ not to place artificial geographic limitations on renewable energy supply that are not also placed on the use of conventional energy supply. For example, in the case of imported renewable gas, such limitations would stifle industry growth in a time where it remains crucial to replace imported fossil gas and reduce methane emissions in the organic waste sector.

Injection into a common pipeline system is the lowest-GHG way of transporting renewable gases, book-and-claim layers well on top of the way conventional gas is traded and incentivizes the buildout of RNG resources in a rational way beginning with the most cost-effective projects. Renewable gas producers cannot change physical flow of the gas system significantly until volumes reach scale and displace a significant share of fossil gas. The supply of conventional gas which currently serves Oregon primarily originates out of state; the existing market for physical gas delivery optimizes moving gas from supply to demand in a least cost and generally lowest GHG manner.

Maintaining consistency and fungibility between all North American RNG markets through the aligned use of book-and-claim will increase competitiveness, improve investment certainty, and lead to the sustainable growth of the renewable gaseous fuel industry. The use of full book-and-claim accounting for the vast majority of North American RNG has already resulted in overwhelmingly positive greenhouse gas emission reductions.

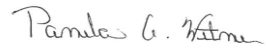
Conclusion

GHI Energy appreciates the opportunity to provide feedback in support of DEQ’s current draft regulations regarding renewable gas procurement under the GGRP. We urge DEQ to uphold this

⁴ <https://ghgprotocol.org/blog/interim-update-accounting-biomethane-certificates>

framework to incent (1) recycling of organic waste into renewable fuels and platform molecules which can (2) replace fossil-derived fuels and feedstocks in various sectors of the economy while (3) reducing methane emissions and improving other air and water quality impacts associated with waste management in Oregon and beyond.

Sincerely,

A handwritten signature in cursive script that reads "Pamela A. Witmer".

Pamela A. Witmer
VP Govt Affairs

Comment # 135

From: Janna.Loepky@avistacorp.com

Subject: Avista Comments Submission

Good Afternoon,

Please see the attached comments in response to the Climate 2023 Rulemaking (due October 13th). Please let me know if you have any follow-up questions or comments. Thank you in advance and have a nice day.

Sincerely,

Janna Loepky

Greenhouse Gas Program Lead

Environmental Compliance

1411 E MISSION AVE | MSC-21 | SPOKANE, WA 99202

PHONE 509-495-8809

www.myavista.com

Number of commenters: 1



Avista Comments in Response to Oregon's Climate 2023 Rulemaking

October 11th, 2023

ATTN: Elizabeth Elbel and Nicole Singh
Oregon Department of Environmental Quality
Climate.2023@deq.oregon.gov

Avista Corp ("Avista") appreciates the opportunity to submit comments on the 2023 Climate Rulemaking by the Oregon Department of Environmental Quality ("DEQ") and continues to support DEQ's inclusion of book and claim accounting in its existing climate programs.

As an investor-owned utility, Avista services over 400,000 electric and 368,000 natural gas customers. Operating since 1889, Avista continues to produce more than half of their power supply mix, with renewable resources all while continually focusing on providing safe, reliable and responsible energy to all customers. As an active business serving Oregon customers, Avista has a vested interest in any regulatory changes that may potentially impact operations and thereby, customers. We look forward to working with DEQ to determine the best possible outcomes for the communities we serve.

Avista submits the following comments with the goal of improving program implementation and further increasing climate benefits:

- Avista recognizes that book and claim accounting already is permitted under DEQ's existing programs. This is in agreement with the DEQ's *Statement of Fiscal and Economic Impact*.
- The Greenhouse Gas Reporting Rule should not be retroactive to the 2023 data year, given the breadth of the proposed new biomethane and hydrogen recordkeeping and reporting requirements.
- In order to maximize greenhouse gas reductions, DEQ should allow book and claim accounting for biomethane and hydrogen injected into pipelines across North America to count toward Climate Protection Program compliance.
- To enable gas utilities to accurately reflect the environmental attributes of the fuel they transport, gas suppliers that use gas utilities' systems to transport their gas (transport customers) should be required to report the environmental attributes of the gas to utilities based upon particular transactions with the utilities and/or gas marketers.

- To allow environmental attributes the time necessary to be appropriately verified, DEQ should require biomethane and hydrogen credits to be claimed within the same or subsequent calendar year the associated gas was injected into a pipeline.
- DEQ should ensure the reporting of biomethane and hydrogen under the Greenhouse Gas Reporting Rule is as streamlined and feasible as possible. To this end, M-RETS reporting should be allowed for book-and-claim reporting in lieu of other requirements.
- DEQ should include rule language to allow it to easily approve future emissions-reducing technologies.
- For consistency, DEQ should include hydrogen under the “importer” definition in OAR 340-215-0020.

Avista thanks DEQ for its continued work on the proposed rules and would welcome the opportunity to discuss the above recommendations, which are further detailed below, at any time.

1. Avista concurs that DEQ’s existing programs already allow for book and claim accounting.

Avista agrees that most of the amendments to the Greenhouse Gas Reporting Program are amendments “intended to add more precise language to the rule, while not changing or creating new requirements.”¹ As DEQ’s *Statement of Fiscal and Economic Impact* notes, amendments of this nature should result “in little to no fiscal or economic impact to regulated entities.”² Similarly, regarding racial equity, “DEQ has not identified any significant positive or negative implications for racial equity,” as the amendments generally aim to improve program implementation.³

As DEQ staff emphasized in the last Rulemaking Advisory Committee (“RAC”) meeting, the existing Greenhouse Gas Reporting Program already allows for the reporting of biomethane, and the existing Climate Protection Program already allows for the use of biomethane via book and claim accounting as a compliance pathway for regulated entities to reduce their emissions. Contrary to one commenter’s claim that book and claim accounting does not benefit Oregonians, DEQ staff rightly recognized that curtailing book and claim accounting would increase program costs; this in turn would increase Oregonians’ energy costs.

Furthermore, DEQ correctly concluded that there are no discernable racial equity impacts from the proposed rule changes, and whether to allow biomethane as a compliance mechanism is outside of this rulemaking’s scope and DEQ’s rulemaking authority here.⁴

¹ DEQ, *Climate 2023 Rulemaking – Notice of Proposed Rulemaking*, 33 (Aug. 22, 2023).

² *Id.*

³ *Id.* at 48.

⁴ See ORS 468A.020(3)(a) (“Except to the extent necessary to implement the federal Clean Air Act (P.L. 88-206 as amended), the air pollution laws contained in ORS 468A.025, 468A.030, 468A.035, 468A.040, 468A.045 and 468A.300 to 468A.330 do not apply to carbon dioxide emissions from the combustion or decomposition of biomass.”).

2. The Greenhouse Gas Reporting Rule should not be retroactive to the 2023 data year.

Given the breadth of the new proposed reporting requirements for biomass-derived fuels and hydrogen, DEQ should not retroactively apply these requirements to the 2023 data year, the data for which is already accruing. Importantly, this proposed rulemaking is not on track to be finalized until the end of 2023. As such, regulated entities have no certainty as to exactly what reporting requirements DEQ aims to retroactively impose.

Instead of applying the proposed new reporting requirements for biomass-derived fuels or hydrogen on a post-2023 data year basis, OAR 340-215-0046(3) requires regulated entities to request exemptions from DEQ. Avista anticipates that it may need to ask for such an exemption. To reduce unnecessary back-and-forth between the utilities and DEQ, DEQ should streamline the rule by automatically exempting the 2023 data year from these requirements.

In the last RAC meeting, DEQ staff stated that any proposed rules would not apply retroactively. Avista agrees with this approach, especially given the significant increase in recordkeeping and reporting for biomethane and hydrogen transactions. As such, any new recordkeeping and reporting requirements should only apply to post-2023 data years.

3. DEQ should allow book and claim accounting for environmental attributes across North America.

Avista asks DEQ to recognize environmental attributes from gas injected into any pipeline in North America for Climate Protection Program compliance via book and claim accounting. To geographically restrict where gas must be injected arbitrarily limits the greenhouse gas emissions reductions that would otherwise occur, contrary to the program's goals.

DEQ has stated that it has restricted where Oregon utilities can make emission reductions because this “would allow for reporting of gas that is physically unable to reach Oregon.”⁵ But the stated purpose of the Climate Protection Program is to “reduce greenhouse gas emissions from sources in Oregon.”⁶ What should matter is that what the Climate Protection Program classifies as “sources” in Oregon, such as Oregon gas utilities, are incentivized to make greenhouse gas reductions, whether in Oregon or elsewhere. A greenhouse gas emissions reduction somewhere is a greenhouse gas emissions reduction everywhere.

Additionally, given reliable environmental attribute tracking systems like M-RETS, or alternatively, DEQ's proposed book and claim reporting requirements, expanding the geographic scope of where Oregon utilities can invest in emission reductions will not result in double counting.

Furthermore, maximizing the greenhouse gas reductions that book and claim accounting can achieve will not cause utilities to forgo Community Climate Investment (“CCI”) credits as a compliance mechanism. As demonstrated from Avista's Integrated Resource Plan filings before the Oregon Public Utilities Commission, Avista will need to rely upon a combination of

⁵ *Id.* at 53.

⁶ OAR 340-271-0010(3).

compliance strategies, which includes a significant reliance on CCI credits.⁷ However, CCI credits are not currently available for purchase, as DEQ is still in the process of certifying CCI entities, and covered fuel suppliers can only use CCIs to meet a mere 10% of their compliance obligation in the first compliance period.

Finally, imposing arbitrary geographic limits on where environmental attributes can be procured, harms rather than helps Oregon utility customers, which include environmental justice communities, as such limitations will increase compliance costs under the Climate Protection Program.

4. Gas suppliers should report their environmental attributes to utilities so utilities can accurately calculate the emissions from delivered fuel.

Gas suppliers that are not local distribution companies should be required to report to the gas utility their environmental attributes under the Greenhouse Gas Reporting Program based upon particular transactions with gas utilities and/or gas marketers. Doing so will ensure that gas utilities have the necessary information to accurately calculate the emissions from the fuel they deliver and, thereby, improve overall program integrity.

As it currently stands, utilities have little to no information on the environmental attributes of the transported gas. This undermines the integrity of the overall program, which is especially important when the State is working to meet ambitious emissions targets.

Requiring gas suppliers that transport customers to match their environmental attributes to the fuel that gas utilities deliver would ensure that utilities, and DEQ, have accurate information regarding any environmental attributes associated with the transported fuel. This would more easily enable these attributes to be included in gas utilities' emissions calculations thereby reducing the amount of CCI credits or other compliance mechanisms the utilities would otherwise have to procure—which in turn also ensures that DEQ is able to accurately track progress toward the State's climate goals.

5. DEQ should require environmental attributes to be claimed within the same or subsequent calendar year.

With regard to book and claim reporting, DEQ should require environmental attributes to be claimed within the same or subsequent calendar year the gas was injected into a pipeline. The significance of this change should not be underestimated. Under the current proposed rule, biomethane transactions taking place later in the reporting year will take too long to claim and report on for the same year. This unduly restricts book and claim accounting as a compliance option for utilities, who must achieve significant emission reductions.

Furthermore, a slightly longer vintage timeline than the one year currently proposed will allow the necessary flexibility for regulated entities who are waiting on the U.S. Environmental Protection Agency or other regulatory entities to approve credits. Administrative delays in

⁷ OPUC Docket No. LC 81, *Avista's 2023 Integrated Resource Plan (IRP)*

crediting, which may be beyond the utility's control, should not be a reason a utility's environmental attributes for Oregon expire.

As such, we urge DEQ to change all instances of "same reporting data year" in the draft OAR 340-215 rule to instead read "same or subsequent reporting data year".

6. DEQ should ensure the reporting of biomethane and hydrogen under the Greenhouse Gas Reporting Rule is as streamlined and feasible as possible.

Avista welcomes DEQ's clarifications in implementing book and claim accounting, especially it's clarification under OAR 340-215-0040(7)(b) that regulated entities may use the same environmental attributes of biomethane and hydrogen in the Greenhouse Gas Rule reporting, the federal Renewable Fuel Standard Program, the Oregon Clean Fuels Program, and the Climate Protection Program. This will further incentivize RNG and hydrogen developments by making such projects more economical and provide consistency across regulatory programs.

However, some of the reporting provisions appear to be unnecessary to achieve reporting accuracy and could needlessly inflate the cost burden of the program on Oregonians. Avista makes the following suggestions to clarify and streamline book-and-claim reporting requirements:

- DEQ should allow M-RETS reporting for book and claim transactions in lieu of other requirements. Avista appreciates that DEQ has allowed a pathway to approve an electronic tracking system for environmental attributes like M-RETS under the rule. M-RETS "tracks the life cycle of each renewable certificate created, and ensures against any double-counting or double-use of each certificate."⁸ To increase regulatory certainty, DEQ should approve M-RETS as an approved tracking system under the Greenhouse Gas Reporting Rule and allow utilities using this system to forgo the other recordkeeping requirements under OAR 340-215-0042, which would then be unnecessarily duplicative.

To conform with how the delivery of lower carbon fuels within the Oregon pipeline system occurs, DEQ should define what it means by "direct delivery" of biogas, biomethane, or hydrogen under OAR 340-215-0042(5) to encompass blending, and delete reference to "point of use" in this sub-section. Biomethane and hydrogen may be blended into the Oregon pipeline system, thereby displacing natural gas. In such instances, it will not always be possible to document where the fuel is "directly delivered" to the "point of use in Oregon."

- In order to give regulated entities the time necessary to produce the detailed reporting requirements under the proposed rule, we ask that DEQ expand the number of days to submit required documentation to DEQ under OAR 340-215-0042(12) from 14 calendar days of notification to 30 days calendar days of notification.

⁸ M-RETS, *Frequently Asked Questions*, <https://www.mrets.org/resources/frequently-asked-questions/#:~:text=M%2DRETS%C2%AE%20creates%20a,double%2Duse%20of%20each%20certificate> (last visited Sept. 20, 2023).

Additionally, Avista provides the following suggested edits to help clarify proposed amendments to the Reporting Rule:

340-215-0042

Recordkeeping Requirements

(4) Regulated entities reporting biomass-derived fuels or hydrogen, as required under OAR 340-215-0044(5), must retain supporting documentation that authenticates the purchase quantity and quality of the hydrogen or gaseous or liquid biomass-derived fuel between parties. This supporting documentation:

(a) May include, but is not limited to, documentation from each upstream party, invoices, bills of lading, shipping reports, balancing reports, storage reports, in-kind nomination reports, allocation, contracts confirming the source of fuel supplied in the state, attestations, information on the environmental attributes associated with the sale or use of the fuel, renewable thermal certificate (not “credit”) records, or any combination therein; and

(b) When reporting biogas, biomethane, or hydrogen, must include proof of ownership of a renewable thermal certificate or attestations from each upstream party collectively demonstrating that no other upstream party can make a claim on environmental attributes that are being reported under this division. The quantity of energy covered by the environmental attributes must match or exceed the energy of fuel reported under this division.

(5) When reporting direct delivery of biogas, biomethane, or hydrogen in Oregon regulated entities must retain documentation that shows the fuel type and quantity directly delivered from the point of origin (and “not to the point of use in Oregon).

(6) When reporting renewable thermal certificate purchase or contractual deliveries of biomethane or hydrogen using book and claim accounting, the regulated entity must retain and make available:

(a) Records demonstrating the specific quantity of gas claimed was injected into a pipeline that is part of the natural gas transmission and distribution network in North America in the current data year and link those environmental attributes to a corresponding quantity of gas withdrawn for use in Oregon;

(b) Records demonstrating the quality of the fuel reported or a renewable thermal certification requiring pipeline quality gas;

(c) Records documenting the fuel production facility, the type of production, facility location and feedstock(s).

(d) Records demonstrating the full lifecycle carbon intensity of the reported fuel including all records supporting the estimation of the reported carbon intensity value required under OAR 340-215-0044(5)(b)(I) or OAR 860-150-0050(6);

(e) If using an electronic tracking system approved by DEQ for book and claim accounting, records demonstrating the retirement of all environmental attributes of that fuel that are being reported under this division. The quantity of energy covered by the environmental attributes must match or exceed the energy of fuel reported under this division;

(f) Records demonstrating that the retired or claimed environmental attribute was generated from gas injected into the pipeline within the same reporting data year; and

(g) Any records used in the reporting of information required under OAR 340-215-0044(5).

340-215-0044

Emissions Data Reports

(5) When reporting biomass-derived fuels and hydrogen, the following requirements also apply:

(a) In addition to the requirements of section (3), a regulated entity reporting biomass derived fuels or hydrogen must retain records as required by OAR 340-215-0042, as well as calculate and report.

(b) Direct emissions of biogenic CO₂ resulting from the combustion and oxidation of biomass-derived fuels.

(c) When reporting fuels where biomass and fossil feedstocks are processed in the same facility to produce the fuel, persons may request DEQ approval of a methodology for the attribution of the biogenic feedstock to determine the amount of the final reported product that may be reported as biogenic. Regulated entities must receive written DEQ approval to use the attribution methodology prior to reporting.

(d) When reporting emissions from gaseous biomass-derived fuels or use of hydrogen, report the following information for each contracted delivery:

(A) The type and quality of the gas, including the higher heating value of the claimed gas;

(B) Name and address of all intermediary and direct vendor(s) from which the fuel is purchased;

(C) Name, address, and facility type from which the fuel was produced;

(D) Annual amount contractually delivered, disaggregated by each vendor, in MMBtu for biomethane, hydrogen and for other gaseous fuels;

(E) Feedstock(s) used to produce the gas;

(F) Method(s) used to produce the gas;

(G) Month and year in which the gas was produced;

(H) Method of delivery to Oregon;

(I) The lifecycle carbon intensity, as defined in OAR chapter 340, division 253 of the pathway for the contractually delivered biomethane or hydrogen. Lifecycle carbon intensity values must be estimated using the methodology and tools described in OAR chapter 340, division 253 or OAR chapter 860, division 150. Upon request from a regulated entity showing good cause to use a different method than one described in OAR chapter 340, division 253 or OAR Chapter 860, division 150, DEQ may approve another methodology;

(J) Based on the quantity of biomethane or hydrogen reported using book and claim accounting, the amount of natural gas use displaced (MMBtu);

(K) Name and air permit source identification number for the final end user of the gas in Oregon, if applicable; and

(L) Records demonstrating that no other party can make a claim on environmental attributes that are being reported under this division. The quantity of energy covered by the environmental attributes must match or exceed the volume of fuel reported under this division. Records must demonstrate that the retired renewable thermal certificates or claimed environmental attributes were generated within the same reporting data year; and

(d) In place of the requirements in section (c) in this division, regulated entities reporting contractual deliveries of gas using book and claim accounting must:

(A) Report the specific type and volume of gas claimed as injected into a natural gas pipeline and delivered in North America in the reporting data year;

(B) Report the point of injection into a pipeline in North America;

(C) If using an electronic tracking system approved by DEQ for book and claim accounting, the regulated entity must submit records showing the retirement of all environmental attributes of the gas that are being reported under this division; and

(e) Retain and make available sufficient records to allow for verification of all reporting requirements in this section, including but not limited to those described in OAR 340-215-0040(7) and OAR 340-215-0042.

7. DEQ should include language to encompass future emissions-reducing technologies.

Given the urgency of addressing climate change and the amount of money being invested by both the public and private sector in emerging emissions-reducing technologies, Avista recommends that DEQ include rule language under the Greenhouse Gas Reporting Program and the Climate Protection Program to allow the agency to quickly approve other fuel pathways that reduce emissions. This would align with DEQ's approach under OAR 340-253-0450 of Oregon's Clean Fuels Program, through which DEQ can certify new fuel pathways that reduce emissions. Such an approach would also save DEQ time and resources by potentially avoiding the necessity of undertaking yet another rulemaking to address such technologies.

8. For consistency, DEQ should include hydrogen under the “importer” definition in OAR 340-215-0020.

OAR 340-215-0020(36) only references biomethane when defining “importer.” Because the Greenhouse Gas Reporting Program allows for the reporting of hydrogen as well as for biomethane throughout the rest of the proposed rule, DEQ should reference hydrogen fuel imports/book and claim imports here as well for consistency.

340-271-0310

Cessation of Covered Entity Applicability

- Under federal regulation 40 CFR 98.2(b)(i)(1) the general provisions state cessation may occur after five years if emissions are less than 25,000 metric tons CO₂e and with proper administrative notification. To be in line with federal requirements, Avista requests all provisions relating to time of cessation, should also be five years as opposed to ODEQ's proposed six years (340-271-0130 Cessation of Covered Entity Applicability (1)(a)).
- 340-271-0310(1)(c) DEQ should provide a definition for significant change as it pertains to sources that are a covered stationary source which have been modified. Since explicit examples of significant change are not defined in this subsection, interpretations could vary and therefore it would be unclear as to when a BAER assessment would be required.
- 340-271-0310(1)(c)(C) Similarly, if a source does not require a BAER assessment, DEQ should provide an explicit list of requirements and or definition, in which a covered stationary source undergoing a modification, should meet before triggering a need to conduct a BAER assessment. As the proposed language states, it is unclear as to when or why DEQ may request a BAER assessment thereby leaving this rule open to case by case interpretation and subject to bias amongst applicants.

Avista appreciates the opportunity to engage with DEQ and share their support and further recommendations for achieving emissions reductions under Oregon’s Greenhouse Gas Reporting Program and the Climate Protection Program. If you would like to further discuss this letter or have any questions, please reach out to Janna Loeppky at janna.loeppky@avistacorp.com

Sincerely,



Janna Loeppky
Greenhouse Gas Program Lead
Avista Corp.

Comment # 136

From: amy@skynrg.com

Subject: Comments on "Book and Claim" under GGRP

Dear Ms. Singh and Ms. Abel,

Please find attached SkyNRG's comments on Oregon Department of Environmental Quality's draft regulation on "Book and Claim" under the state's Greenhouse Gas Reporting Program. We support the draft regulation as currently written given the importance of "book and claim" to scale up the development of RNG to SAF.

Sincerely,

Amy Malaki

Amy Malaki⁻¹⁻¹⁻¹⁻¹

(she/her)

Head of Policy and Sustainability

+1 (206) 579-7954

www.skynrg.com

Number of commenters: 1

October 11, 2023

Nicole Singh and Elizabeth Elbel
Oregon Department of Environmental Quality
811 SW Sixth Ave.
Portland, OR 97204-1390

Climate 2023 Rulemaking: Appendix of Proposed Rules

Dear Nicole and Elizabeth,

SkyNRG is a global leader in Sustainable Aviation Fuel (SAF). Since 2010, the company has been scaling up SAF demand and production capacity for the industry to meet its 2050 net zero commitment. SkyNRG has supplied SAF to over 90 customers across the world and is now developing dedicated production facilities to support the shift from fossil jet fuel to sustainable aviation fuel. As a certified B Corp™ SkyNRG prioritizes producing the most responsible and sustainable SAF worldwide. Recognized as a sustainability leader, it maintains an independent Sustainability Board, which advises the company on feedstocks and provides strategic guidance on wide-ranging sustainability issues. SkyNRG's operations are certified by RSB and CORSIA.

Left unchecked, the aviation industry's emissions are estimated to double by 2050 and as airlines look to decarbonize, SAF is one of the few available avenues to achieving their decarbonization goals. SkyNRG's SAF is a drop-in fuel replacement that reduces the lifecycle CO2 emissions by at least 75% compared to currently used fossil jet fuel. We know that SAF is integral for the aviation industry to meet its 2050 net zero target, and we're working to support partners across the world to fly more sustainably with SAF.

SkyNRG offers the following comments regarding the Oregon Department of Environmental Quality's (DEQ) final draft Appendix of Proposed Rules. Specifically, we would like to express our support for, and urge DEQ to finalize its current definition for "Book and Claim" within the Greenhouse Gas Reporting Program (GGRP) portion of the regulations, as follows:

"Book and Claim" refers to the accounting methodology where the environmental attributes of an energy source are detached from the physical molecules when they are commingled into a common transportation and distribution system for that form of energy. The detached attributes are then assigned by the owner to the same form and amount of energy when it is used. For the purposes of this division, the common transportation and distribution system must be connected to Oregon.

Maintaining Alignment with Existing Programs in Oregon and Worldwide

This framework remains in line with existing policies in Oregon which are designed to incent the development and use of renewable gas, an array of state- and federal-level programs, and international standards that govern greenhouse gas (GHG) accounting.

Oregon’s renewable gas procurement targets established by SB 98¹ and the Clean Fuels Program² are two key programs which are designed to incent the use of renewable natural gas (RNG) in Oregon’s residential & commercial thermal and transportation sectors. These sectors comprised around 69% of the state’s GHG emissions in 2021,³ requiring expedient deployment of clean fuels and electricity to decarbonize. **DEQ’s current draft Book and Claim definition fits with these programs, which allow for the procurement of renewable gas via existing energy transportation and distribution infrastructure.**

The use of market-based instruments within a system that utilizes book-and-claim accounting can be seen in Renewable Gas Standard and Clean Heat Standard policies in California, Colorado, Minnesota, New Hampshire, British Columbia, and Quebec. The same system is employed under Low-Carbon Fuel Standard programs in California, Washington, British Columbia, and Canada on the federal level, as well as EPA’s Renewable Fuel Standard. Furthermore, other voluntary renewable energy procurement frameworks from World Resources Institute, Climate Disclosure Project, The Climate Registry, RE100, and Airport Carbon Accreditation allow for the purchase of RNG certificates to qualify in this manner.

Importantly, GHG accounting leader World Resources Institute (WRI) is currently updating its standards surrounding market-based procurement. Their recently published guidance explicitly allows companies reporting under the Greenhouse Gas Protocol to use market-based instruments for renewable gas purchases, stating that “companies purchasing certificates may wish to consult with their auditors and consider rules provided by relevant target-setting programs or applicable regulatory schemes in their jurisdiction(s) on how to report these purchases in their reports.”⁴ In other words, these existing Book and Claim practices are deemed acceptable by WRI.

Avoid Limitations Which Would Hurt Renewable Energy Growth

In finalizing its Book and Claim definition, DEQ must consider not only the objective of maintaining alignment with existing programs, but also the effects of potential limitations on market-based instruments. Specifically, we urge DEQ not to place artificial geographic limitations on renewable energy supply that are not also placed on the use of conventional energy supply. For example, in the case of imported renewable gas, such limitations would stifle industry growth in a time where it remains crucial to replace imported fossil gas and reduce methane emissions in the organic waste sector.

SkyNRG is developing a new project in the Pacific Northwest that will use RNG as a feedstock to produce SAF. This new facility, once operational, will produce 30 million gallons of SAF annually and result in fuel with at least an 80% reduction of carbon emissions when compared to fossil jet fuel. As there is no single source of RNG capable of supplying the necessary amounts of gas, SkyNRG plans to utilize the common accounting practice of book-and-claim.

Through this process, SkyNRG will purchase RNG from various points of origin, including landfills and anaerobic digestion facilities that capture biomethane. These facilities produce RNG and then inject that gas into the existing natural gas pipeline network that is in place throughout the US. Once in the pipeline, this gas is identical to the existing natural gas. Under existing rules and industry practice, this RNG is utilized to produce transportation fuels and hydrogen in what’s known as a book-and-claim

¹ <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/SB98/A-Engrossed>

² <https://www.oregon.gov/deq/ghgp/cfp/pages/cfp-overview.aspx>

³ <https://www.oregon.gov/deq/ghgp/pages/ghg-inventory.aspx>

⁴ <https://ghgprotocol.org/blog/interim-update-accounting-biomethane-certificates>

contracted basis, similar to the concept of renewable energy certificates (RECs) which is utilized in the renewable electricity sector.

Injection into a common pipeline system is the lowest-GHG way of transporting renewable gases. Book-and-claim layers well on top of the way conventional gas is traded and incentivizes the buildout of RNG resources in a rational way beginning with the most cost-effective projects. Renewable gas producers cannot change physical flow of the gas system significantly until volumes reach scale and displace a significant share of fossil gas. The supply of conventional gas which currently serves Oregon primarily originates out of state; the existing market for physical gas delivery optimizes moving gas from supply to demand in a least cost and generally lowest GHG manner.

Maintaining consistency and fungibility between all North American RNG markets through the aligned use of book-and-claim will increase competitiveness, improve investment certainty, and lead to the sustainable growth of the renewable gaseous fuel industry, including the SAF industry. The use of full book-and-claim accounting for the vast majority of North American RNG has already resulted in overwhelmingly positive greenhouse gas emission reductions.

Conclusion

SkyNRG appreciates the opportunity to provide feedback in support of DEQ's current draft regulations regarding renewable gas procurement under the GGRP. We urge DEQ to uphold this framework to incent (1) recycling of organic waste into renewable fuels and platform molecules which can (2) replace fossil-derived fuels and feedstocks in various sectors of the economy while (3) reducing methane emissions and improving other air and water quality impacts associated with waste management in Oregon and beyond.

Sincerely,

Amy Malaki
Head of Policy and Sustainability, SkyNRG



Comment # 137

From: diana92960@aol.com

Subject: 2023 Climate Rulemaking Comment

Please see attached.

Thank you,

Diana

Diana Helm

Owner

Terra Casa, LLC

503-577-8242

www.terraca.com

Number of commenters: 1

October 11, 2023

Oregon Department of Environmental Quality
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

RE: 2023 Climate Rulemaking Comments from Diana Helm, Business Owner

I am a small business owner in Damascus, Oregon. I value the opportunity to provide public comments on DEQ's proposed changes to the Greenhouse Gas Reporting Program (Division 215) and the Climate Protection Program (Division 271).]

I know I speak for many in our community regarding concerns about the Climate Protection Program rulemaking and the costs—costs to families and the community—as well as encouraging the most effective and efficient ways to reduce emissions. I encourage DEQ to focus on cost and cost-effectiveness in reducing emissions first and are concerned with how Oregon positions itself for economic development and jobs while reducing emissions.

- I support decarbonized fuels – like renewable natural gas – as tools for reducing emissions, including from sources outside of Oregon.
- Decarbonized fuels provide tangible greenhouse gas savings by displacing the use of more carbon intensive fuels, regardless of the end use location or a pipeline connection to Oregon. Reducing emissions anywhere, within Oregon or otherwise, creates a climate benefit everywhere, including for Oregonians.
- Imposing arbitrary geographic limits on where environmental attributes can be procured harms rather than helps Oregonians. This would be akin to excluding wind and solar resources from outside of Oregon – which would prevent us from meeting our clean electricity goals.
- Proven and auditable carbon accounting methods are important. The standard book and claim accounting methodology for decarbonized fuel use from across North America provides a mechanism for proper greenhouse gas accounting under the Greenhouse Gas Reporting Rule while controlling costs.]

Please control for costs.

Please center costs, cost effectiveness, and efficiency in your decision making as these decisions will have major effects in our community.

Increasing decarbonized fuel supply decreases costs, we urge you to be consistent with other carbon markets and not arbitrarily include geographic limitations on biomethane and renewable natural gas in the Climate Protection Program and Greenhouse Gas Reporting Rule.]

Sincerely and cordially,

Diana Helm
Owner, Terra Casa LLC
Damascus, OR

Comment # 138

From: director@lcchamber.com

Subject: Climate Rulemaking Letter

Please find the 2023 Climate Rulemaking Comments from the Lincoln City Chamber.

Thank you,

Lori Arce-Torres

Lincoln City Chamber Executive Director

541-994-3070

4039 NW Logan Road, Lincoln City, Oregon

director@lcchamber.com

Visit our website

lcchamber.com

From: LC Chamber <info@lcchamber@gmail.com>

Sent: Thursday, October 12, 2023 9:30 AM

To: Lori Arce-torres <director@lcchamber.com>

Subject: Attached Image

Number of commenters: 1



Lincoln City Chamber of Commerce
4039 NW Logan Road
Lincoln City, OR 97367
Phone: (541) 994 – 3070
E-mail: Director@lcchamber.com
<https://lcchamber.com>

October 11, 2023

Oregon Department of Environmental Quality
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Room 600 Portland,
OR 97232-4100

RE: 2023 Climate Rulemaking Comments from Lincoln City Chamber of Commerce

On behalf of the Lincoln City Chamber of Commerce, I am writing to express our concerns regarding the proposed changes to the Greenhouse Gas Reporting Program (Division 215) and the Climate Protection Program (Division 271).

At the chamber we represent a broad spectrum of businesses, stakeholders, and concerned citizens who share a common interest in addressing climate change, promoting environmental stewardship, and advancing sustainable practices. While we acknowledge the Department of Environmental Quality's efforts to adapt to changing circumstances and improve its programs, we believe that it is crucial to strike a careful balance between regulatory adjustments and preserving the effectiveness of existing environmental initiatives.

Given the overall increased costs and burdens placed on families and businesses in today's environment, we are concerned that the Climate Protection Program rulemaking may further increase those costs to families and the community.

We support the DEQ's aim to improve the accuracy and transparency of greenhouse gas emission data. However, we encourage DEQ to work closely with stakeholders to ensure that these reporting requirements and regulations are reasonable, practical, and the reductions are achieved in the most cost-effective manner.

Thank you for your time and attention to this very important matter.

Respectfully submitted,

Lori Arce-Torres,
Lincoln City Chamber Executive Director

Comment # 139

From: Brittany.Scott@parkland.ca

Subject: Submission for DEQ Climate 2023 Rulemaking Comment

Hello,

Please find attached public comment for the DEQ Climate 2023 Rulemaking from Parkland Corporation.

Thanks,

Brittany J.A. Scott | Legal Counsel

Parkland Corporation

Suite 1800, 240 4th Ave SW Calgary, AB T2P 4H4

W: 587.230.3936 | M: 403.966.7220 | E: brittany.scott@parkland.ca

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Number of commenters: 1



September 27, 2023

State of Oregon
Department of Environmental Quality
Climate.2023@DEQ.oregon.gov

Re: Proposed Rule Amendments to the Climate Protection Program

Parkland thanks the Department of Environmental Quality (DEQ) for the opportunity to comment on the proposed rule amendments to the Climate Protection Program (CPP or the Program).

We support Oregon's efforts to protect the environment and reduce greenhouse gas emissions in the state. Decarbonizing our society requires that we work together and adopt a balanced approach that leverages many pathways. Parkland has three subsidiaries, Conrad & Bischoff, Elbow River Marketing USA Ltd, and Parkland (U.S.) Supply Corp., that are covered fuel suppliers under the CPP. We are Canada's and the Caribbean's largest, and one of America's fastest growing, independent suppliers and marketers of petroleum products and a leading convenience store operator. With operations in 25 countries, and with over 4,000 retail locations across the United States, Canada, and the Caribbean, our purpose is to *Power What Moves People*. Every day we provide over one million customers with the essential fuels, convenience items, and quality foods on which they depend. Ensuring that Oregon's policies support renewable and low carbon resources aligns Parkland's and the state of Oregon's shared goals to realize a decarbonized society and a resilient, reliable, and affordable future energy system.

Parkland believes that the proposed rule would undermine Oregon's efforts by adding further compliance burdens to an already structurally flawed program. If covered fuel suppliers are unable to comply with the CPP, they may be forced to exit the market. The result would be less competition and fewer choices at the pump for Oregon consumers while emissions are displaced to other markets with no guaranteed emissions within Oregon will decrease beyond what would have occurred under the CPP anyway.

We submit the following comments and recommendations for consideration as the DEQ incorporates process improvements and technical clarifications into the CPP.

1. Executive Summary

Almost exactly halfway through the first compliance period, DEQ is proposing changes to the Program. The proposed changes unnecessarily and unlawfully disrupt business strategies that were developed and implemented in reliance on existing rules and cause negative impacts that will be impossible to undo or mitigate before the end of the compliance period. Meanwhile, the proposed changes do little to address structural flaws in the program that make achieving compliance almost impossible if a covered fuel supplier is not awarded enough compliance instruments in the regular distribution to cover emissions that occurred prior to the distribution.

Oregon relies on importers to provide fuel that its residents and economy rely upon every day. Parkland supports a just and equitable energy transition that does not result in importers being forced out of the market, leaving Oregon citizens with less choice. Instead of finalizing this flawed rule, Oregon should restart the rulemaking process from a clean slate, bringing in all regulated parties from the beginning of the process. In the alternative, if Oregon nonetheless chooses to finalize portions of this rule, parts of the proposal that may have a negative impact on existing parties should be delayed until the next compliance period. Parkland looks forward to working with DEQ to accomplish its goals and urges DEQ to consider the concerns described in more detail below.

2. Structural problems with the current rule are left unresolved

- A. *The proposed rule fails to address the CPP's biggest problems despite numerous opportunities to do so during and after the advisory committee process*

The structure of the CPP makes it extraordinarily difficult for parties that did not have a high market share prior to implementation to achieve compliance. The first compliance instruments were distributed based on conduct that occurred entirely before the Program was proposed. All covered fuel suppliers, except for those that already had agreements in place to reduce their position in the market, were left with an immediate decision to either accept their market share and never attempt to improve relative to competitors or to attempt to grow their market share and hope to obtain compliance instruments on a secondary market that had not yet been established. Even the initial compliance instrument distribution for each year isn't carried out until up to four years (proposed to reduce to one year) after the imports that are used to determine the distribution. Covered fuel suppliers do not know at the time of import what other suppliers are importing and thus what their future distribution will be. Further, the Program is structured unlike any other cap and trade program in existence. All participants, used to operating in relatively predictable regulatory environments, were thrust into a new program, and forced to adjust in real time, leading to a higher than normal opportunity for compliance issues. All parties would be forced to make business decisions for three years with little precedent and little definite knowledge of what type of secondary market might exist for achieving compliance if early mistakes were made.

Now, halfway through that first compliance period, it is clear that there will not be enough compliance instruments available to satisfy obligations that have already been incurred or must be incurred to keep Oregon's economy functioning. Due to this general shortage of instruments and inadequate incentives for the few entities that hold excess instruments to sell those instruments, multiple parties are facing the prospect of not being able to achieve compliance, no matter what decisions are made going forward.

During the advisory committee process, multiple parties asked for DEQ to reject a one year evaluation period and/or to implement some sort of mechanism to suspend compliance when basic functioning of the economy requires it. At the very least, parties asked for, and deserved, more opportunity to participate.¹ There are a myriad of other means by which DEQ could mitigate the

¹ See Comments of bp America, Inc., Re: 2023 Climate Rulemaking Advisory Committee Meeting No. 3 – June 27, 2023 (“if we assume that the CPP's goal of reducing fossil fuel demand is being achieved, taking a one-year evaluation year directly before the cap year is most likely going to result in less allowances being available within a

shortages such as allowing all parties to access the reserve (and increasing the size of the reserve), increasing allowable contributions to community climate investment credits, or recognizing that it miscalibrated the cap for the first compliance period and give an additional distribution (in proportion to existing market shares so as to not harm businesses that already sacrificed to achieve compliance). However, the DEQ pushed ahead with a proposal that it crafted with the help of an advisory committee consisting of a few parties with unique issues that had already filed lawsuits against DEQ.

B. Recommendation: Start fresh with meaningful participation from all stakeholders

DEQ should withdraw the proposed rule, which benefits certain parties that had more access and participation in the development process at the expense of other participants. Instead, DEQ should start fresh and develop a rulemaking that allows all parties a reasonable path to compliance.

3. Evaluation period for distribution of compliance instruments

DEQ has proposed to change the length of the evaluation period from a three year period to a one year period for the purposes of determining the annual compliance instrument distribution for each covered fuel supplier. Under the current rule, each covered fuel supplier's share of the 2024 distribution would be based on its imports for 2020 through 2022. Under the proposed rule, the 2024 distribution would be based on 2023 data. The current compliance period encompasses 2022 through 2024. By making this change in the middle of the current compliance period, 2022 data would not be considered at all.

A. Changing the evaluation period in the middle of a compliance period violates Parkland's right to equal protection under the law, imposes a taking, and constitutes an arbitrary and capricious rulemaking

The three year compliance period, which DEQ does not propose to change, allows covered fuel suppliers appropriate flexibility to respond to changing market conditions. The three year compliance period allows for covered fuel suppliers to respond to inherent ups and downs in the market, resulting in the same emissions reductions over time as one year compliance periods but a more stable and predictable program. Similarly, the three year evaluation period allows for a predictable allocation of compliance instruments throughout each compliance period. A single up or down year does not drastically change a supplier's allocation, and thus its ability to achieve compliance, the following year.

program that we consider to be already structurally short of compliance options"); Comments of Marathon Petroleum Corporation, Re: Climate 2023 Rulemaking, Rule Changes for Climate Protection for Non-Natural Gas ("The purpose of the three-year evaluation period was to align with the three year (2017-2019) average baseline emission cap and three-year compliance period. DEQ does not explain how a one-year period would align with the baseline cap"); Comments of Trinity Consultants ("We urge DEQ to provide more information and guidance around this approach prior to adopting amendments so that reporting parties can assess the impacts of the proposed change. In general, it would be encouraging to see that the CPP regulation includes a provision that would pause the cap and/or mandatory compliance in case there are not sufficient compliance instruments available on the market, like the CFP program language when it comes to biofuel availability").

We acknowledge that there are also downsides to the three year evaluation period. As DEQ notes in the notice of proposed rulemaking, the length of the evaluation period combined with the year-long gap between the evaluation period and distribution year means that a new entrant may take up to four years to be fully integrated in the Program. This is an issue Parkland has struggled with while integrating an affiliated entity. For this reason, Parkland does not oppose changing to a one year evaluation period in future compliance periods.

Changing in the middle of the compliance period, however, removes the benefits of the three year evaluation period, upon which existing covered fuel suppliers have already relied, in order to benefit new entrants to the market in 2023 despite no guarantee such new entrants will even exist. Such a change denies Parkland its right to equal privileges of law under Article I, § 20 of the Oregon constitution, because DEQ's differentiation between entities that have historically served the market and new entrants to the market serves no legitimate legislative purpose. The statute under which DEQ promulgated its amendments does not mandate discrimination between classes of fuel suppliers, nor are there genuine differences between old and new fuel suppliers within the same market that would warrant different treatment. Therefore, the difference in treatment does not further a legitimate state interest.² The amendments therefore violate the Oregon constitution's guarantee of privileges and immunities and, for the same reasons, likely violate the equal protection clause of the Fourteenth Amendment of the U.S. Constitution.

For example, under the proposed rule, businesses that had a particularly strong year in 2022 will be burdened with a higher compliance obligation without ever receiving having that year reflected in any compliance instrument distribution. Regardless of such future distribution impacts, these companies will already be required to decrease imports in 2023 and 2024 in order to balance out the strong 2022 performance over the entire compliance period. The resulting impact to the 2024 compliance instrument distribution will have a doubly negative effect on these businesses. First, receiving a smaller 2024 distribution will force even steeper cuts than already required to achieve compliance. Second, the steeper cuts combined with a one year evaluation period will result in a smaller distribution in subsequent years. Due to illiquidity of the market, covered fuel suppliers rely exclusively on compliance instrument distributions to meet the 90% of their obligation that cannot be covered by community climate investment credits. As a result, a company that is forced to accept a significantly lower distribution due to one year of anomalously low market share will never be able to return to its prior market share and achieve compliance. This consequence imposes a regulatory taking on Parkland under Oregon and federal law³ because DEQ will deprive Parkland of the right to economically sell its fuel within Oregon. A court would review, among other factors, the economic effect, and the extent to which the regulation interferes with reasonable investment-backed expectations. Here, the economic effect would be severe due to Parkland's inability to rely on its understanding of the laws in place at the time it made business decisions throughout 2022 and 2023.

A company being forced to accept a lower market share, or exit the market entirely, will not result in lower emissions. The amount of fuel provided in the state, up to the emissions cap, is driven by customer demand. This demand will be met by other operators in the state, simply resulting in less

² See *Knapp v. City of Jacksonville*, 342 Or 268 (2007).

³ See, e.g., *Coast Range Conifers, LLC v. State*, 339 Or 136 (2005); *Penn Central Transp. Co. v. New York City*, 438 U.S. 104 (1978).

competition in the state but not fewer emissions. In short, the foreseeable consequences of imposing the proposed rule are contrary to the asserted justifications for the rule. Thus, the rule, if finalized without change, would be arbitrary and capricious, because the agency cannot demonstrate that its decision is “rational, principled, and fair, rather than *ad hoc* and arbitrary”.⁴ Therefore, in addition to representing a taking under Oregon law and a violation of Parkland’s right to equal protection, the proposed rule likely does not pass muster under the Administrative Procedures Act.

B. The proposed rule, if implemented, would be an unlawful retroactive rulemaking

As described above, the proposed rule would have severe negative impacts on certain existing covered fuel suppliers that have already relied on the existing rule in making business decisions during 2022 and the first half of 2023. The primary proposed benefit is more quickly responding to changes in market positions of covered fuel suppliers. While this may benefit some fuel suppliers based on their past decisions, to choose to aid these suppliers at the expense of others would be manifestly unreasonable.

The other purported benefits of the proposed rule are speculative at best and not central to the functioning of the Program. Namely, the proposed rule would result in quicker integration of theoretical new market entrants in 2023 and 2024. As described above, the changes would have no impact on the CPP’s core goal of reducing emissions. Benefits to purely hypothetical parties that do not impact the Program’s core goals does not provide reasonable justification to harm existing CPP participants.

Oregon courts have routinely held that rulemakings are unlawful when they have retroactive effects that are unreasonable under the circumstances.⁵ Parkland has made substantial business decisions based on the existing rule. Changing the rule regarding distribution of allowances, even on a prospective basis, will unlawfully retroactively penalize past conduct that relied upon the existing rule. Nor is there any indication that retroactive application was intended by the legislature. In fact, based on the language of the statute, it is clear that the legislature did *not* intend for DEQ to regulate emissions that have already occurred prior to a change in the rules.⁶ Rather, the legislature intended that changes to the conditions of air permits would operate only on a prospective basis. The proposal is therefore an unlawful retroactive exercise of agency authority.⁷

C. Recommendation: Implement a one year evaluation period beginning in 2026

DEQ should implement the proposed one year evaluation period beginning with the 2026 distribution year. Doing so will allow covered fuel suppliers to appropriately plan for one year evaluations periods beginning with the first year of the new compliance period, 2025. This would

⁴ *Gordon v. Bd. Parole & Post Prison Supervision*, 343 Or 618, 633 (2007) (citing ORS 183.482(8)).

⁵ *See, e.g., Gooderham v. Adult & Family Servs. Div.*, 64 Or App 104 (1983).

⁶ *See* ORS 468A.040 (providing that “any source under an existing permit shall: (a) comply with the conditions of the existing permit during any modification or reissuance proceeding; and (b) to the extent conditions of any new or modified permit are stayed . . . comply with the conditions of the existing permit”).

⁷ *Bennett v. New Jersey*, 470 U.S. 632, 638 (1985) (holding, in the context of a Department of Education grant program, that “obligations generally should be determined by reference to the law in effect when the grants were made”).

prevent companies from having to choose between achieving compliance in the period extending through 2024 and setting a reasonable baseline market share for 2025 and beyond.

4. Holding Limits

DEQ has proposed a holding limit of 1.5 times a covered fuel supplier's actual compliance obligation. If a covered fuel supplier holds greater than this amount at a deadline shortly before the compliance deadline, the amount of the overage will be subtracted from the following year's compliance instrument distribution. If the amount of an entity's holdings exceeds its holding limit by more than it would have received in the next distribution, the additional amount will be withheld from the following distribution.

A. Parkland supports a holding limit, but the proposal does not go far enough

A sufficiently low holding limit could introduce some minimal liquidity into the market and provide a pathway to compliance for entities that otherwise have not received a sufficient distribution to cover their obligations. While the market for compliance instruments will not be clear until compliance obligations are calculated, the general industry expectation is that relatively few, if any, compliance instruments will be available on the secondary market with a holding limit of 1.5 times a covered fuel supplier's obligation. Failure to establish a holding limit that encourages sales of compliance instruments on the secondary market renders the entire concept of a secondary market meaningless.

Some entities have argued that holding limits discourage early action to reduce emissions. By their logic, entities that greatly reduce emissions from one year to the next are rewarded with compliance instruments that are ultimately not necessary for the year in which the reductions occurred, and they should be rewarded for these reductions by being allowed to retain the excess allowances as a hedge against future distribution shortfalls. This may be true in some instances but not true in others. Perhaps excess compliance instruments will go to some entities that achieved drastic reductions in emissions ahead of schedule through introduction of alternative fuels, but they may also go to companies that previously had high market share in Oregon but recognized an opportunity to sell their product elsewhere while accumulating potentially valuable compliance instruments in Oregon in the process or otherwise identified an opportunity to game the system.

The narrative that no holding limit will result in lower emissions is dependent on most of those excess compliance instruments never actually being used to cover a compliance obligation. No rational business acting in the interest of its shareholders will hold potentially valuable allowances in perpetuity while forgoing the ability to sell fuel. One way or another, the compliance instruments will be retired against sales of actual fuel, though perhaps not until after its competitors have been forced out of the market due to an inability to comply. Oregon is not served by illusory promises of faster emissions reductions that have no enforceability and should instead remain focused on ensuring that the caps it promulgated can actually be achieved on a market-wide basis.

B. Recommendation: Lower the holding limit or add an expiration date to compliance instruments to encourage trading of excess holdings

DEQ should lower the holding limit to a level that, based on data available to DEQ as the regulator, it determines will actually encourage trading of excess allowances instead of incentivizing entities to hold allowances until its competitors have been forced to exit the market.

5. Reserve distribution for new covered fuel suppliers

DEQ has proposed to eliminate the ability of new market entrants that are related to existing Program participants to obtain instruments from the reserve. DEQ has also proposed removing the cap on the number of reserve instruments one entity may receive.

- A. *Related entities often operate completely independently and cannot coordinate activities for the purpose of maintaining compliance*

We understand that the potential exists for companies that wish to expand operations to circumvent the normal compliance distribution limits by forming additional companies as new entrants into the market that are then eligible to receive distributions from the reserve. The proposed rule, however, is a solution in search of a problem. There is no evidence that companies are engaging in this type of nefarious behavior. In reality, companies are often structured so that subsidiaries of a common parent are operated completely independently and due to corporate information barriers, are incapable of coordinating trading activities in real time. Under the proposed rule, a trader at one company that has not previously entered the Oregon market could see an opportunity to trade in the state and inadvertently harm affiliated entities already in the market that are none the wiser until it is too late. Oregon should not punish companies during the current compliance period that operate in good faith according to common business structures in order to solve a problem that has not been shown to exist.

Parkland does not oppose further evaluation of this potential loophole and the possibility of finalizing a similar prohibition at the beginning of a future compliance period and after businesses have had the opportunity to respond by putting appropriate policies in place to prevent accidental issues.

- B. *There should not be a cap on the number of instruments a new entity can receive from the reserve.*

Given the illiquidity in the markets discussed above and the acknowledged issues with respect to integrating new entities, while reiterating its belief that the entire proposed rule should be rejected in favor of a new process, if a rule is nonetheless finalized, Parkland supports removal of the cap on reserve instruments that can be distributed to a single party.

- C. *Recommendations: Do not finalize the prohibition on new “related” entities from obtaining reserve instruments during the current compliance period. If a rule is finalized, do finalize removal of the cap on reserve instruments that can be distributed to a single party.*

DEQ should allow reserve distributions to all new related entities during the first compliance period for the three year lookback, regardless of whether they are related entities to other covered

fuel suppliers. This could change in the second compliance period, which would give new entrants clarity in the requirements on the entry requirements into Oregon.

To ensure compliance pathways are achievable, new covered entities should be able to go to reserve for the first three years cover their short position within their first compliance period, rather than the one year period contemplated in the proposed amendments.

Parkland does not support finalization of the proposed rule. If a rule is nonetheless finalized, DEQ should remove the cap on reserve instruments that can be distributed to a single party.

6. “Terminal” Definition

We encourage DEQ to explicitly include rail and transloading terminals/facilities in the definition of “Terminal”, along with the recently proposed inclusion of refinery racks.

Currently, “Terminal” means a fuel storage and distribution facilities that is supplied by a pipeline or vessel, or a facility that is collocated where fuel is produced and stored, and from which fuel may be removed from a rack.

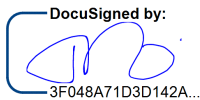
We recommend the inclusion of “In-state fuel production facilities that have distribution equipment that allow them to distribute directly to retail sites or end users” to this definition as well.

7. Conclusion

Parkland believes that the proposed rule is unfair and unlawful. The proposal needlessly introduces new negative consequences for past actions while failing to address the biggest issues with the CPP. Parkland recommends starting the rulemaking process from a blank slate and including all relevant stakeholders from the beginning to come up with a workable rule that can provide meaningful pathways to compliance in the current compliance period for companies that are making good faith efforts to comply and make needed program adjustments for future compliance periods.

On behalf of Parkland, I would like to thank the Department of Environmental Quality for the opportunity to share the above comments and to participate in the stakeholder engagements on these important topics. We welcome the opportunity to connect and further discuss our comments or any questions you may have.

Sincerely,

DocuSigned by:

3F048A71D3D142A...

Tariq Remtulla
Senior Vice President, General Counsel and Corporate Secretary

Comment # 140

From: lrice@cablehuston.com

Subject: Comments on 2023 CPP Rulemaking

Good afternoon,

Attached please find Alliance of Western Energy Consumers comments on the DEQ's 2023 Climate Protection Plan rulemaking.

Please let us know if you have any questions.

Thank you,

Lindsey

1455 SW Broadway, Suite 1500

Portland, OR 97201-3412 Lindsey Rice

Legal Assistant to Tommy Brooks, Chad Stokes, Laura Westmeyer, and Tyler Whitney

Phone 503-224-3092

Email lrice@cablehuston.com

Web www.cablehuston.com

Number of commenters: 1

**AWEC**Alliance of Western Energy Consumers ♦ 3519 NE 15th Ave, #249 ♦ Portland, OR 97212 ♦ 206-604-5272 ♦ AWEC.solutions

October 12, 2023

Oregon Department of Environmental Quality
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

RE: 2023 Climate Rulemaking Comments from Alliance of Western Energy Consumers.

Alliance of Western Energy Consumers (AWEC) represents large energy consumers in the Pacific Northwest, including natural gas sales and transportation customers of Oregon natural gas distribution companies. Many AWEC member company facilities are energy-intensive, trade-exposed (EITE) entities. These businesses are core industries to Oregon's economy, employ many Oregonians and face significant national or global competition for their products and are highly sensitive to the cost of electricity and natural gas. AWEC appreciates the opportunity to provide public comments on DEQ's proposed changes to the Greenhouse Gas Reporting Program (Division 215) and the Climate Protection Program (Division 271).

AWEC is interested in ensuring that Oregon consumers maintain safe and reliable service and competitive access to energy supplies and energy services while decarbonizing the energy system consistent with the Climate Protection Plan (CPP) and state policy.

AWEC has concerns about the current rulemaking because it has the potential to significantly increase the cost of compliance for an already costly program. One of the primary methods to comply with the CPP is renewable natural gas (RNG), and the state should not adopt a policy limiting RNG purchases to the end use location or a pipeline connection to Oregon. When gas is purchased and placed on a pipeline, the specific gas molecules are not earmarked for an individual customer who may be hundreds or even thousands of miles away. A gas consumer may purchase gas in Wyoming for delivery and use in Oregon, but the actual gas that is purchased may not ever be delivered or used in Oregon. The same goes for electricity. Electrons are not tracked from a generating project to a specific customer. Customers that purchase bundled renewable energy from a specified solar or wind project may not actually be consuming that renewable energy.

Emissions and greenhouse gases do not know borders, and an emission reduction program in Nebraska, California, or Idaho benefits customers in those states as well as in Oregon. It would be bad policy to limit RNG projects and purchases to those with physical deliveries in Oregon. There is a finite number of RNG projects in the United States, and only a subset of those exists in Oregon. Requiring RNG supplies to be geographically located in Oregon could cut off the ability to pursue less expensive projects that provide more environmental benefits out of state. Finally, AWEC understands that the book and claim method of accounting is accepted in Oregon and other states. It would be arbitrary if Oregon decides to prohibit the book and claim accounting for RNG.

AWEC urges the DEQ to reject any proposal to arbitrarily include geographic limitations on biomethane and renewable natural gas in the CPP. Thank you for considering our comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Gaines". The signature is written in a cursive, flowing style.

Bill Gaines, Executive Director
Alliance of Western Energy Consumers

Comment # 141

From: brad.staub@edstaub.com

Subject: Fwd: Scan 101223

Number of commenters: 1

A Plea for Fair Consideration: DEQ 2023 Proposed Rulemaking on Bio Methane, Lookback & Book and Claim.

Dear Department of Environmental Quality (DEQ) Team,

As a business owner in the State of Oregon, I want to take a moment to express concerns and perspectives regarding proposed DEQ changes Climate 2023 Rulemaking to Bio-Methane regulation, Book and Claim accounting, all types of commercial Hydrogen and the “Lookback” for Covered Entities as outlined in the 2023 Rulemaking process.

First and foremost, we wish to emphasize that petroleum-based energy, while often criticized, plays a crucial role in our state's economy and energy reliability. It provides not only energy but also economic development opportunities and contributes significantly to job creation within Oregon. It is essential that we view all energy choices in the state portfolio holistically, considering both the benefits and potential costs through over regulation, particularly in terms of economic impact and human flourishing.

During the discussions held by Zoom DEQ climate Rulemaking Public Hearing on September 18th, it was apparent that certain groups held reservations about allowing covered entities in Oregon to further utilize widely accepted book and claim accounting for Bio-Methane originating from other states. However, these groups seem to also support the utilization of electric vehicles manufactured elsewhere outside of the state, as well as the importation of electricity generated outside of Oregon also without a direct economic benefit to our citizens. Consequently, the standards being proposed for Bio-Methane appear to differ from those standards when applied to out-of-state electricity.

We urge DEQ to maintain the current regulations as is pertaining Bio-Methane without any further regulation changes. The book and claim accounting procedure has proven to be entirely suitable for the utilization of out-of-state Bio-Methane in Oregon's electricity generation sector. Historically, the covered entities within our state that generate electricity have dutifully complied with DEQ's long established rules. Altering these rules would likely result in increased electricity costs, which would ultimately affect consumers, including those in

environmental justice communities that DEQ advocates for. Therefore, to minimize costs for all Oregonians to achieve an equitable outcome for all, DEQ should refrain from altering these existing regulations. The reality is that forthcoming technological advancements hold the promise of reversing the upward trajectory of CO2 levels when the need arises. However, what cannot be reversed is the profound economic distress inflicted upon climate justice communities if DEQ were to approve hastily and further eliminate CO2 emissions by reshaping existing CHG program rules while giving undue credence to climate change advocacy groups. We ask that all diverse opinions be considered and used as input in shaping future policy.

We strongly believe that Bio-Methane should not be subject to geographical constraints when it comes to book and claim reporting. DEQ should not require that Bio-Methane be injected into a natural gas pipeline within the State of Oregon. Furthermore, there should be no restrictions on the vintage use of Bio-Methane for greenhouse gas reporting, and no time constraints should be imposed. Bio-Methane should be allowed to be claimed and delivered to end-users within our state, even if it displaces natural gas used in a pipeline connected to Oregon. Renewable CNG is nothing short of a miraculous energy source that should not be disparaged. DEQ should encourage more Green Renewable CNG.

The book and claim regulations initially established by DEQ at the inception of the Greenhouse Gas Reporting program should remain unchanged. These regulations have served Oregon well, striking a balance between environmental concerns and the practical realistic needs of our state's energy infrastructure.

Hydrogen, being derived from Natural Gas via reforming, often referred to as "Gray Hydrogen", boasts considerably lower emissions compared to conventional gasoline. Moreover, Blue Hydrogen, produced through the same Natural Gas feedstock with carbon capture, presents an even more environmentally friendly option. In our view, these alternatives merit a substantial role in the broader Hydrogen conversation. Additionally, the prospect of generating hydrogen from coal, known as brown hydrogen, adds further complexity to the discussion since the USA has an abundant 750-year supply of Coal.

In addition, we must recognize that while electric vehicles are promoted as a more environmentally friendly alternative, they are not entirely carbon neutral.

The production of electric vehicles outside of the State of Oregon contribute to an overall EV carbon footprint and does not directly benefit our state's economy. It is essential to consider the entire lifecycle of these vehicles and make informed decisions that weigh their environmental impact against their economic implications compared to reliable, abundant fossil fuels.

We appreciate your time and consideration of these viewpoints. Our aim is to ensure a comprehensive evaluation of the proposed changes, keeping in mind the well-being of our state and all citizens. We trust that DEQ will make decisions that are fair, balanced, and in the best interests of Oregon.

Should DEQ proceed with altering book & claim, it risks triggering an energy crisis in Oregon, a crisis that may jeopardize the well-being of our citizens, leading to energy instability in the winters ahead. Responsibility for such a crisis would rest squarely on the shoulders of the anti-fossil-fuel movement in Oregon and DEQ directly.

In conclusion, we respectfully urge DEQ to consider amending regulations to incorporate a one-year lookback period. Such a revision would prove advantageous for all covered entities, including newcomers to the state's petroleum market, and contribute to a more equitable and sustainable approach to our state's energy future.

Thank you for your commitment to responsible governance and environmental stewardship.

Name Brad Staub

Organization or Business Ed Staub & Sons Petroleum, Inc

Comment # 142

From: jodi@oregonhba.com

From: Jodi Hack <jodi@oregonhba.com>

Sent: Wednesday, October 11, 2023 9:38 AM

To: CPP INFO * DEQ <CPP.INFO@deq.oregon.gov>

Subject: RAC Comment Letter

Sent from my iPad

Number of commenters: 1



October 08, 2023

Oregon Department of Environmental Quality
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

RE: 2023 Climate Rulemaking Comments from Concerned Workers and Business Leaders

We – the organizations that represent highly skilled workers and diverse industries that make up Oregon’s economic engine – appreciate the opportunity to provide public comments on DEQ’s proposed changes to the Greenhouse Gas Reporting Program (Division 215) and the Climate Protection Program (Division 271).

Though our groups represent a wide range of industries and perspectives, we are unified in a common concern about cost impacts to our state’s workforce and families. We urge DEQ to help keep costs down by using the most effective and efficient ways to reduce emissions.

- We support decarbonized fuels – like renewable natural gas – as tools for reducing emissions, including from sources outside of Oregon.
- Decarbonized fuels provide tangible greenhouse gas savings by displacing the use of more carbon intensive fuels, regardless of the end use location or a pipeline connection to Oregon. Reducing emissions anywhere, within Oregon or otherwise, creates a climate benefit everywhere, including for Oregonians.
- Imposing arbitrary geographic limits on where environmental attributes can be procured harms rather than helps Oregonians. This would be akin to excluding wind and solar resources from outside of Oregon – which would prevent us from meeting our clean electricity goals.
- Limitations will increase compliance costs under the Climate Protection Program. As a business operating in Oregon, we are concerned with efficiency and cost. It is important that real carbon reductions are achieved by the Climate Protection Program in the most cost-effective manner.
- Proven and auditable carbon accounting methods are important. The standard book and claim accounting methodology for decarbonized fuel use from across North America provides a mechanism for proper greenhouse gas accounting under the Greenhouse Gas Reporting Rule while controlling costs.

Please control for costs.

Increasing decarbonized fuel supply decreases costs, which is why we urge DEQ to be consistent with other carbon markets and programs by **not** arbitrarily including geographic limitation on biomethane and renewable natural gas in the Climate Protection Program and Greenhouse Gas Reporting Rule.

Sincerely,

Jodi Hack, CEO, Oregon Home Builders Association

Comment # 143

From: msimpkins@anewclimate.com

Subject: Anew Climate Comments

Hello,

please find attached comments from Anew Climate.

Regards,

Martina Simpkins

Martina Simpkins

Senior Director, Policy

m. 571 548 1293

Bluesource and Element Markets are now Anew

Follow us on LinkedIn | anewclimate.com

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Number of commenters: 1



October 12, 2023

Nicole Singh and Elizabeth Elbel
Oregon Department of Environmental Quality
811 SW Sixth Ave.
Portland, OR 97204-1390

Climate 2023 Rulemaking: Appendix of Proposed Rules

Dear Nicole and Elizabeth,

Anew is one of the largest climate solutions providers in North America and, through its legacy companies (Element Markets and Bluesource), has a successful track record supporting client companies quantifying and reporting on their greenhouse gas (“GHG”) inventories and developing corporate climate strategies and targets, as well as within the markets for voluntary carbon credits, renewable natural gas, low carbon fuels, electric vehicle credits, emissions credits, and renewable energy credits.

Anew offers the following comments regarding the Oregon Department of Environmental Quality’s (DEQ) final draft Appendix of Proposed Rules. Specifically, **we would like to express our support for, and urge DEQ to finalize its current definition for “Book and Claim” within the Greenhouse Gas Reporting Program (GGRP) portion of the regulations, as follows:**

“Book and Claim” refers to the accounting methodology where the environmental attributes of an energy source are detached from the physical molecules when they are commingled into a common transportation and distribution system for that form of energy. The detached attributes are then assigned by the owner to the same form and amount of energy when it is used. For the purposes of this division, the common transportation and distribution system must be connected to Oregon.

Maintaining Alignment with Existing Programs in Oregon and Worldwide

This framework remains in line with existing policies in Oregon which are designed to incentivize the development and use of renewable gas, domestic state and federal programs, and international standards that govern greenhouse gas (GHG) accounting:

Oregon’s renewable gas procurement targets established by SB 98¹ and the Clean Fuels Program² are designed to incentivize the use of renewable natural gas (RNG) in Oregon’s residential and commercial thermal and transportation sectors. These sectors comprised around 69% of the state’s GHG emissions in 2021,³ requiring expedient deployment of clean fuels and electricity to decarbonize. **DEQ’s current draft Book and Claim definition is consistent with these programs, allowing for procurement of renewable gas via existing energy transportation and distribution infrastructure.**

Book and Claim accounting is a fundamental element of Renewable Gas Standard and Clean Heat Standard policies in California, Colorado, Minnesota, New Hampshire, British Columbia, and Quebec, Low Carbon Fuel Standard programs in California, Washington, British Columbia, and Canada, as well as EPA’s Renewable Fuel Standard. Furthermore, other voluntary renewable energy procurement

¹ <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/SB98/A-Engrossed>

² <https://www.oregon.gov/deq/ghgp/cfp/pages/cfp-overview.aspx>

³ <https://www.oregon.gov/deq/ghgp/pages/ghg-inventory.aspx>

Houston Office

3200 Southwest Freeway
Suite 1310
Houston, TX 77027

Salt Lake City Office

2825 E. Cottonwood Parkway
Suite 400
Cottonwood Heights, UT 84121

Additional Offices

Carlsbad, CA
San Francisco, CA
Los Angeles, CA
Calgary, AB
Budapest, Hungary

frameworks from World Resources Institute, Climate Disclosure Project, The Climate Registry, RE100, and Airport Carbon Accreditation allow for the purchase of RNG certificates to qualify in this manner.

Importantly, GHG accounting leader World Resources Institute (WRI) is currently updating its standards surrounding market-based procurement. Their recently published guidance explicitly allows companies reporting under the Greenhouse Gas Protocol to use market-based instruments to evidence renewable gas purchases, stating that “companies purchasing certificates may wish to consult with their auditors and consider rules provided by relevant target-setting programs or applicable regulatory schemes in their jurisdiction(s) on how to report these purchases in their reports.”⁴

Avoid Limitations Which Would Hurt Renewable Energy Growth

In finalizing its Book and Claim definition, DEQ must consider not only the objective of maintaining alignment with existing programs, but also the effects of potential limitations on renewable energy growth. Specifically, we urge DEQ not to place artificial geographic limitations on renewable energy supply that are not also placed on the use of conventional energy supply. For example, in the case of imported renewable gas, limitations would stifle industry growth in a time where it remains crucial to replace imported fossil gas and reduce methane emissions in the organic waste sector.

Injection into a common pipeline system is the lowest-GHG way of transporting renewable gases. The fundamental premise of Book and Claim layers well with the way conventional gas is transacted and incentivizes the buildout of RNG resources in a rational way - beginning with the most cost-effective projects. Renewable gas producers cannot change directional flow of the gas system significantly until volumes reach scale and displace a significant share of fossil gas. The supply of conventional gas which currently serves Oregon primarily originates out of state; the existing market for physical gas delivery optimizes moving gas from supply to demand in a least cost and generally lowest GHG manner.

Maintaining the premise of fungibility across all North American RNG markets through consistent use of Book and Claim will increase competitiveness, improve investment certainty, and lead to the sustainable growth of the renewable gaseous fuel industry. The use of Book and Claim for the vast majority of North American RNG has already resulted in overwhelmingly positive greenhouse gas emission reductions.

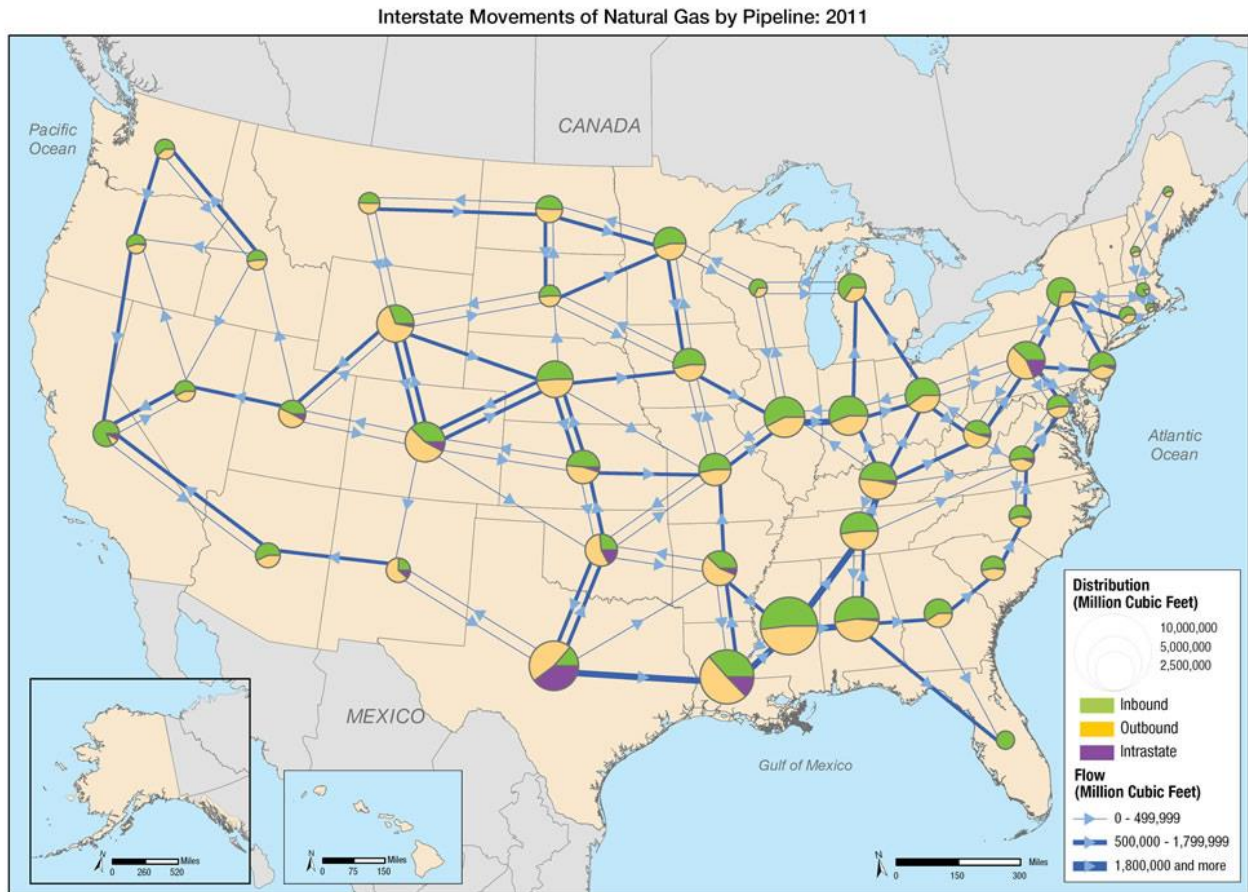
Natural Gas Imported into Oregon

Natural gas, unlike power, is not regional in nature with all of the pipelines interconnected and sharing gas flow and balancing (versus power, which is grid dependent with limited wheeling between regions). Under the Renewable Fuel Standard and Low Carbon Fuel Standards, there are currently no restrictions on injection and delivery locations and connectivity so long as the gas is injected into the common carrier pipeline. Oregon does not produce enough natural gas to address its demand and as such, is a net importer of natural gas.

The U.S. natural gas grid is a displacement network. Transmission generally does not involve the delivery of specific molecules of gas or power from a given producer to a given customer. Delivery by displacement makes it possible to deliver more of a commodity with substantially less actual physical movement and at lower cost.

⁴ <https://ghgprotocol.org/blog/interim-update-accounting-biomethane-certificates>

Gas currently flows fluidly throughout the United States depending on production, weather, LNG export pricing, and natural gas balancing. The interconnectivity of the U.S. gas pipeline system is illustrated by the map below⁵:



Conclusion

Anew appreciates the opportunity to provide feedback in support of DEQ's current draft regulations regarding renewable gas procurement under the GGRP. We urge DEQ to uphold this framework to incent (1) recycling of organic waste into renewable fuels and platform molecules which can (2) displace fossil-derived fuels and feedstocks in various sectors of the economy while (3) reducing methane emissions and improving other air and water quality impacts associated with waste management in Oregon and beyond.

Sincerely,

Anew Climate

⁵ Available at https://ops.fhwa.dot.gov/freight/freight_analysis/nat_freight_stats/interstatenatgas2011.htm

Comment # 144

From: dj.builta@edstaub.com

Subject: DEQ Rulemaking Comments Attached

Please see the attached comments regarding the current DEQ Rulemaking.

Thank You for Your time, and consideration.

Have a Blessed Day!

DJ Builta

Fuel Buyer

Ed Staub & Sons & Sons Petroleum

Support Center

541-891-9585

dj.builta@edstaub.com

www.edstaub.com | www.myfastbreak.com

<<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.edstaub.com%2F&data=05%7C01%7CClimate.2023%40stateoforegon.mail.onmicrosoft.com%7C290b2a0007274fc165d408dbcb7803e5%7Caa3f6932fa7c47b4a0cea598cad161cf%7C0%7C0%7C638327489181149364%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6Iik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=lvZlenSFF4vmu9zljULKWaWcXKdv%2F1VI29VPM9xjH48%3D&reserved=0>>

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Number of commenters: 1

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

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We urge DEQ to maintain the current regulations for Bio-Methane without further changes. Book and claim accounting has worked well for using out-of-state Bio-Methane in Oregon's electricity generation. Changing these rules could lead to higher electricity costs, impacting consumers, including those in environmental justice communities. To minimize costs and achieve equity, DEQ should refrain from altering existing regulations. Technological advancements can help with CO2 levels, but economic distress from hasty rule changes cannot be easily reversed.

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Hydrogen, especially "Gray" and "Blue" Hydrogen, is a lower emissions alternative worth considering. Electric vehicles, while promoted as environmentally friendly, are not entirely carbon neutral, and their production outside Oregon doesn't benefit our state's economy. We must consider the entire lifecycle and make informed decisions.

Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,
DJ Builta

Comment # 145

From: jane.gorham@edstaub.com

Subject: LETTER

Good afternoon

Please see attached,

Jane

--

Jane Gorham

Customer Service Representative

Redmond

541-504-8265

jane.gorham@edstaub.com

www.edstaub.com

Number of commenters: 1

Dear DEQ Team,

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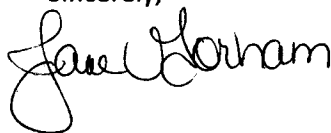
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Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

A handwritten signature in black ink, appearing to read "Jane Horham". The signature is written in a cursive, flowing style.

Comment # 146

From: david.fredrickson@edstaub.com

----- Forwarded message -----

From: Redmond <esssmtp@edstaub.com>

Date: Thu, Oct 12, 2023 at 4:13"~PM

Subject: Attached Image

To: David Fredrickson <david.fredrickson@edstaub.com>

--

David Fredrickson

Driver

Redmond

541-536-4729

david.fredrickson@edstaub.com

www.edstaub.com

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Number of commenters: 1

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Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

A handwritten signature in black ink, appearing to be 'D. Baker', written in a cursive style.

Comment # 147

From: jes.pack@edstaub.com

Subject: DEQ Climate 2023

Please find a letter of concern attached to this email.

Thank you and regards,

--

Jes Pack

Cardlock Administrator

Bend

541-330-8356

jes.pack@edstaub.com

www.edstaub.com

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Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

A handwritten signature in blue ink that reads "Jessica Pack". The signature is fluid and cursive, with a long horizontal stroke at the end.

Comment # 148

From: bryan.bailey@edstaub.com

Subject: Comment attached.

Bryan Bailey

Bulk Plant Manager

Hermiston

541-289-5015

bryan.bailey@edstaub.com

www.edstaub.com

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Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

By Bailey
Ed Staub & Sons Petroleum

Comment # 149

From: tara.whiteman@edstaub.com

Subject: CLIMATE 2023

Please see attached letter regarding regulations.

Tara Whiteman

Accounts Payable

Ed Staub & Sons & Sons Petroleum

Support Center

541-887-8910

tara.whiteman@edstaub.com

www.edstaub.com | www.myfastbreak.com

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Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,



Tara M. Whiteman

Comment # 150

From: rayseidler@msn.com

Subject: CPP and the RAC

Nicole Singh and Elizabeth Elbel

Please see attached file with letter.

Ray Seidler

Number of commenters: 1

**IN DEFENCE OF THE OREGON CLIMATE PROTECTION PROGRAM
ABOUT THE DEQ RAC**

**Nicole Singh and Elizabeth Elbel
Climate.2023@deq.oregon.gov**

I have lived in rural Oregon for 52 years. I spent my career (1970-2002) in service of others as a professor at OSU and as a senior research scientist with the U.S. Environmental Protection Agency. I live with a well and worry every day of the year about its capacity to serve. Several neighbor wells have gone dry all due to the drought. I recently learned my house is located in the high fire zone danger area. The horrific Almeda fire started about 1 mile downwind from my house.

I am still in the service of others even though I am “retired”. I currently serve as a technical advisor on biological carbon sequestration for Southern Oregon Climate Action Now and advise on carbon sequestration matters with the former Executive Director (Jan Lee) of the Oregon Association of Conservation Districts, Our Family Farms and Friends of Family Farmers and Cultivate Oregon and the Oregon Organic Coalition, all non-profit pro-farmer organizations. We are all so disappointed in the choices for membership of the rule making advisory committee chosen by DEQ that is now undermining the Climate Protection Program. Of the 14 members of this RAC only two representatives are of environmental / climate conscious organizations and no representatives from social equity organizations. The remaining 12 RAC members represent corporate energy arenas, the very group that would be regulated by DEQ rulemaking efforts! This is like inviting the foxes to “protect” the hen house! Shame on you DEQ!

Making matters even more disgusting is that some of these RAC members are affiliated with corporations that are mounting legal actions undermining the CPP, and trying to reject the entire Climate Protection Program.

If Oregon is to achieve its share of emissions reductions, and, hopefully set an example for the nation to follow through such reductions, the Climate Protection Program must be retained and must not be weakened.

**Respectfully,
Ray Seidler, Ph.D.**

Comment # 151

From: gregory.alderson@pgn.com

Subject: PGE comments on DEQ Climate 2023 Rulemaking

Please see attached comments from PGE on the 2023 Climate Rulemaking.

Greg Alderson Government Affairs and Environmental Policy | 303.524.5287
portlandgeneral.com | Follow us on social @PortlandGeneral An Oregon kind of energy

Number of commenters: 1

PGE Comments on Climate 2023 Proposed Rules

October 12, 2023

Portland General Electric appreciates the opportunity to comment on the proposed Climate 2023 Rulemaking. While the majority of this rulemaking is focused on other sectors than electricity, we offer the following comments on specific elements of the proposed rule:

Definition of Environmental Attribute:

PGE notes that DEQ has limited the term “Environmental Attribute” in the proposed rules to biogas, biomethane, and hydrogen reporting, and specified that the term denotes the formal recognition of the biomass-derived attributes. This specificity helps avoid any potential conflict with the long-established policy in Oregon and at DEQ that does not conflate greenhouse gas reductions with the environmental attributes represented by a renewable energy certificate.

Reporting Net Metered MWh:

DEQ has added a requirement that electric companies and electricity service suppliers separately report and identify electricity (MWh) and greenhouse gas emissions associated with electricity acquired from net metering of customer resources or a qualifying facility. PGE understands the purpose of this requirement to be to enable DEQ to ensure GHG reporting accommodates ORS 469A.435 (2), which provides that “greenhouse gas emissions associated with electricity acquired from net metering of customer resources or a qualifying facility under the terms of the Public Utility Regulatory Policies Act shall be excluded from the determination of the retail electricity provider’s total greenhouse gas emissions” for purposes of compliance with ORS 469A.400 to 469A.475 (House Bill 2021 (2021)). This provision was included in HB 2021 to ensure that utilities are not penalized for emissions from facilities with which the utility is required by law to contract for power.

PGE interprets “electricity acquired from net metering of customer resources” to mean that PGE would report the surplus electricity fed back to the electric grid by a net metered generator because that is the electricity that PGE acquires from that customer. To facilitate this reporting, PGE suggests that DEQ clearly define the term “net metering” such that the requirements can be applied consistently across reporting entities. PGE also suggests that DEQ clearly define requirements for the level of disaggregation that will be required when reporting MWhs associated with net metering and qualifying facilities. For MWhs reported from net metering, PGE suggests reporting an aggregated total from all non-emitting resources. For MWhs reported from qualifying facilities, PGE suggests reporting MWhs from each qualifying facility.

Thank you for your consideration of our comments.

Contact: *Greg Alderson, Senior Environmental Policy Manager, gregory.alderson@pge.com*



Comment # 152

From: darin.kandra@edstaub.com

Subject: Climate Change Rule Making

--

Dear DEQ Team

Please read the attached letter about climate change and the proposed rule changes.

There is no way this country can function without the use of petroleum-based energy. I challenge anyone to look around, in your house, outside of your house and anywhere really, and find anything that is not tied to petroleum-based energy in one way or another.

Darin Kandra

IS Technician

Ed Staub & Sons & Sons Petroleum

541-887-8965

darin.kandra@edstaub.com

www.edstaub.com

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Number of commenters: 1

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

During a recent DEQ climate Rulemaking Public Hearing on September 18th, it became clear that some groups have reservations about allowing covered entities in Oregon to use book and claim accounting for Bio-Methane from other states. However, these groups seem to support the use of electric vehicles made outside Oregon and the importation of out-of-state electricity, even without direct economic benefits to our citizens. This creates a difference in standards between Bio-Methane and out-of-state electricity.

We urge DEQ to maintain the current regulations for Bio-Methane without further changes. Book and claim accounting has worked well for using out-of-state Bio-Methane in Oregon's electricity generation. Changing these rules could lead to higher electricity costs, impacting consumers, including those in environmental justice communities. To minimize costs and achieve equity, DEQ should refrain from altering existing regulations. Technological advancements can help with CO2 levels, but economic distress from hasty rule changes cannot be easily reversed.

We believe Bio-Methane should not be subject to geographical constraints for book and claim reporting. There should be no requirements to inject Bio-Methane into an Oregon natural gas pipeline, no restrictions on vintage use for greenhouse gas reporting, and no time constraints. Bio-Methane should be allowed to be claimed and delivered to end-users in Oregon, even if it displaces natural gas used in a connected pipeline.

The book and claim regulations established by DEQ at the start of the Greenhouse Gas Reporting program should remain unchanged. They strike a balance between environmental concerns and our state's energy infrastructure needs.

Hydrogen, especially "Gray" and "Blue" Hydrogen, is a lower emissions alternative worth considering. Electric vehicles, while promoted as environmentally friendly, are not entirely carbon neutral, and their production outside Oregon doesn't benefit our state's economy. We must consider the entire lifecycle and make informed decisions.

Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

Darin Kandra

Comment # 153

From: paulvogel@columbiacountyoregon.com

Subject: Submitted questions and comments re: 2023 Climate Rulemaking

Submitted for consideration and response.

Thank you.

Paul Vogel

Paul Vogel

Executive Director

M: 503.805.5139

paulvogel@columbiacountyoregon.com

columbiaeconomicteam.com

Number of commenters: 1



**COLUMBIA
ECONOMIC
TEAM**

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Knife River

Bob Short

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CalPortland

Nina Carlson

Board Secretary
NW Natural

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Staff

Paul Vogel,

Executive Director

Wela Negelspach,

*Administrative & Program
Manager*

Jason Moon,

SBDC Director

Sierra Trass,

Small Business Specialist

PO Box 1653

St. Helens, OR 97051

(503) 410-1061

columbiaeconomicteam.com

October 12, 2023

Oregon Department of Environmental Quality
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

RE: 2023 Climate Rulemaking Comments from Columbia Economic Team

Dear Ms. Elbel and Ms. Singh;

On behalf of the Board of Directors and full membership of the Columbia Economic Team, we submit these comments regarding the Climate Protection Program rulemaking and urge the departments careful consideration to focus on cost and cost-effectiveness in reducing emissions through the program.

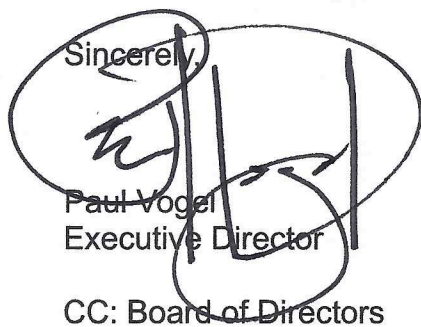
The Columbia Economic Team (CET) is a Columbia County-wide membership organization singularly tasked with the mission to promote the creation, retention, growth, and attraction of business and industry throughout our entire county. We represent all local governments, higher education, and more than thirty essential business employers in Columbia County. Operationally, CET is comprised of five core functions: economic development, small business development, localized small business marketing and promotion, entrepreneurial ecosystem development, and tourism. CET's engagement in all of these functions concerns us greatly with how Oregon positions itself for economic development, jobs, and community sustainability while also reducing emissions.

Our concerns about the Climate Protection Program rulemaking come down to costs—costs to families, businesses, and the community—as well as encouraging the most effective and efficient ways to reduce emissions. Economic growth and emission reduction are not mutually exclusive – particularly if investment in reductions is encouraged or incentivized, and the costs of compliance are not overburdening. Fundamentally, we wonder why DEQ would seek to make innovative energy and climate solutions – in fact carbon reduction – more difficult and costly to achieve?

- We support decarbonized fuels – like renewable natural gas – as tools for reducing emissions, including from sources outside of Oregon. These resources present and support economic activity while also achieving the program's goals.
- Decarbonized fuels provide tangible greenhouse gas savings by displacing the use of more carbon intensive fuels, regardless of the end use location or a pipeline connection to Oregon. Reducing emissions anywhere, within Oregon or otherwise, creates a climate benefit everywhere, including for Oregonians.

- Greenhouse gasses are a global problem, not geographically limited. Therefore, the solutions themselves should not be geographically limited. Imposing arbitrary geographic limits on where environmental attributes can be procured harms rather than helps Oregonians. This would be akin to excluding wind and solar resources from outside of Oregon – which would prevent us from meeting our clean electricity goals in addition to artificially, and unrealistically, trying to limit the flow of energy in regional and national grids.
- Limitations would increase compliance costs under the Climate Protection Program. As an entity charged with encouraging essential business and economic activity in Oregon, we are concerned with efficiency and cost as competitive disadvantages with other states, regions and even countries on the Pacific Basin. It is important that real carbon reductions are achieved by the Climate Protection Program in the most pragmatic, thoughtful, and cost-effective manner.

We value the opportunity to provide public comments on DEQ's proposed changes to the Greenhouse Gas Reporting Program (Division 215) and the Climate Protection Program (Division 271). Specifically in that regard, we strongly urge DEQ to prioritize costs, cost effectiveness, and efficiency in its decision making. Factor-in to the decisions that increasing decarbonized fuel supply actually decreases costs, so we further urge DEQ to be consistent with other carbon markets and not arbitrarily include geographic limitations on biomethane and renewable natural gas in the Climate Protection Program and Greenhouse Gas Reporting Rule.

Sincerely,

Paul Vogel
Executive Director
CC: Board of Directors

Comment # 154

From: greg@hdlogos.com

Subject: DEQ 2023 Proposed Rulemaking on Bio Methane, Lookback & Book and Claim.

See attached for my companies request.

Thanks

Greg

Number of commenters: 1

A Plea for Fair Consideration: DEQ 2023 Proposed Rulemaking on Bio Methane, Lookback & Book and Claim.

Dear Department of Environmental Quality (DEQ) Team,

As a business owner in the State of Oregon, I want to take a moment to express concerns and perspectives regarding proposed DEQ changes Climate 2023 Rulemaking to Bio-Methane regulation, Book and Claim accounting, all types of commercial Hydrogen and the "Lookback" for Covered Entities as outlined in the 2023 Rulemaking process.

First and foremost, we wish to emphasize that petroleum-based energy, while often criticized, plays a crucial role in our state's economy and energy reliability. It provides not only energy but also economic development opportunities and contributes significantly to job creation within Oregon. It is essential that we view all energy choices in the state portfolio holistically, considering both the benefits and potential costs through over regulation, particularly in terms of economic impact and human flourishing.

During the discussions held by Zoom DEQ climate Rulemaking Public Hearing on September 18th, it was apparent that certain groups held reservations about allowing covered entities in Oregon to further utilize widely accepted book and claim accounting for Bio-Methane originating from other states. However, these groups seem to also support the utilization of electric vehicles manufactured elsewhere outside of the state, as well as the importation of electricity generated outside of Oregon also without a direct economic benefit to our citizens. Consequently, the standards being proposed for Bio-Methane appear to differ from those standards when applied to out-of-state electricity.

We urge DEQ to maintain the current regulations as is pertaining Bio-Methane without any further regulation changes. The book and claim accounting procedure has proven to be entirely suitable for the utilization of out-of-state Bio-Methane in Oregon's electricity generation sector. Historically, the covered entities within our state that generate electricity have dutifully complied with DEQ's long established rules. Altering these rules would likely result in increased electricity costs, which would ultimately affect consumers, including those in environmental justice communities that DEQ advocates for. Therefore, to minimize costs for all Oregonians to achieve an equitable outcome for all, DEQ should refrain from altering these existing regulations. The reality is that forthcoming technological advancements hold the promise of reversing the upward trajectory of CO2 levels when the need arises. However, what cannot be reversed is the profound economic distress inflicted upon climate justice communities if DEQ were to approve hastily and further eliminate CO2 emissions by reshaping existing CHG program rules while giving undue credence to climate change advocacy groups. We ask that all diverse opinions be considered and used as input in shaping future policy.

We strongly believe that Bio-Methane should not be subject to geographical constraints when it comes to book and claim reporting. DEQ should not require that Bio-Methane be injected into a natural gas pipeline within the State of Oregon. Furthermore, there should be no restrictions on the vintage use of Bio-Methane for greenhouse gas reporting, and no time constraints should be imposed. Bio-Methane should be allowed to be claimed and delivered to end-users within our state, even if it displaces natural gas used in a pipeline connected to Oregon. Renewable CNG is nothing short of a miraculous energy source that should not be disparaged. DEQ should encourage more Green Renewable CNG.

The book and claim regulations initially established by DEQ at the inception of the Greenhouse Gas Reporting program should remain unchanged. These regulations have served Oregon well, striking a balance between environmental concerns and the practical realistic needs of our state's energy infrastructure.

Hydrogen, being derived from Natural Gas via reforming, often referred to as "Gray Hydrogen", boasts considerably lower emissions compared to conventional gasoline. Moreover, Blue Hydrogen, produced through the same Natural Gas feedstock with carbon capture, presents an even more environmentally friendly option. In our view, these alternatives merit a substantial role in the broader Hydrogen conversation. Additionally, the prospect of generating hydrogen from coal, known as brown hydrogen, adds further complexity to the discussion since the USA has an abundant 750-year supply of Coal.

In addition, we must recognize that while electric vehicles are promoted as a more environmentally friendly alternative, they are not entirely carbon neutral. The production of electric vehicles outside of the State of Oregon contribute to an overall EV carbon footprint and does not directly benefit our state's economy. It is essential to consider the entire lifecycle of these vehicles and make informed decisions that weigh their environmental impact against their economic implications compared to reliable, abundant fossil fuels.

We appreciate your time and consideration of these viewpoints. Our aim is to ensure a comprehensive evaluation of the proposed changes, keeping in mind the well-being of our state and all citizens. We trust that DEQ will make decisions that are fair, balanced, and in the best interests of Oregon.

Should DEQ proceed with altering book & claim, it risks triggering an energy crisis in Oregon, a crisis that may jeopardize the well-being of our citizens, leading to energy instability in the winters ahead. Responsibility for such a crisis would rest squarely on the shoulders of the anti-fossil-fuel movement in Oregon and DEQ directly.

In conclusion, we respectfully urge DEQ to consider amending regulations to incorporate a one-year lookback period. Such a revision would prove advantageous for all covered entities, including newcomers

to the state's petroleum market, and contribute to a more equitable and sustainable approach to our state's energy future.

Thank you for your commitment to responsible governance and environmental stewardship.

Greg Glassow

High Desert Promotions LLC

Comment # 155

From: keith.martin@edstaub.com

Subject: Comment on DEQ 2023 Climate Rulemaking

Please see attached comments.

B. Keith Martin

Keith Martin

Assistant Manager, Redmond

Ed Staub & Sons & Sons

(541) 815-7813 (mobile)

----- Forwarded message -----

From: Redmond <esssmtp@edstaub.com>

Date: Fri, Oct 13, 2023 at 7:26"~AM

Subject: Attached Image

To: Keith Martin <keith.martin@edstaub.com>

Number of commenters: 1

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

During a recent DEQ climate Rulemaking Public Hearing on September 18th, it became clear that some groups have reservations about allowing covered entities in Oregon to use book and claim accounting for Bio-Methane from other states. However, these groups seem to support the use of electric vehicles made outside Oregon and the importation of out-of-state electricity, even without direct economic benefits to our citizens. This creates a difference in standards between Bio-Methane and out-of-state electricity.

We urge DEQ to maintain the current regulations for Bio-Methane without further changes. Book and claim accounting has worked well for using out-of-state Bio-Methane in Oregon's electricity generation. Changing these rules could lead to higher electricity costs, impacting consumers, including those in environmental justice communities. To minimize costs and achieve equity, DEQ should refrain from altering existing regulations. Technological advancements can help with CO2 levels, but economic distress from hasty rule changes cannot be easily reversed.

We believe Bio-Methane should not be subject to geographical constraints for book and claim reporting. There should be no requirements to inject Bio-Methane into an Oregon natural gas pipeline, no restrictions on vintage use for greenhouse gas reporting, and no time constraints. Bio-Methane should be allowed to be claimed and delivered to end-users in Oregon, even if it displaces natural gas used in a connected pipeline.

The book and claim regulations established by DEQ at the start of the Greenhouse Gas Reporting program should remain unchanged. They strike a balance between environmental concerns and our state's energy infrastructure needs.

Hydrogen, especially "Gray" and "Blue" Hydrogen, is a lower emissions alternative worth considering. Electric vehicles, while promoted as environmentally friendly, are not entirely carbon neutral, and their production outside Oregon doesn't benefit our state's economy. We must consider the entire lifecycle and make informed decisions.

Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

A handwritten signature in blue ink that reads "B. Keel" followed by a stylized flourish.

Comment # 156

From: Corky@ColumbiaCorridor.org

Subject: climate rulemaking comments

Please accept our comments on DEQ climate rulemaking.

Thanks,

Corky

<<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.linkedin.com%2Fcompany%2F1863045%2F&data=05%7C01%7CClimate.2023%40stateoforegon.mail.onmicrosoft.com%7C9dbbcfa6f84c44987e08dbcbfe11d1%7Caa3f6932fa7c47b4a0cea598cad161cf%7C0%7C0%7C638328064334027792%7CUnknown%7CTWFpbGZsb3d8eyJWljojMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6Ikl1haWwiLCJXVCi6Mn0%3D%7C3000%7C%7C%7C&sdata=j%2BHekbI3j%2F5fsoiHVWpWOZvAHaZMUz7r5VZOL3lrZ%2Fw%3D&reserved=0>>

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Corky Collier

Executive Director

Corky@CCA.works

PO Box 55651, Portland OR 97238

503.287.8686 (o); 503.241.1888 (m)

Number of commenters: 1

11 October 2023

Oregon Department of Environmental Quality
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

RE: DEQ's proposed changes to the Greenhouse Gas Reporting and Climate Protection Programs

Columbia Corridor Association (CCA) represents 3500 businesses employing 70,000 people in the state's largest economic corridor. One of CCA's primary concerns is emissions reductions. We have been awarded seven EPA air quality grants, lobbied for renewable diesel and supported a state carbon tax. CCA is serious about having industrial businesses lead the way toward significant carbon reduction. Our efforts include a fact-finding trip to Denmark, twice bringing Danish and Brazilian delegates to Portland, and working with the City of Portland to establish an industry-led plan for carbon reduction.

As we have progressed with our carbon reduction plan, we have encountered significant resistance by some groups against working with natural gas suppliers. We find this resistance odd because natural gas companies, like concrete manufacturers, are in a position to make massive reductions in carbon emissions. True, they are currently a big part of the problem. However, they are also working hard to find solutions. **CCA encourages DEQ to work in partnership with natural gas suppliers and other large emitters.**

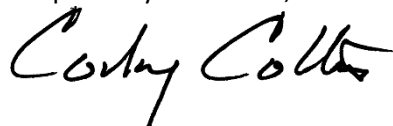
It's easy to cut carbon emissions if one ignores the economic ramifications. But such actions will likely be short-lived. **CCA encourages DEQ to actively engage with industry to find serious carbon reduction that also supports our economy.** Sometimes this means unsatisfying compromise. Other times, with a bit of work and ingenuity, it can mean new systems and new technology which achieves our goals and improves our economy.

The easier strategy is to enact mandates without assessing the impact on the end-user, the customer. While this is easier from an administrative perspective, it will likely lead to disputes, which lead to delays, and delays lead to higher costs. We cannot afford more delays. Denmark is a world leading in this regard. They are at the same time insistent and practical. Denmark understands that every dollar saved helps speed action and is an additional dollar that can be invested in emissions reduction. **CCA encourages DEQ to carefully consider the cost of mandates in order to prevent backlash and delay.**

CCA also encourages DEQ to approach carbon reduction with a global perspective. It makes no sense to apply geographic limits on carbon emissions reductions. If an Oregon company can reduce carbon in a distant location more cheaply, we should encourage it. The benefit is the same, regardless of where the action occurred. Clearly, it behooves us to require reliable proof of the reductions. We feel that DEQ is an organization fully capable of monitoring reductions.

The job ahead is daunting. We need to focus on efficiency and collaboration if we are to be successful.

Respectfully submitted,



Corky Collier
Executive Director

Comment # 157

From: Mary.Moerlins@nwnatural.com

Subject: NW Natural Comments: 2023 Climate Rulemaking

Elizabeth and Nicole,

Please find NW Natural's comments for the 2023 Climate Rulemaking attached. We appreciate the opportunity to submit our feedback as well as the opportunity to participate in the rules advisory committee.

Thank you,

Mary

Mary Moerlins (she, her)

NW Natural - Director of Environmental Policy & Corporate Responsibility

503.610.7655 m: 404-993-8273

www.nwnatural.com www.lesswecan.com

Learn more about who we are and what we value by reading our ESG Report

Find out about our Vision 2050 by reading this report

NW Natural Holdings ã,â-- Recognized as one of the 2023 World's Most Ethical Companiesã,â®

Number of commenters: 1

NW Natural Comments in Response to Climate 2023 Rulemaking

250 SW Taylor Street
Portland, OR 97204

503-226-4211
nwnatural.com

October 13, 2023

ATTN: Elizabeth Elbel and Nicole Singh
Oregon Department of Environmental Quality
Climate.2023@deq.oregon.gov

NW Natural appreciates the opportunity to submit comments on the 2023 Climate Rulemaking by the Oregon Department of Environmental Quality (“DEQ”) and continues to support DEQ’s inclusion of book and claim accounting in its existing climate programs. The Company appreciated the opportunity to have a representative sit on the Rules Advisory Committee and we are hopeful that our comments provide value in this rulemaking process.

Our Oregon customers’ use of the product we deliver accounts for roughly 8%¹ of Oregon’s greenhouse gas emissions. We continue to be committed to doing our part to work with customers to help them reduce emissions associated with their use of our product while continuing to provide a reliable, resilient and affordable essential service. In our 164 years as a company, NW Natural has evolved to meet the changing needs of the communities and customers we serve. This continues to be true today. The rules governing the Climate Protection Program (CPP) and related rules included in this Climate Rulemaking have significant bearing on the speed of real verifiable decarbonization on behalf of customers as well as the costs that they will experience.

NW Natural submits the following comments with the goal of improving program implementation and further increasing climate benefits:

- NW Natural recognizes that book and claim accounting is already permitted under DEQ’s existing programs. This is in agreement with DEQ’s *Statement of Fiscal and Economic Impact*.
- The Greenhouse Gas Reporting Rule should not be retroactive to the 2023 data year, given the breadth of the proposed new biomethane and hydrogen recordkeeping and reporting requirements.
- In order to maximize greenhouse gas reductions, DEQ should allow book and claim accounting for biomethane and hydrogen injected into pipelines across North America to count toward Climate Protection Program compliance.

¹ NW Natural Sales and Transport Customer Usage Related Emissions as reported to Department of Environmental Quality [Department of Environmental Quality : Oregon Greenhouse Gas Sector-Based Inventory Data : Action on Climate Change : State of Oregon](#)

- To enable gas utilities to accurately reflect the environmental attributes of the fuel they transport, gas suppliers that use gas utilities' systems to transport their gas (transport customers) should be required to report the environmental attributes of the gas to utilities based upon particular transactions with the utilities and/or gas marketers.
- To allow environmental attributes the time necessary to be appropriately verified, DEQ should require biomethane and hydrogen credits to be claimed within the same or subsequent calendar year the associated gas was injected into a pipeline.
- DEQ should ensure the reporting of biomethane and hydrogen under the Greenhouse Gas Reporting Rule is as streamlined and feasible as possible. To this end, M-RETS reporting should be allowed for book-and-claim reporting in lieu of other requirements.
- DEQ should include rule language to allow it to easily approve future emissions-reducing technologies.
- For consistency, DEQ should include hydrogen under the "importer" definition in OAR 340-215-0020.

NW Natural thanks DEQ for its continued work on the proposed rules and would welcome the opportunity to discuss the above recommendations, which are further detailed below, at any time.

1. NW Natural concurs that DEQ's existing programs already allow for book and claim accounting.

NW Natural agrees that most of the amendments to the Greenhouse Gas Reporting Program are amendments "intended to add more precise language to the rule, while not changing or creating new requirements."² As DEQ's *Statement of Fiscal and Economic Impact* notes, amendments of this nature should result "in little to no fiscal or economic impact to regulated entities."³ Similarly, regarding racial equity, "DEQ has not identified any significant positive or negative implications for racial equity," as the amendments generally aim to improve program implementation.⁴

As DEQ staff emphasized in the last Rulemaking Advisory Committee ("RAC") meeting, the existing Greenhouse Gas Reporting Program already allows for the reporting of biomethane, and the existing Climate Protection Program already allows for the use of biomethane via book and claim accounting as a compliance pathway for regulated entities to reduce their emissions.

² DEQ, *Climate 2023 Rulemaking – Notice of Proposed Rulemaking*, 33 (Aug. 22, 2023).

³ *Id.*

⁴ *Id.* at 48.

Contrary to one commenter’s claim that book and claim accounting does not benefit Oregonians, DEQ staff rightly recognized that curtailing book and claim accounting would increase program costs; this in turn would increase Oregonians’ energy costs.

Furthermore, DEQ correctly concluded that there are no discernable racial equity impacts from the proposed rule changes, and whether to allow biomethane as a compliance mechanism is outside of this rulemaking’s scope and DEQ’s rulemaking authority here.⁵

2. The Greenhouse Gas Reporting Rule should not be retroactive to the 2023 data year.

Given the breadth of the new proposed reporting requirements for biomass-derived fuels and hydrogen, DEQ should not retroactively apply these requirements to the 2023 data year, the data for which is already accruing. Importantly, this proposed rulemaking is not on track to be finalized until the end of 2023. As such, regulated entities have no certainty as to exactly what reporting requirements DEQ aims to retroactively impose.

Instead of clarifying that the proposed new reporting and recordkeeping requirements are not retroactive, the draft rule language includes OAR 340-215-0046(3), which requires regulated entities to request exemptions from DEQ. This exemption request process adds administrative process but does not increase certainty for covered entities that are pursuing decarbonation tools under the current rules, while this additional rulemaking process is progressing. DEQ should streamline the rule by automatically exempting the 2023 data year from these requirements.

In the last RAC meeting, DEQ staff stated that any proposed rules would not apply retroactively. NW Natural agrees with this commonsense approach, especially given the significant increase in recordkeeping and reporting for biomethane and hydrogen transactions. As such, any new recordkeeping and reporting requirements should apply only to post-2023 data years and the proposed language in OAR 340-215-0046(3) should be edited to provide that clarity.

3. DEQ should allow book and claim accounting for environmental attributes across North America.

NW Natural asks DEQ to recognize environmental attributes from gas injected into any pipeline in North America for Climate Protection Program compliance via book and claim accounting. To geographically restrict where gas must be injected arbitrarily limits the greenhouse gas emissions reductions that would otherwise occur, contrary to the program’s goals.

⁵ See ORS 468A.020(3)(a) (“Except to the extent necessary to implement the federal Clean Air Act (P.L. 88-206 as amended), the air pollution laws contained in ORS 468A.025, 468A.030, 468A.035, 468A.040, 468A.045 and 468A.300 to 468A.330 do not apply to carbon dioxide emissions from the combustion or decomposition of biomass.”).

DEQ has stated that it has restricted where Oregon utilities can make emission reductions. What should matter is that what the Climate Protection Program classifies as “sources” in Oregon, such as Oregon gas utilities, are incentivized to make greenhouse gas reductions, whether in Oregon or elsewhere. A greenhouse gas emissions reduction somewhere is a greenhouse gas emissions reduction everywhere.

Additionally, given reliable environmental attribute tracking systems like M-RETS, expanding the geographic scope of where Oregon utilities can invest in emission reductions will not result in double counting.

Furthermore, maximizing the greenhouse gas reductions that book and claim accounting can achieve will not cause utilities to forgo Community Climate Investment (“CCI”) credits as a compliance mechanism. As demonstrated from NW Natural’s 2022 Integrated Resource Plan filings before the Oregon Public Utilities Commission, NW Natural will need to rely upon a combination of compliance strategies, which includes a significant reliance on CCI credits.⁶ However, CCI credits are not currently available for purchase, as DEQ is still in the process of contracting with a CCI entity, and covered fuel suppliers can only use CCIs to meet 10% of their compliance obligation in the first compliance period.

Finally, imposing arbitrary geographic limits on where environmental attributes can be procured harms rather than helps Oregon utility customers, which include environmental justice communities, as such limitations will increase compliance costs under the Climate Protection Program.

4. Gas suppliers should be required to report their environmental attributes to utilities so that utilities can accurately calculate the emissions from delivered fuel.

Gas suppliers that are not local distribution companies should be required to report to the gas utility their environmental attributes under the Greenhouse Gas Reporting Program based upon particular transactions with gas utilities and/or gas marketers. Doing so will ensure that gas utilities have the necessary information to accurately calculate the emissions from the fuel they deliver and, thereby, improve overall program integrity.

Gas suppliers that are transport customers (i.e., customers for which the gas utility merely transports the fuel to the customer’s fuel buyer) make up a significant portion, 32%, of NW Natural’s gas delivery. But utilities currently have little to no information on the environmental attributes of the transported gas. This undermines the integrity of the overall program, which is especially important when the State is working to meet ambitious emissions targets.

Requiring gas suppliers that are transport customers to match their environmental attributes to the fuel that gas utilities deliver would ensure that utilities, and DEQ, have accurate information regarding any environmental attributes associated with the transported fuel. This

⁶ [NW Natural 2022 Integrated Resource Plan](#). [NW Natural Integrate Resource Planning Page](#)

would more easily enable these attributes to be included in gas utilities' emissions calculations—which in turn ensures that DEQ is able to accurately track progress toward the State's climate goals.

5. DEQ should require environmental attributes to be claimed within the same or subsequent calendar year.

With regard to book and claim reporting, DEQ should require environmental attributes to be claimed within the same or subsequent calendar year the gas was injected into a pipeline. The significance of this change should not be underestimated. Under the current proposed rule, biomethane transactions taking place later in the reporting year could take too long to generate required documentation and report on for the same year. This unduly restricts book and claim accounting as a compliance option for utilities, who must achieve significant emission reductions.

Furthermore, a slightly longer vintage timeline than the one year currently proposed will allow the necessary flexibility for regulated entities who are waiting on project site permitting and commissioning or other regulatory entities to approve credits. Administrative delays in crediting, which may be beyond the utility's control, should not be a reason a utility's environmental attributes for Oregon expire. As such, we urge DEQ to change all instances of "same reporting data year" in the draft OAR 340-215 rule to instead read "same **or subsequent** reporting data year."

6. DEQ should ensure the reporting of biomethane and hydrogen under the Greenhouse Gas Reporting Rule is as streamlined and feasible as possible.

NW Natural welcomes DEQ's clarifications in implementing book and claim accounting. However, some of the reporting provisions appear to be unnecessary to achieve reporting accuracy and could needlessly inflate the cost burden of the program on Oregonians. NW Natural makes the following suggestion to clarify and streamline book-and-claim reporting requirements:

- DEQ should allow M-RETS reporting for book and claim transactions in lieu of other requirements. NW Natural appreciates that DEQ has allowed a pathway to approve an electronic tracking system for environmental attributes like M-RETS under the rule. M-RETS "tracks the life cycle of each renewable certificate created, and ensures against any double-counting or double-use of each certificate."⁷ To increase regulatory certainty, DEQ should approve M-RETS as an approved tracking system under the Greenhouse Gas Reporting Rule and allow utilities using this system to forgo the other recordkeeping requirements under OAR 340-215-0042, which would then be unnecessarily duplicative.

⁷ M-RETS, *Frequently Asked Questions*, <https://www.mrets.org/resources/frequently-asked-questions/#:~:text=M%2DRETS%C2%AE%20creates%20a,double%2Duse%20of%20each%20certificate> (last visited Sept. 20, 2023).

To conform with how the delivery of lower carbon fuels within the Oregon pipeline system occurs, DEQ should define what it means by “direct delivery” of biogas, biomethane, or hydrogen under OAR 340-215-0042(5) to encompass blending, and delete reference to “point of use” in this sub-section. Biomethane and hydrogen may be blended into the Oregon pipeline system, thereby displacing natural gas. In such instances, it will not always be possible to document where the fuel is “directly delivered” to the “point of use in Oregon.”

- DEQ should expand the allowed carbon intensity calculation methodology to allow purchasers of biomethane to use methodologies allowed under OAR 860-150-0050, Currently local distribution companies are required to report carbon intensity of renewable natural gas to the Public Utility Commission. DEQ should update their proposed language to allow for constant methodology between the two state regulatory programs.
- DEQ should remove the requirement to provide details about the end use of gas. The proposed language in OAR 340-215-0044(5)(a) requires a level of specificity that is not available to utilities. Dividing emissions between oxidized and combusted emissions requires information from the end users, not the suppliers of the gas.
- In order to give regulated entities the time necessary to produce the detailed reporting requirements under the proposed rule, we ask that DEQ expand the number of days to submit required documentation to DEQ under OAR 340-215-0042(12) from 14 calendar days of notification to 30 days calendar days of notification.

Additionally, NW Natural provides the following suggested edits to help clarify proposed amendments to the Reporting Rule:

340-215-0042

Recordkeeping Requirements

(4) Regulated entities reporting biomass-derived fuels or hydrogen, as required under OAR 340-215-0044(5), must retain supporting documentation that authenticates the purchase quantity and quality of the hydrogen or gaseous or liquid biomass-derived fuel between parties. This supporting documentation:

(a) May include, but is not limited to, documentation from each upstream party, invoices, bills of lading, shipping reports, balancing reports, storage reports, in-kind nomination reports, allocation, contracts confirming the source of fuel supplied in the state, attestations, information on the environmental attributes associated with the sale or use of the fuel, renewable thermal ~~credit certificate~~ records, or any combination therein; and

(b) When reporting biogas, biomethane, or hydrogen, must include **proof of ownership of a renewable thermal certificate or** attestations from each upstream party collectively

demonstrating that no other upstream party can make a claim on environmental attributes that are being reported under this division. The quantity of energy covered by the environmental attributes must match or exceed the energy of fuel reported under this division.

(5) When reporting direct delivery of biogas, biomethane, or hydrogen in Oregon regulated entities must retain documentation that shows the fuel type and quantity directly delivered from the point of origin ~~to the point of use in Oregon.~~

(6) When reporting ~~renewable thermal certificate purchase or~~ contractual deliveries of biomethane or hydrogen using book and claim accounting the regulated entity must retain and make available:

(a) Records demonstrating the specific quantity of gas claimed was injected into a pipeline that is part of the natural gas transmission and distribution network ~~connected to Oregon in North America~~ in the current data year and link those environmental attributes to a corresponding quantity of gas withdrawn for use in Oregon;

(b) Records demonstrating the quality of the fuel reported ~~or a renewable thermal certification requiring pipeline quality gas;~~

(c) Records documenting the fuel production facility, the ~~facility's type of production and purification process,~~ facility location and feedstock(s). ~~This may include, but is not limited to, documentation of feedstock production and schemata of the production method;~~

(d) Records demonstrating the full lifecycle carbon intensity of the reported fuel including all records supporting the estimation of the reported carbon intensity value required under OAR 340-215-0044(5)(b)(I) ~~or OAR 860-150-0050;~~

(e) If using an electronic tracking system approved by DEQ for book and claim accounting, records demonstrating the retirement of all environmental attributes of that fuel that are being reported under this division. The quantity of energy covered by the environmental attributes must match or exceed the energy of fuel reported under this division;

(f) Records demonstrating that the retired or claimed environmental attribute was generated from gas injected into the pipeline within the same reporting data year; and

(g) Any records used in the reporting of information required under OAR 340-215-0044(5).

340-215-0044

Emissions Data Reports

(5) When reporting biomass-derived fuels and hydrogen, the following requirements also apply:

(a) In addition to the requirements of section (3), a regulated entity reporting biomass derived fuels or hydrogen must retain records as required by OAR 340-215-0042, and ~~separately identify, calculate, and report:~~

~~(A) All direct emissions of biogenic CO2 resulting from the combustion and oxidation of biomass-derived fuels.; and~~

~~(B) All direct emissions of biogenic CO2 resulting from the oxidation of biomass-derived fuels;~~

(b) When reporting fuels where biomass and fossil feedstocks are processed in the same facility to produce the fuel, persons may request DEQ approval of a methodology for the attribution of the biogenic feedstock to determine the amount of the final reported product that may be reported as biogenic. Regulated entities must receive written DEQ approval to use the attribution methodology prior to reporting;

(c) When reporting emissions from gaseous biomass-derived fuels or use of hydrogen, report the following information for each contracted delivery:

(A) The type and quality of the gas, including the higher heating value of the claimed gas;

(B) Name and address of all intermediary and direct vendor(s) from which the fuel is purchased;

(C) Name, address, and facility type from which the fuel was produced;

(D) Annual amount contractually delivered, disaggregated by each vendor, in MMBtu for biomethane, kilograms for hydrogen and standard cubic feet for other gaseous fuels;

(E) Feedstock(s) used to produce the gas;

(F) Method(s) used to produce the gas;

(G) Month and year in which the gas was produced;

(H) Method of delivery to Oregon;

(I) The lifecycle carbon intensity, as defined in OAR chapter 340, division 253 of the pathway for the contractually delivered biomethane or hydrogen. Lifecycle carbon intensity values must be estimated using the methodology and tools described in OAR chapter 340, division 253 or OAR chapter 860, division 150. Upon request from a regulated entity showing good cause to use a different method than one described in OAR chapter 340, division 253 or OAR Chapter 860, division 150, DEQ may approve another methodology;

(J) Based on the quantity of biomethane or hydrogen reported using book and claim accounting, the amount of natural gas use displaced in Oregon (MMBtu);

(K) Name and air permit source identification number for the final end user of the gas in Oregon, if applicable; and

(L) Records demonstrating that no other party can make a claim on environmental attributes that are being reported under this division. The quantity of energy covered by the environmental attributes must match or exceed the volume of fuel reported under this division. Records must demonstrate that the retired renewable thermal ~~credits-certificates~~ or claimed environmental attributes were generated within the same reporting data year; and

(d) ~~In place of the requirements in section (c) in this division, r~~Regulated entities reporting contractual deliveries of gas using book and claim accounting must ~~also~~:

(A) Report the specific type and volume of gas claimed as injected into a natural gas pipeline and delivered ~~in North America to Oregon~~ in the reporting data year;

(B) Report the point of injection into a pipeline ~~in North America connected to Oregon~~;

(C) If using an electronic tracking system approved by DEQ for book and claim accounting, the regulated entity must submit records showing the retirement of all environmental attributes of the gas that are being reported under this division; and

(e) Retain and make available sufficient records to allow for verification of all reporting requirements in this section, including but not limited to those described in OAR 340-215-0040(7) and OAR 340-215-0042.

7. DEQ should include language to encompass future emissions-reducing technologies.

Given the urgency of addressing climate change and the amount of money being invested by both the public and private sector in emerging emissions-reducing technologies, NW Natural recommends that DEQ include rule language under the Greenhouse Gas Reporting Program and the Climate Protection Program to allow the agency to quickly approve other fuel pathways that reduce emissions. This would align with DEQ's approach under OAR 340-253-0450 of Oregon's Clean Fuels Program, through which DEQ can certify new fuel pathways that reduce emissions. Such an approach would also save DEQ time and resources by potentially avoiding the necessity of undertaking yet another rulemaking to address such technologies.

8. For consistency, DEQ should include hydrogen under the "importer" definition in OAR 340-215-0020.

OAR 340-215-0020(36) only references biomethane when defining "importer." Because the Greenhouse Gas Reporting Program allows for the reporting of hydrogen as well as for biomethane throughout the rest of the proposed rule, DEQ should reference hydrogen fuel imports/book and claim imports here as well for consistency.

NW Natural appreciates the opportunity to engage with DEQ and share their support and further recommendations for achieving emissions reductions under Oregon's Greenhouse Gas Reporting Program and the Climate Protection Program. If you would like to further discuss this letter or have any questions, please reach out to Mary Moerlins at mary.moerlins@nwnatural.com.

Sincerely,



[Mary Moerlins](#) (she, her)

NW Natural – Director of Environmental Policy & Corporate Responsibility
mary.moerlins@nwnatural.com
503.610.7655 m: 404-993-8273

Comment # 158

From: Deborah.Meeks@shell.com

Subject: Rulemaking Comment - OR Climate 2023 Rulemaking

Please find attached Shell USA comments regarding Oregon's Climate 2023 Rulemaking.

Regards,

Debbie

Deborah C Meeks

Manager - US West Coast Policy and Business Coordination

Shell USA

(510) 501-0438 - Cell

deborah.meeks@shell.com

Number of commenters: 1



Shell Oil Company
West Coast Government Relations
1121 L Street, Suite 700
Sacramento, CA 95814

October 13, 2023

Sent via email to: Climate.2023@deq.oregon.gov

Oregon DEQ
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Suite 600
Portland, OR 97232-4100

Re: Shell USA Comments regarding Oregon Climate 2023 Rulemaking

Dear Elizabeth Elbel and Nicole Singh:

Shell USA, Inc. (Shell) appreciates the opportunity to provide the Oregon Department of Environmental Quality (DEQ) comments on the final draft Appendix of Proposed Rules. Shell proudly supplies the energy our customers need to power their lives. This energy comes in many forms and includes traditional fuels as well as renewable natural gas (RNG), Hydrogen and EV charging. We actively work with our customers to accelerate the journey to net-zero emissions in the United States and globally.

Shell supports many key changes proposed by DEQ. First, Shell supports the definition of "Book and Claim" in the Greenhouse Gas Reporting Program. The use of "book and claim" provides a key incentive for the buildout of RNG resources beginning with the most cost-effective projects. This will provide lower-cost clean energy options for consumers.

Second, Oregon has proposed changes in the 2023 rulemaking to allow new entrants into the market. Shell supports more competition because this leads to a robust and stable market. Market liquidity and increased price discovery are key elements of a healthy market. Shell supports the intent to create a more robust market. However, this will not happen solely through a holding limit. For this reason, Shell urges the DEQ to take the proposed amendment one step further. Specifically, the DEQ should expand the market to include voluntarily associated entities¹ (commonly called general market participants or non-compliance entities). Increased participation will support supply and demand for emissions allowances and establish a market price for greenhouse gas emissions in this auction-less market. Price transparency will also help drive further investment in alternative fuels.

Given the emissions trading systems in both California and Washington it behooves Oregon to expand the program because this encourages a more robust system. Whether expanding the program to additional market sectors or to voluntarily associated entities Shell stands ready to be a resource to the DEQ as the Commission further develops and works to ensure the success of the Cap-and-Reduce program. Thank you for your consideration of our input.

¹See, Title 17, Section 95814(a) of the California Code of Regulations defining "Voluntarily Associated Entities."

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Lesher', written over the word 'Sincerely,'.

Steve Lesher
Manager of Corporate Relations, U.S. West Coast
Shell USA

Comment # 159

From: chris.wilson@electrochaea.com

Subject: Electrochaea Comments Re: Proposed Permanent Rule Amendments to Chapter 340 of the Oregon Administrative Rules

Hello,

Attached please find Electrochaea's comments for the proposed permanent rule amendments to the Greenhouse Gas Reporting Program Division 215. We appreciate the opportunity to participate in this rulemaking process., and please reach out if you have any follow-up questions or comments.

Best regards,

Chris Wilson

Manager Global Sustainability

New York - Eastern Time

Electrochaea Corporation

+1.862.438.7116

chris.wilson@electrochaea.com

Number of commenters: 1

October 13, 2023

Submitted via email to Climate.2023@DEQ.oregon.gov

Nicole Singh and Elizabeth Elbel
Oregon Department of Environmental Quality
811 SW Sixth Ave.
Portland, OR 97204-1390

Re: Proposed Permanent Rule Amendments to Chapter 340 of the Oregon
Administrative Rules

Electrochaea Corporation appreciates the opportunity to comment on the proposed permanent rule amendments to the Greenhouse Gas Reporting Program-Division 215. Electrochaea is a provider of a solution for renewable synthetic methane production. When the process utilizes biogenic CO₂, this synthetic methane can be categorized as biomethane. Our comments address the proposed definition of biomethane and the importance of book and claim accounting in the replacement of fossil-derived fuels and the reduction in methane emissions in Oregon and beyond.

Electrochaea is the provider of an industrial-scale power-to-gas biomethanation technology to produce grid-quality renewable synthetic methane. The methane synthesized using biomethanation is a versatile replacement for fossil natural gas across various applications. Our biomethanation process uses a biological catalyst, a methanogenic archaea, to combine CO₂ and hydrogen into synthetic methane. This technology can also perform the function of a traditional biogas upgrading system as it cleans and conditions the biogas into a product ready for injection into the natural gas grid. The resulting synthetic methane has a low carbon intensity (CI) similar to that of biomethane purified from biogas. The use of synthetic methane prevents the further extraction of fossil fuels.

Electrochaea's comments on the proposed definition of biomethane

Electrochaea understands from the proposed definition of biomethane¹ and statements made in the presentations at the Advisory Committee Meeting (May 17, 2023) that the DEQ intends to include synthetic methane under the definition of biomethane with the caveat that the carbon in the resulting synthetic methane must be derived from biomass. However, the

¹ Definition of biomethane in C2023pnAppendix.pdf

proposed definition does not specify that “biomass feedstock” refers only to the carbon in the biomethane, such that any CO₂ released during fuel use is only biogenic CO₂.

In discussions with potential customers and our legal team, we believe that the definition of biomethane does not give producers of synthetic methane sufficient certainty that the fuel will be considered biomass-derived if electrolytic hydrogen produced with renewable electricity is used during methane synthesis. Although it is not the intent of the DEQ, there is a perceived risk that the use of a low CI hydrogen feedstock, produced from a non-fossil source, would fail to achieve the “produced from biomass” requirement. To resolve this uncertainty, we recommend two steps discussed below.

First, we recommend specifying that the carbon in the finished fuel must come from a biogenic source. We propose that the additional word “carbon” be added to the definition to specify that the term “biomass feedstock” refers to the carbon in the feedstock.

“Biomethane” means refined biogas, or another synthetic stream of methane produced from biomass carbon feedstock, that has been upgraded to meet pipeline quality standards or transportation fuel grade requirement, such that it may blend with, or substitute for, natural gas.

Second, a definition of “synthetic stream of methane” should be used to clarify that renewable electrolytic hydrogen is permissible under the reporting program. We recommend that the following definition be included in the final regulation:

“Synthetic stream of methane” means methane gas that is artificially generated through controlled chemical, biological, or electrochemical processes, using renewable hydrogen derived from non-fossil sources and carbon dioxide from biogenic origin such as biogas, fermentation, or other biomass-derived sources.

Electrochaea’s comments on book and claim

Electrochaea would like to express our support for and urge the DEQ to finalize the definition of “book and claim” in the final proposed regulations². DEQ’s current draft book and claim definition fits within targets established by SB 98 and the state’s Clean Fuels Program, which allow for the procurement of renewable gas via existing energy transportation and distribution infrastructure sourced outside of the state.

² “Book and Claim” refers to the accounting methodology where the environmental attributes of an energy source are detached from the physical molecules when they are commingled into a common transportation and distribution system for that form of energy. The detached attributes are then assigned by the owner to the same form and amount of energy when it is used. For the purposes of this division, the common transportation and distribution system must be connected to Oregon.

Book-and-claim accounting helps manage the costs and increases the availability of renewable gas for Oregon. Using a broad book-and-claim accounting method for out-of-state biomethane procurement in Oregon brings numerous benefits. It enables ratepayers to support renewable energy projects while managing costs, facilitates the growth of emerging technologies, and offers operational stability and consistent demand for environmental attributes. The chain of custody method also aligns with other renewable energy programs on the state and federal levels and helps avoid costly administrative efforts for tracking and transport reporting. Moreover, this renewable energy accounting methodology maintains consistency with other North American biomethane markets which increases competitiveness to the benefit of the consumers of Oregon.

Oregon is at the forefront of decarbonizing the gas grid and expanding the use of biomethane beyond transportation. Restricting the ability of utilities to procure renewable resources from out-of-state sources has the potential to inflate prices for ratepayers and harm the public perception of the benefits of biomethane.

Thank you for considering our recommendations.

Sincerely,

A handwritten signature in black ink that reads "Chris Wilson". The signature is written in a cursive, flowing style.

Chris Wilson
Manager Global Sustainability
Electrochaea Corporation
chris.wilson@electrochaea.com
(862) 438-7116

Comment # 160

From: ryan.vazza@globalp.com

Subject: Rulemaking Comment - Climate Protection Program

Attached are our comments on the Climate Protection Program - thanks.

Best,

Ryan

Ryan Vazza

Energy Policy Analyst

Corporate Affairs and Sustainability Group

C 781-697-1777

Global Partners LP

800 South Street, Suite 500

Waltham, MA 02453

www.globalp.com

Number of commenters: 1

October 13, 2023

Department of Environmental Quality
Lloyd 700 Building
700 NE Multnomah St #600
Portland, OR 97232
Climate.2023@deq.oregon.gov

Rulemaking Comment: Geographic Limit Language in the Climate Protection Program

Global Partners LP (Global) appreciates the opportunity to comment on the Climate Protection Program rulemaking. Global is committed to Oregon's clean fuels future, including through participation in DEQ's Clean Fuels Program. We believe that liquid renewable fuels can help meet climate goals today. Facilities like ours are the critical infrastructure necessary for the state's transition into a healthier, cleaner alternative fuel landscape.

Global currently serves the energy needs of the West Coast through our terminal location in Clatskanie, also called the Columbia Pacific Bio Refinery (CPBR), which powers the West Coast and Pacific Rim. CPBR is a key distribution hub that delivers liquid energy products throughout the Beaver State. Since purchasing the terminal in 2013, we have invested over \$20 million in the site, and in 2014, proposed an infrastructure project to improve efficiency and safety on the grounds. In addition to our commitment to reliability, Global continues to lead the way in incorporating sustainability into our business. In 2020, Global added renewable diesel to the Clatskanie Terminal. Additionally, we have spent over ten years upgrading nine of our 13 terminals in New England and New York to handle renewable fuels and now offer renewable products at half of our 22 owned or controlled terminals nationwide.

As a company with Oregon operations, we are concerned about the costs and effectiveness of the Climate Protection Program. Specifically, we do not agree with DEQ's proposed geographic limitations on renewable natural gas projects. The solutions to climate change should not be limited. RNG is one of the host of solutions available for companies and constituents to rapidly decarbonize, and we believe in an all-of-the-above energy solution to combat climate change. Arbitrary geographic boundaries simply don't make sense and will increase costs for Oregonians and limit the available projects to reduce the carbon intensity of natural gas. Geographic boundaries for RNG simply prevent us from meeting our clean energy goals. We urge DEQ not to further increase costs by imposing geographic limitations on renewable natural gas (RNG) because new opportunities for development will increase supply and drive costs down.

We believe DEQ should leverage the lowest-cost and most available resources for Oregonians as we decarbonize the gas system over time and not include geographic limits for renewable natural gas projects. We ask that you please focus on sensible solutions to climate change—a global problem, that keep local costs down. We know we must act to address climate change – and that every dollar spent needs to be invested in effective solutions to lower emissions with transparency and accountability.

Thank you again for your consideration of our views and experience. If you have any questions, please do not hesitate to contact me directly.

Sincerely,

Drew Carlson

Vice President of Government and Community Affairs

Global Partners LP

Comment # 161

From: kristy.jensen@edstaub.com

Subject: Climate 2023

Kristy Jensen

Fuel Accountant

Bend

Office: 541-330-8356

kristy.jensen@edstaub.com

www.edstaub.com

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Number of commenters: 1

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

During a recent DEQ climate Rulemaking Public Hearing on September 18th, it became clear that some groups have reservations about allowing covered entities in Oregon to use book and claim accounting for Bio-Methane from other states. However, these groups seem to support the use of electric vehicles made outside Oregon and the importation of out-of-state electricity, even without direct economic benefits to our citizens. This creates a difference in standards between Bio-Methane and out-of-state electricity.

We urge DEQ to maintain the current regulations for Bio-Methane without further changes. Book and claim accounting has worked well for using out-of-state Bio-Methane in Oregon's electricity generation. Changing these rules could lead to higher electricity costs, impacting consumers, including those in environmental justice communities. To minimize costs and achieve equity, DEQ should refrain from altering existing regulations. Technological advancements can help with CO2 levels, but economic distress from hasty rule changes cannot be easily reversed.

We believe Bio-Methane should not be subject to geographical constraints for book and claim reporting. There should be no requirements to inject Bio-Methane into an Oregon natural gas pipeline, no restrictions on vintage use for greenhouse gas reporting, and no time constraints. Bio-Methane should be allowed to be claimed and delivered to end-users in Oregon, even if it displaces natural gas used in a connected pipeline.

The book and claim regulations established by DEQ at the start of the Greenhouse Gas Reporting program should remain unchanged. They strike a balance between environmental concerns and our state's energy infrastructure needs.

Hydrogen, especially "Gray" and "Blue" Hydrogen, is a lower emissions alternative worth considering. Electric vehicles, while promoted as environmentally friendly, are not entirely carbon neutral, and their production outside Oregon doesn't benefit our state's economy. We must consider the entire lifecycle and make informed decisions.

Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

A handwritten signature in black ink that reads "Kristen Jensen". The signature is written in a cursive, flowing style.

Comment # 162

From: Lena@SalemChamber.org

Subject: Rulemaking Comments

Please see the attached comments for consideration of the Climate 2023 proposed rules.

Yours sincerely,

Lena Prine

Director of Business Advocacy

Salem Area Chamber of Commerce | 1110 Commercial St NE

Office: 503-581-1466 x 310

lena@salemchamber.org | salemchamber.org

Number of commenters: 1



Salem Chamber
Convener | Catalyst | Champion

October 13, 2023

Oregon Department of Environmental Quality
4026 Fairview Industrial Drive SE
Salem, OR 97302

RE: Climate 2023 Rulemaking

The Salem Chamber of Commerce is dedicated to helping our businesses prosper so our entire community can thrive. We urge DEQ not to further increase costs by imposing geographic limitations on renewable natural gas (RNG) because more opportunities for development will increase supply and drive costs down.

- Arbitrary geographic boundaries simply don't make sense and will increase costs for all Oregonians.
- Arbitrary geographic boundaries for RNG would be akin to excluding wind and solar resources from outside of Oregon, preventing us from meeting our clean electricity goals.
- Arbitrary geographic boundaries do not cut more carbon, and in fact, will limit carbon reduction opportunities.

Please consider our comments that DEQ will not include geographic limits for decarbonized fuels like renewable natural gas and will allow the use of book and claim accounting methodology under the Greenhouse Gas Reporting Rule.

Please keep costs down and focus this program on quantifiable solutions to address climate change.

Respectfully submitted,

Tom Hoffert, IOM
Chief Operation Officer
Salem Chamber of Commerce

Salem Area Chamber of Commerce

President

Alan Rasmussen • President
Modern Building Systems

Executive Committee

Brandon Blair • Secretary
Summit Wealth Management

Jonathan Castro Monroy • VP of Advocacy
Castro Monroy Group

Laura Dorn • Past President
Berkshire Hathaway HomeServices

Mike Herron • President-Elect
VIP's Industries Inc.

Stephen Joye • Treasurer
Fischer, Hayes, Joye & Allen LLC

Jennifer Martin • VP of Membership
First Commercial Real Estate

Katya Mendez • VP of Events & Programming
Mountain West Investment Corporation

Board of Directors

Ryan Dempster
Willamette Valley Bank

Rich Duncan
Rich Duncan Construction

Jeff Dunn
Lineage Logistics

Ted Ferry
State Farm Insurance

Juli Foscoli
South Town Glass

Kathy Gordon
RP Smith CPA PC

Roger Hoy
Geppetto's Italian Restaurant

Jeff Miller
Coldwell Banker Commercial

Dan McDowell
Pioneer Trust Bank

Tyson Pruett
DPW Certified Public Accountants

Connor Reiten
PNGC Power

Quandray Robertson
Q's Corner Barber Shop

Randy Sutton
Saalfeld Griggs PC

Eric Templeton
AmeriTitle

Jim Vu
Core Solutions Consulting

Angela Williams
Huggins Insurance Services Inc.

Christy Witzke
SAIF

Chief Executive Officer

Tom Hoffert
Salem Area Chamber of Commerce

Comment # 163

From: cheyenneholliday@verdenw.org

Subject: Please Strengthen Proposed 2023 Climate Rules

Please see Verde's attached comments asking to strengthen the proposed 2023 climate rulemaking.

Thank you

Cheyenne Holliday (she/her)

Advocacy Manager of Verde

4145 NE Cully Blvd, Portland, OR 97218

Cell: (503) 545-7656

Follow Us: [Facebook](#) | [Twitter](#) | [Instagram](#)

Number of commenters: 1



October 13, 2023

Oregon Department of Environmental Quality
Office of Greenhouse Gas Emissions
Via email to climate.2023@deq.oregon.gov

RE: 2023 Climate Rulemaking

Department of Environmental Quality,

Thank you for the opportunity to provide comment on DEQ's 2023 climate rulemaking. As DEQ knows well, this rulemaking will have far-reaching consequences for the climate and communities in Oregon.

Verde's mission is to build environmental wealth through organizing, advocacy, and social enterprise. Environmental wealth can mean many things including the benefits that flow to communities from renewable energy projects. The Climate Protection Plan (CPP) is a significant victory in the fight against climate change, especially for our communities who have borne the brunt of pollution, our health and well-being sacrificed in the name of profit. We're calling on the DEQ to stand firm in upholding this vital program, and clean energy investments needed to improve our air quality, our water, our health, and our future.

By designing guardrails and pathways for regulated entities to comply with Oregon's cornerstone CPP, this rulemaking – if done well – will be vital to ensuring our state stays on track to achieve our climate goals and to deliver public health, economic, and employment benefits for environmental justice communities in Oregon. However, given the broad scope of issues and laws touched by this proceeding, there could be very serious unintended consequences if impacts to communities and the climate are not sufficiently considered.

Verde is concerned that DEQ's current proposed rules would effectively undermine the CPP– a program that is absolutely essential to achieving climate and pollution reduction benefits that support our local communities. Specifically, we are concerned that DEQ's current proposed rules are written in such a way that industrial polluters can continue to get away with high purchasing credits that support polluting industries out-of-state. This will lead to fewer clean energy projects and benefits here in Oregon, meaning fewer jobs and other community benefits.

By undermining the integrity of the CPP, the current proposed rule amendments will severely compromise the program's intended public health, economic, and employment goals, and thereby hinder benefits for Oregon consumers, workers, local economies, and environmental

justice communities across the state. Verde, therefore strongly urges DEQ to amend the proposed rules by:

- Restricting biomethane (aka renewable natural gas (RNG)) used for CPP compliance to that which produces direct benefits for Oregonians – projects that reduce pollution in Oregon.
- Disallowing hydrogen to be used for CPP compliance unless it is green electrolytic hydrogen (made from renewable energy sources like solar and wind). Why? Not all hydrogen is created equally. Where and how it is produced and used matters significantly when it comes to emissions reduction – if it's produced from fossil fuels out-of-state, it could be *more* polluting than even natural gas.
- Strengthening emissions reduction requirements for new or expanded large industrial facilities in Oregon under the CPP's Best Available Emissions Reduction (BAER) program.

We believe the protection of our communities is vital to the CPP, and the proposed rulemaking weakens that. The CPP plan not only creates the potential for job creation, cost savings, public health benefits, and economic development right here in Oregon, but it will also empower our communities to lead the way toward a cleaner, healthier, and more equitable future for all. Centering these direct benefits for Oregonians is the most important aspect of the CPP, and straying from that is detrimental to achieving our climate goals.

Thank you for the opportunity to provide comments.

Cheyenne Holliday,
Advocacy Manager, Verde

Xitlali Torres
Air Quality and Climate Coordinator, Verde

Comment # 164

From: mfreese@RFlawlobby.com

Subject: OFA CPP Comments

DEQ:

Please find attached the Oregon Fuels Association comments to DEQ's Proposed Rule Changes to the CPP. If you have any questions, please do not hesitate to contact me.

Best,

Mike Freese

Romain Freese, LLC: Lawyers & Lobbyists

T: (503)226-8090 mfreese@RFlawlobby.com C: (503) 991-2785 mfreese@RFlawlobby.com

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Number of commenters: 1



October 13, 2023

Colin McConnaha

Nicole Singh

Office of Greenhouse Gas Programs

Oregon Department of Environmental Quality

Sent Via Email: Climate.2023@DEQ.oregon.gov; Colin.McConnaha@state.or.us;

Nicole.Singh@state.or.us

RE: Oregon Fuels Association Comments to DEQ's Proposed Rule Changes to the CPP.

Dear DEQ:

Thank you for the opportunity to comment on the proposed rule changes to the Climate Protection Program (CPP). In general, the Oregon Fuels Association agrees with the proposed changes to the covered fuel supplier provisions that better allow for new entrants and improved competition in the transportation fuels markets. However, the Oregon Fuels Association remains concerned that the program design will be costly for consumers and is an unnecessary regulatory overlay to the preexisting Clean Fuels Program.

The Oregon Fuels Association (OFA) is the voice of Oregon's locally-owned fuel stations, fuel distributors and heating oil providers. OFA members are at the forefront of environmental stewardship within the industry and continue to make investments toward a cleaner, greener economy. In fact, Oregon's locally-owned fuel providers are leaders in the use of fuel blending and promoting the use of low carbon fuels and biofuels. We are dedicated to helping Oregon reduce emissions from fuels by at least 10 percent by 2025. These investments by our members have helped eliminate millions of tons of greenhouse gas emissions since the Clean Fuels Program was implemented in 2015.

As a leader in reducing the state's greenhouse gas emissions, please accept OFA's brief comments:

OFA supports changing the distribution of compliance instruments from a four-year look back (3-year average) to a one-year look back. Currently, the rules use a three-year average to determine the number of compliance instruments a covered fuel supplier will receive toward meeting the covered entities compliance obligation. The agency relies on an additional year to calculate the distribution of compliance instruments using a regulatory formula before each covered entity receives their individual compliance instrument allocation. This has created a competition barrier for most business wishing to enter the transportation fuels market because it would take four years for a new market entrant to receive enough compliance instruments to compete with existing covered fuel suppliers that have an established three-year average. The one-year look back, with help from the reserve, can help mitigate the cost barriers for new market entrants. Overall, competition will help fuel distributors, retailers, and ultimately consumers.

In order to make the most of the one-year look back policy change, DEQ should move the individual covered entity reporting requirement dates AND the distribution dates as early in the year as possible. While this will require DEQ to distribute compliance instruments based on reported data, not data that has been verified by a third-party, it is the best policy option to maximize competition under this regulatory regime.

In addition, OFA supports changing the rule to require that all true-up or re-balancing of compliance instrument distributions following a third-party audit occur in the same year as the instrument distribution. Again, this will help business better allocate costs of compliance to existing years and better plan for future years under the program. This change moves the program closer to creating true market signals than the existing approach.

OFA supports compliance instrument holding limits for covered entities. OFA appreciates the inclusion of a holding limit of 150% of an entity's compliance obligation. While this holding limit is less than what OFA proposed, it is reasonable.

The purpose of the holding limit is to encourage the sale of compliance instruments in a secondary market. Compliance instruments represent the amount of fuel that can be sold in Oregon. If any entity holds onto those compliance instruments, it can have severe and unpredictable consequences for Oregonians needing access to fuel. Moreover, encouraging covered entities to trade/sell these instruments should create a more robust secondary market for covered entities to participate in and consequently, relieving pressure on the reserve – which is quite limited.

Using that same logic, OFA opposes allowing non-covered entities to receive or purchase compliance instruments. Again, compliance instruments represent the amount of fuel that can be sold in Oregon. Dramatically reducing the number of compliance instruments in a market, and thereby limiting fuel imports, will cause gas/diesel prices to rise sharply, create gas/diesel shortages, hurt consumers, create market instability and be a public safety nightmare. These

compliance instruments need to be reliable and available, even as they decline, to covered entities.

OFA supports removing the distribution cap from the reserve. The compliance instrument reserve is important to ensure that new market entrants can obtain compliance instruments to compete for Oregon business – including relatively small businesses forced to import fuel due to changes made by out-of-state suppliers. With that in mind, OFA also encourages DEQ to distribute compliance instruments from the reserve to (1) mitigate the impact to fuel businesses that become regulated while (2) avoiding creating a competitive advantage to new market entrants.

Thank you for considering OFA's comments.

Sincerely,

Mike Freese
OFA Lobbyist

Comment # 165

From: cfarrant@ampamericas.com

Subject: Amp Comment Letter on the Climate 2023 Notice of Proposed Rulemaking

Nichole and Elizabeth,

Attached, please find Amp's comment letter on the Climate 2023 Notice of Proposed Rulemaking: Appendix of Proposed Rulemaking. If you have any questions, we would be happy to discuss them with you.

Please confirm receipt and have a good weekend.

Thanks, Cassandra

--

Cassandra Farrant

Head of Environmental Credit Compliance

M: (562) 355-8444

O: (312) 300-6700 ext. 112

F: (312) 380-0206

cfarrant@ampamericas.com

2001 N. Clybourn Ave, Ste 400

Chicago, IL 60614

ampamericas.com

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October 13, 2023

Ms. Nicole Singh and Ms. Elizabeth Elbel
Oregon Department of Environmental Quality
811 SW Sixth Ave.
Portland, OR 97204-1390
Climate.2023@deq.oregon.gov

RE: CLIMATE 2023 NOTICE OF PROPOSED RULEMAKING: APPENDIX OF PROPOSED RULES

Dear Ms. Singh and Ms. Elbel:

Thank you for the opportunity to comment on the Oregon Department of Environmental Quality's ("ODEQ") final draft Appendix of Proposed Rules, published on August 22, 2023. Amp Americas ("Amp") appreciates ODEQ's leadership on addressing climate change and the development and implementation of their climate programs, which include the Greenhouse Gas Reporting Program ("GGRP").

In response to the rulemaking process, Amp strongly supports, and urges ODEQ to finalize its current definition for "Book and Claim" within the GGRP portion of the regulations, as follows:

"Book and Claim" refers to the accounting methodology where the environmental attributes of an energy source are detached from the physical molecules when they are commingled into a common transportation and distribution system for that form of energy. The detached attributes are then assigned by the owner to the same form and amount of energy when it is used. For the purposes of this division, the common transportation and distribution system must be connected to Oregon.

Additional details and recommendations are discussed below.

ABOUT AMP

Founded in 2011, Amp develops and operates RNG facilities that convert dairy waste into carbon-negative renewable energy. Over our history, Amp's projects have prevented over 1.6 million metric tons of carbon equivalent emissions. In 2022 alone, our projects abated approximately 480,000 metric tons of carbon equivalent emissions and we plan to rapidly expand our impact over the next several years.

As a pioneer in the dairy RNG industry, Amp registered the first 5 dairy RNG to CNG pathways in California's Low Carbon Fuel Standard ("LCFS") program and was the RNG supplier for the first 11 dairy RNG to hydrogen pathways. Our experience developing, operating, and reporting on these and other assets gives us a unique perspective on the impact climate policy has on development activity.

MAINTAINING ALIGNMENT WITH EXISTING PROGRAMS IN OREGON AND WORLDWIDE



This framework remains in line with existing policies in Oregon that are designed to support the development and use of renewable gas, an array of state- and federal-level programs, and international standards that govern greenhouse gas (“GHG”) accounting.

Oregon’s renewable gas procurement targets established by SB 98¹ and the Clean Fuels Program² are two key programs designed to incentivize the use of renewable natural gas (“RNG”) in Oregon’s residential and commercial thermal and transportation sectors. These sectors comprised around 69% of the state’s GHG emissions in 2021,³ and require expedient deployment of clean fuels and electricity to decarbonize. **ODEQ’s current draft Book and Claim definition fits with these programs, which allow for the procurement of renewable gas via existing energy transportation and distribution infrastructure.**

The use of market-based instruments within a system that utilizes book-and-claim accounting can be seen in Renewable Gas Standard and Clean Heat Standard policies in California, Colorado, Minnesota, New Hampshire, British Columbia, and Quebec. The same system is employed under Low-Carbon Fuel Standard programs in California, Washington, British Columbia, and Canada on the federal level, as well as United States Environmental Protection Agency’s (“EPA”) Renewable Fuel Standard. Furthermore, other voluntary renewable energy procurement frameworks from World Resources Institute (“WRI”), Climate Disclosure Project, The Climate Registry, RE100, and Airport Carbon Accreditation allow for the purchase of RNG certificates to qualify in this manner.

Importantly, GHG accounting leader WRI is currently updating its standards surrounding market-based procurement. Their recently published guidance explicitly allows companies reporting under the Greenhouse Gas Protocol to use market-based instruments for renewable gas purchases, stating that “companies purchasing certificates may wish to consult with their auditors and consider rules provided by relevant target-setting programs or applicable regulatory schemes in their jurisdiction(s) on how to report these purchases in their reports.”⁴ In other words, these existing Book and Claim practices are deemed acceptable by WRI, who’s accounting protocols may increasingly underpin corporate climate accounting and disclosures following the adoption of SB 261 (Weiner) in California.

AVOID LIMITATIONS WHICH WOULD HURT RENEWABLE ENERGY GROWTH

In finalizing its Book and Claim definition, ODEQ must consider not only the objective of maintaining alignment with existing programs, but also the effects of potential limitations on market-based instruments. Specifically, we urge ODEQ not to place artificial geographic limitations on renewable energy supply that are not also placed on the use of conventional energy supply. For example, in the case of imported renewable gas, such limitations would stifle industry growth in a time where it remains crucial to replace imported fossil gas and reduce methane emissions in the organic waste sector. Injection into a common pipeline system is the lowest-GHG way of transporting renewable gases. Book-and-claim layers well on top of functional conventional gas trading, while incentivizing the buildout of the most promising RNG resources. Renewable gas producers cannot change physical flow of the gas system significantly until volumes reach scale and displace a significant share of fossil gas. Oregon relies

¹ <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/SB98/A-Engrossed>

² <https://www.oregon.gov/deq/ghgp/cfp/pages/cfp-overview.aspx>

³ <https://www.oregon.gov/deq/ghgp/pages/ghg-inventory.aspx>

⁴ <https://ghgprotocol.org/blog/interim-update-accounting-biomethane-certificates>



on imports of over 99% of its natural gas use per the Oregon Department of Energy's ("ODOE") 2022 Biennial Energy Report.⁵ As the supply of conventional gas for Oregon primarily originates out of state, and the existing market for physical gas delivery optimizes moving gas from supply to demand in a least cost and generally lowest GHG manner.

Maintaining consistency and fungibility between all North American RNG markets through the aligned use of book-and-claim will increase competitiveness, improve investment certainty, and lead to the sustainable growth of the renewable gaseous fuel industry that will accelerate GHG reductions in Oregon and throughout the country. The use of full book-and-claim accounting for the vast majority of North American RNG has already resulted in overwhelmingly positive GHG emission reductions.

CONCLUSION

Amp appreciates the opportunity to provide feedback in support of ODEQ's current draft regulations regarding renewable gas procurement under the GGRP. We urge ODEQ to uphold this framework to incent (1) recycling of organic waste into renewable fuels and platform molecules which can (2) replace fossil-derived fuels and feedstocks in various sectors of the economy while (3) reducing methane emissions and improving other air and water quality impacts associated with waste management in Oregon and beyond.

Sincerely,

Cassandra Farrant

Cassandra Farrant
Head of Environmental Credit Compliance
Amp Americas

⁵ <https://www.oregon.gov/energy/Data-and-Reports/Documents/2022-Biennial-Energy-Report.pdf>

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Number of commenters: 1

Comment # 166

From: sam.lehr@rngcoalition.com

Subject: Re: RNGC Comments on Appendix of Proposed Rules - Climate 2023 Rulemaking

Please see attached, thanks!

Sam Lehr

Manager of Sustainability and Markets Policy

Coalition for Renewable Natural Gas

O: 916.588.3033

C: 302.757.0866

From: Sam Lehr <sam.lehr@rngcoalition.com>;

Date: Friday, October 13, 2023 at 2:52 PM

To: "Climate.2023@deq.oregon.gov" <Climate.2023@deq.oregon.gov>;

Cc: Sam Wade <sam@rngcoalition.com>;

Subject: RNGC Comments on Appendix of Proposed Rules - Climate 2023 Rulemaking

Good morning,

Please see attached comments from RNG Coalition in response to DEQ's draft Appendix of Proposed Rules under the Climate 2023 Rulemaking. We appreciate the continued opportunity to provide feedback.

Best regards,

Sam



October 13, 2023

Nicole Singh and Elizabeth Elbel
Oregon Department of Environmental Quality
811 SW Sixth Ave.
Portland, OR 97204-1390

Re: Climate 2023 Rulemaking, Draft Proposed Rules

Dear Nicole and Elizabeth,

The Coalition for Renewable Natural Gas (RNG Coalition)¹ appreciates the Oregon Department of Environmental Quality's (DEQ) ongoing work to update and provide clarity in the Greenhouse Gas Reporting Program (GHGRP), Third Party Verification (TPV), and Climate Protection Program (CPP) as part of its Climate 2023 Rulemaking (Rulemaking).²

RNG Coalition supports DEQ's current draft changes as found in the Appendix of Proposed Rules. It is crucial DEQ maintain the currently proposed definition for "Book and Claim" within the GHGRP regulation. Upholding this book-and-claim framework will allow Oregon to align the GHGRP with the state's Clean Fuels Program and SB 98 renewable gas procurement policies and, importantly, ensure continued accounting alignment with other leading jurisdictions and voluntary greenhouse gas reduction programs.

The Book and Claim framework also allows Oregon to continue to demonstrate climate leadership and reinforces international accepted procurement practices. As discussed in our previous comments,^{3,4} this type of framework is crucial to circularizing organic waste management, reducing methane emissions, and developing the renewable gaseous resources needed to decarbonize various economic sectors in Oregon and beyond.

DEQ Must Uphold an Effective Book-and-Claim Framework

Oregon's current proposed definition for "Book and Claim" remains consistent with programs at the state, provincial, and federal levels in the United States, Canada, and Europe:

- Renewable Gas Standard and Clean Heat Standard policies in California, Colorado, Minnesota, New Hampshire, British Columbia, and Quebec;
- Low-Carbon Fuel Standard programs in California, Washington, British Columbia, and Canada on the federal level, as well as EPA's Renewable Fuel Standard;
- Voluntary renewable energy procurement frameworks from World Resources Institute, Green-e, Climate Disclosure Project, The Climate Registry, RE100, and Airport Carbon Accreditation;

¹ <http://www.rngcoalition.com/>

² <https://www.oregon.gov/deq/rulemaking/Pages/climate2023.aspx>

³ See "Feedback on Climate 2023 Rulemaking: GHG Accounting and Renewable Gas Procurement for Renewable Gases", submitted to the RAC on June 30, 2023.

⁴ See "Reply Comments on Climate 2023 Rulemaking", submitted to the RAC on July 14, 2023.

- M-RETS, which is the leading renewable gas tracking system in North America, and is used by Oregon programs including the Clean Fuels Program,⁵ SB 98 framework,⁶ and the WREGIS system.⁷

WRI's GHG Protocol is generally considered the standard carbon accounting framework for applications outside of government GHG inventories, and has long promoted a book-and-claim framework which is responsible for a large share of US renewable electricity development to-date, funded by voluntary buyers. Their recently published guidance states that "companies purchasing certificates may wish to consult with their auditors and **consider rules provided by relevant target-setting programs or applicable regulatory schemes in their jurisdiction(s)** on how to report these purchases in their reports."⁸ This is a recent example of a leading GHG nonprofit continuing to recognize the importance of using book-and-claim without imposing arbitrary geographic boundaries.

Do Not Add Arbitrary Geographic Limitations on RNG Procurement

Book-and-claim without geographic limitations for all pipeline infrastructure connected to Oregon is the preferred option throughout Oregon's other programs, and should be upheld under the GHGRP, both for consistency with other jurisdictions and to affect the highest GHG reduction outcome for renewable gaseous fuels. This type of consistency is necessary to for investment certainty and will improve competitiveness in a manner that drives down costs.

Full book-and-claim within the interconnected gas system will incentivize the most rational, GHG- and cost-effective buildout of renewable gas supply. Importantly, conventional gas supplied to Oregon largely comes from out-of-state sources⁹ and is governed by market rules which cause gas to move from supply to demand in the most efficient way from both a GHG and cost standpoint.¹⁰ It follows that DEQ should not impose any geographic restrictions on renewable gases that are not also imposed on the use of conventional gas. Doing so would create re-dispatch of the natural gas system in a way that is likely GHG-increasing.

In a manner analogous to renewable electricity markets, it is not possible to physically segregate renewable gas after injection into a common pipeline system, and renewable gas producers will not be able to change physical flow of the gas system significantly until volumes achieve more of a critical mass, with broad adoption displacing a significant share of fossil gas.

DEQ should continue to recognize that upholding this book-and-claim framework for renewable gaseous fuels remains an essential part of Oregon's climate strategy for both expedient decarbonization of

⁵ Oregon Department of Environmental Quality, Clean Fuels Program Expansion 2022 - Filing 2 (Permanent Administrative Order), Pages 35 and 55. <https://www.oregon.gov/deq/rulemaking/Documents/DEQ17-2022.pdf>

⁶ Oregon Public Utility Commission, AR632. See OAR §860-150-0050: <https://apps.puc.state.or.us/orders/2020ords/20-227.pdf>

⁷ <https://www.mrets.org/wecc-signs-multi-year-agreement-with-m-rets-for-software-services/>

⁸ <https://ghgprotocol.org/blog/interim-update-accounting-biomethane-certificates>

⁹ In 2020 0.23% of Oregon conventional natural gas use was from instate and 99.77% was imported according to the Oregon Department of Energy's 2022 Biennial Energy Report. <https://www.oregon.gov/energy/Data-and-Reports/Documents/2022-Biennial-Energy-Report.pdf>

¹⁰ Moving gas unnecessarily requires additional energy and emissions from compression stations and potential methane leakage.

current natural gas consuming sectors¹¹ and developing supply for the long-term end-uses which will require the use of gaseous fuels. Book-and-claim remains the most effective policy framework across jurisdictions to develop RNG and other renewable gaseous resources in the most GHG-efficient manner. As we discussed in our previous comments, state-level government programs should seek to align such accounting frameworks to prevent balkanized or fractured incentives for renewable gas.

Conclusion

We appreciate the opportunity to again provide feedback toward DEQ's Climate 2023 Rulemaking. Oregon is a recognized leader in climate and GHG reduction policy, including the use of renewable gas as a strategy to displace fossil CO₂ emissions, reduce methane emissions, and achieve additional non-climate environmental outcomes.

DEQ must uphold its current book-and-claim framework if Oregon wishes to continue to be viewed as a leader in renewable gas development and deployment. By continuing to pioneer fair and well-designed markets for RNG across North America, Oregon will create a pathway for our emerging clean energy industry to achieve critically needed methane emission reductions and other environmental benefits at a scale commensurate with the scale of the climate crisis.

Sincerely,

/S/

Sam Wade

Director of Public Policy
Coalition for Renewable Natural Gas
1017 L Street #513
Sacramento, CA 95814
(916) 588-3033
sam@rngcoalition.com

¹¹ In tandem with other technologies, such as end-use electrification.

Sam Lehr

Manager of Sustainability and Markets Policy

Coalition for Renewable Natural Gas

O: 916.588.3033

C: 302.757.0866

Number of commenters: 1

Comment # 167

From: cassmartin31@gmail.com

Subject: DEQ Public Comment on 2023 Climate Rulemaking

Please see attached.

Thank you,

Cassidy DeHague

cassmartin31@gmail.com

Number of commenters: 1

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

During a recent DEQ climate Rulemaking Public Hearing on September 18th, it became clear that some groups have reservations about allowing covered entities in Oregon to use book and claim accounting for Bio-Methane from other states. However, these groups seem to support the use of electric vehicles made outside Oregon and the importation of out-of-state electricity, even without direct economic benefits to our citizens. This creates a difference in standards between Bio-Methane and out-of-state electricity.

We urge DEQ to maintain the current regulations for Bio-Methane without further changes. Book and claim accounting has worked well for using out-of-state Bio-Methane in Oregon's electricity generation. Changing these rules could lead to higher electricity costs, impacting consumers, including those in environmental justice communities. To minimize costs and achieve equity, DEQ should refrain from altering existing regulations. Technological advancements can help with CO2 levels, but economic distress from hasty rule changes cannot be easily reversed.

We believe Bio-Methane should not be subject to geographical constraints for book and claim reporting. There should be no requirements to inject Bio-Methane into an Oregon natural gas pipeline, no restrictions on vintage use for greenhouse gas reporting, and no time constraints. Bio-Methane should be allowed to be claimed and delivered to end-users in Oregon, even if it displaces natural gas used in a connected pipeline.

The book and claim regulations established by DEQ at the start of the Greenhouse Gas Reporting program should remain unchanged. They strike a balance between environmental concerns and our state's energy infrastructure needs.

Hydrogen, especially "Gray" and "Blue" Hydrogen, is a lower emissions alternative worth considering. Electric vehicles, while promoted as environmentally friendly, are not entirely carbon neutral, and their production outside Oregon doesn't benefit our state's economy. We must consider the entire lifecycle and make informed decisions.

Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,
Cassidy DeHague

Comment # 168

From: becky.atkinson@greencngusa.com

Subject: Comments on Oregon DEQ GGRP

Hello,

Please find attached our comments on the draft regulations related to the GGRP.

Please feel free to contact us with any questions.

Best,

Becky

GreenGasUSA

Becky Atkinson

President

Email: becky.atkinson@greengasusa.com

4900 O'Hear Ave

Suite 100

North Charleston, SC 29405

www.greengasusa.com

c: 267-614-3555

Number of commenters: 1



October 13, 2023

Nicole Singh and Elizabeth Elbel
Oregon Department of Environmental Quality
811 SW Sixth Ave.
Portland, OR 97204-1390

Climate 2023 Rulemaking: Appendix of Proposed Rules

Dear Nicole and Elizabeth,

GreenGasUSA is a renewable natural gas developer with a focus in the food processing wastewater space, with four operational projects in the Southeast and over 30 project opportunities in various development stages. We currently have over 1,000 DT/day being generated and injected into NG pipeline system and expect that volume to triple in the next 24 months. We also transact directly with renewable energy offtakers selling RNG primarily in the voluntary market. As such, we appreciate the opportunity to comment on the proposed rules referenced in this letter.

GreenGas offers the following comments regarding the Oregon Department of Environmental Quality's (DEQ) final draft Appendix of Proposed Rules. Specifically, we would like to express our support for, and urge DEQ to finalize its current definition for "Book and Claim" within the Greenhouse Gas Reporting Program (GGRP) portion of the regulations, as follows:

"Book and Claim" refers to the accounting methodology where the environmental attributes of an energy source are detached from the physical molecules when they are commingled into a common transportation and distribution system for that form of energy. The detached attributes are then assigned by the owner to the same form and amount of energy when it is used. For the purposes of this division, the common transportation and distribution system must be connected to Oregon.

Maintaining Alignment with Existing Programs in Oregon and Worldwide

This framework remains in line with existing policies in Oregon which are designed to incent the development and use of renewable gas, an array of state- and federal-level programs, and international standards that govern greenhouse gas (GHG) accounting:

Oregon's renewable gas procurement targets established by SB 98¹ and the Clean Fuels Program² are two key programs which are designed to incent the use of renewable natural gas (RNG) in Oregon's residential & commercial thermal and transportation sectors. These sectors comprised around 69% of the state's GHG emissions in 2021,³ requiring expedient deployment of clean fuels and electricity to decarbonize. **DEQ's current draft Book and Claim definition fits with these programs, which allow for the procurement of renewable gas via existing energy transportation and distribution infrastructure.**

¹ <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/SB98/A-Engrossed>

² <https://www.oregon.gov/deq/ghgp/cfp/pages/cfp-overview.aspx>

³ <https://www.oregon.gov/deq/ghgp/pages/ghg-inventory.aspx>



The use of market-based instruments within a system that utilizes book-and-claim accounting can be seen in Renewable Gas Standard and Clean Heat Standard policies in California, Colorado, Minnesota, New Hampshire, British Columbia, and Quebec. The same system is employed under Low-Carbon Fuel Standard programs in California, Washington, British Columbia, and Canada on the federal level, as well as EPA's Renewable Fuel Standard. Furthermore, other voluntary renewable energy procurement frameworks from World Resources Institute, Climate Disclosure Project, The Climate Registry, RE100, and Airport Carbon Accreditation allow for the purchase of RNG certificates to qualify in this manner.

Importantly, GHG accounting leader World Resources Institute (WRI) is currently updating its standards surrounding market-based procurement. Their recently published guidance explicitly allows companies reporting under the Greenhouse Gas Protocol to use market-based instruments for renewable gas purchases, stating that "companies purchasing certificates may wish to consult with their auditors and consider rules provided by relevant target-setting programs or applicable regulatory schemes in their jurisdiction(s) on how to report these purchases in their reports."⁴ In other words, these existing Book and Claim practices are deemed acceptable by WRI.

Avoid Limitations Which Would Hurt Renewable Energy Growth

In finalizing its Book and Claim definition, DEQ must consider not only the objective of maintaining alignment with existing programs, but also the effects of potential limitations on market-based instruments. Specifically, we urge DEQ not to place artificial geographic limitations on renewable energy supply that are not also placed on the use of conventional energy supply. For example, in the case of imported renewable gas, such limitations would stifle industry growth in a time where it remains crucial to replace imported fossil gas and reduce methane emissions in the organic waste sector.

Injection into a common pipeline system is the lowest-GHG way of transporting renewable gases, book-and-claim layers well on top of the way conventional gas is traded and incentivizes the buildout of RNG resources in a rational way beginning with the most cost-effective projects. Renewable gas producers cannot change physical flow of the gas system significantly until volumes reach scale and displace a significant share of fossil gas. The supply of conventional gas which currently serves Oregon primarily originates out of state; the existing market for physical gas delivery optimizes moving gas from supply to demand in a least cost and generally lowest GHG manner.

Maintaining consistency and fungibility between all North American RNG markets through the aligned use of book-and-claim will increase competitiveness, improve investment certainty, and lead to the sustainable growth of the renewable gaseous fuel industry. The use of full book-and-claim accounting for the vast majority of North American RNG has already resulted in overwhelmingly positive greenhouse gas emission reductions.

Conclusion

GreenGas appreciates the opportunity to provide feedback in support of DEQ's current draft regulations regarding renewable gas procurement under the GGRP. We urge DEQ to uphold this framework to incent (1) recycling of organic waste into renewable fuels and platform molecules which can (2) replace fossil-derived fuels and feedstocks in various sectors of the economy while (3) reducing methane

⁴ <https://ghgprotocol.org/blog/interim-update-accounting-biomethane-certificates>



emissions and improving other air and water quality impacts associated with waste management in Oregon and beyond.

Sincerely,

A handwritten signature in dark ink, appearing to read "Becky Atkinson", with a long horizontal flourish extending to the right.

Becky Atkinson
President, GreenGasUSA LLC
Becky.atkinson@greengasusa.com

Comment # 169

From: BCMcDonald@Marathonpetroleum.com

Subject: MPC Comments to Climate 2023 Rulemaking

Please see attached comments. Contact me with any questions.

Regards,

Brian McDonald

Marathon Petroleum Corporation | Corporate Environmental

C: 310.872.4436

O: 916.462.5063

Number of commenters: 1



Marathon Petroleum Company LP

539 South Main Street
Findlay, OH 45840
Tel: 419.422.2121

SUBMITTED ELECTRONICALLY

October 13, 2023

Nicole Singh
Oregon Department of Environmental Quality
Office of GHG Programs
700 NE Multnomah St.
Portland, OR 97232

Re: Climate 2023 Rulemaking

Ms. Singh:

Marathon Petroleum Corporation LP (MPC LP), as a wholly owned subsidiary of Marathon Petroleum Corporation (MPC), appreciates the opportunity to provide comments on the Oregon Department of Environmental Quality's (DEQ) Climate 2023 Rulemaking.

MPC (through its subsidiaries) is a supplier of petroleum and low-carbon fuels in the state of Oregon. MPC's commitment to low-carbon solutions is reflected in the successful conversions of its Dickinson, North Dakota and Martinez, California petroleum refineries, into renewable fuel production facilities. Combined, these two facilities are expected to produce up to 2.5 million gallons per day of renewable transportation fuel from renewable feedstock sources with an aggregate life-cycle carbon intensity that is approximately 50 percent less than petroleum-based fuels.

The Climate 2023 Rulemaking includes recommendations by DEQ to the Environmental Quality Commission (EQC) to adopt revisions to the Climate Protection Program, Division 271 (CPP). The recommendations include utilizing the most recent unverified emission data for the CPP annual compliance instrument distribution.

MPC's recommendation on DEQ's recommendations to the EQC is listed below. Additional discussion and support for this recommendation is provided in the subsequent section.

- MPC recommends DEQ not utilize a process that allows the use of non-verified information for compliance instrument distribution.

Ms. Singh
October 13, 2023
Page 2

Utilizing unverified data to issue compliance instruments will undermine the integrity of the CPP.

MPC supports the verification of data being provided to DEQ for the CPP. Fuel supply chains and distribution networks are complex. Rigor must be applied to the data each supplier provides to DEQ because compliance instruments are proportionally distributed to each fuel supplier. If DEQ learns that one fuel supplier's data is inaccurate after compliance instruments have been distributed, then there may be a need for a recall and redistribution of compliance instruments. This process could be further complicated if fuel suppliers have already sold distributed compliance instruments. Distributing the compliance instruments after the verification step helps ensure the number of compliance instruments distributed to each supplier is accurate and supported by third-party auditors.

MPC recommends that DEQ not utilize unverified data for the issuance of compliance instruments under the CPP.

Thank you for the opportunity to comment on these subjects. If you have any questions about anything discussed here, feel free to reach out to me at bcmcdonald@marathonpetroleum.com.

Sincerely,



Brian McDonald
Marathon Petroleum Corporation | West Coast Regulatory Affairs Advisor

Cc: Colin McConnaha, Manager, Office of Greenhouse Gas Programs
Elizabeth Elbel, GHG Reporting Program Manager

Comment # 170

From: Michael.Sullivan@pacificorp.com

Subject: PacifiCorp's Climate 2023 Comments

Good afternoon,

Please see PacifiCorp's comments on DEQ's Climate 2023 rulemaking update attached.

Best,

Mike

Mike Sullivan

Pronouns: He/Him

Clean Energy Policy Advisor

Michael.Sullivan@PacifiCorp.com

Number of commenters: 1



October 13, 2023

VIA EMAIL: *Climate.2023@deq.oregon.gov*

Nicole Singh
Elizabeth Elbel
Oregon Department of Environmental Quality
700 NE Multnomah, Suite 600
Portland, OR 97301

Re: PacifiCorp’s Comments on DEQ’s Climate 2023 Rulemaking Advisory Committee Appendix of Proposed Amendments

PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company) respectfully submits the following comments in response to the Department of Environmental Quality (DEQ) August 23, 2023 Appendix of Proposed Comments.

The Company appreciates and supports the included amendments for Electricity Supplier Reporting under the Greenhouse Gas Reporting Program, including additional granularity to calculate multijurisdictional utility system emissions factors as referenced in the company’s June 12, 2023, comments.

DEQ has proposed amending OAR 340-215-0120(1) to include energy and emissions from net metering resources and Qualifying Facilities in reporting requirements. The Company would like clarity around whether resources must be listed individually. The proposed rule says electric companies and electricity service providers must “separately” report electricity and emissions from QF and net metering customers. The Company assumes this reporting could be submitted by generation type, much like how the Company reports net metering capacity and numbers in its RE 39 report to the Oregon Public Utility Commission. PacifiCorp has thousands of net metering customers and facilities interconnected to the system and reporting each as its own line item would be an onerous and difficult task. The Company recommends the proposed rule clarify that data can be summed and reported by generation type as a single number.

Further, the Company would appreciate an explanation regarding the definition change under OAR 340-215-0020 that deleted “air contamination resource” and replaced it with “stationary source and electric power system facility” in OAR 340-215-0030 and 340-215-0044. The new definitions do not define stationary source or electric power system facility nor refer to it in other code.

Thank you again for including PacifiCorp as a member of the advisory committee and we look forward to next steps.

Sincerely,

/s/ Zepure Shahumyan

Director, Energy and Environmental Policy

PacifiCorp

825 NE Multnomah Street, Suite 2000

Portland, OR 97232

(971) 291-9787

zepure.shahumyan@pacificorp.com

Comment # 171

From: Jackie@nwpulpaper.org

Subject: NWPPA Comments on Climate 2023 Rulemaking

Dear Ms. Singh and Ms. Elbel,

Attached are comments from the Northwest Pulp & Paper Association (NWPPA) regarding DEQ's proposed Climate 2023 Rulemaking. Please let me know if you have any questions.

Thank you,

Jackie White

Director of Regulatory and Technical Affairs

Northwest Pulp & Paper Association

300 Deschutes Way S.W., Suite 201

Tumwater, WA 98501

(360) 529-8638 w

(253) 549-6811 c

www.nwpulpaper.org

Number of commenters: 1



Northwest Pulp & Paper
ASSOCIATION

Sent via: Climate.2023@deq.oregon.gov

October 13, 2023

Oregon Dept. of Environmental Quality
Attn: Nicole Singh and Elizabeth Elbel
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

RE: Oregon Department of Environmental Quality proposed Climate 2023 Rulemaking

Ms. Singh and Ms. Elbel,

Thank you for the opportunity for the Northwest Pulp & Paper Association (NWPPA) to comment on Oregon Department of Environmental Quality's (DEQ) proposed Climate 2023 Rulemaking.

INTRODUCTION

NWPPA represents ten member companies and 14 mills in Oregon, Washington and Idaho, five of which are located in Oregon and are in more rural communities. Our members are state and federally recognized essential businesses who keep vital paper products available across the United States and abroad. Oregon mills provide 4,000 union-backed, family wage jobs in some of Oregon's more rural, economically distressed communities. Mills provide a 3:1 job multiplier and are often the single largest taxpayer in these communities, a large portion of which is distributed as funding for schools and emergency services.

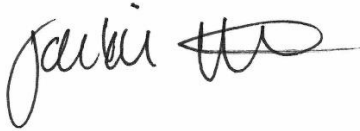
We are in full support and echo the comments submitted by Oregon Business & Industry (OBI).

Additionally, we strongly believe that DEQ's proposal to condition modification approvals on a source's completion of a BAER assessment will be incredibly costly and will create additional delays in an already lengthy and complex process. NWPPA members are subject to several existing regulatory programs and associated permits, and the rule updates as proposed would create yet another substantial compliance burden on an industry that is at significant risk for leakage to other states and countries with much less stringent regulations.

NWPPA members have been at the forefront of Oregon's efforts to improve air quality and reduce greenhouse gas emissions. Our members have embraced technically advanced and scientifically sound controls on air emissions over the past 20 plus years, and DEQ's own data shows that the industrial sector has dramatically reduced its GHG emissions since 2000, relative to other sectors. We are proud of our dedication to efficient and environmentally sound processes and reduction of emissions over time. We are committed to the hard work and discipline it takes to better our communities.

NWPPA appreciates the opportunity to provide comments on DEQs proposed Climate 2023 rulemaking. Please do not hesitate to reach out with questions about these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Jackie White", with a stylized flourish at the end.

Jackie White
Director of Regulatory & Technical Affairs
Northwest Pulp & Paper Association

Comment # 172

From: creigels@wm.com

Subject: WM comments on Oregon book-and-claim

Please see attached. Happy Friday!

Chris Reigelsperger

Manager - Government Affairs, Public Sector Solutions

Pacific Northwest/British Columbia

creigels@wm.com

T: 425-681-0398

Number of commenters: 1



October 13, 2023

Nicole Singh and Elizabeth Elbel
Oregon Department of Environmental Quality
811 SW Sixth Ave.
Portland, OR 97204-1390

Climate 2023 Rulemaking: Appendix of Proposed Rules

Dear Nicole and Elizabeth:

WM is a leading provider of comprehensive recycling and environmental services in the Pacific Northwest and North America. In Oregon, WM has provided environmental services for more than 30 years. Today, our teams provide a mix of collection, transfer and disposal services for businesses, schools and residents. Beginning in 2025, we will also provide state-of-the-art recycle processing at the WM Recycling Technology Facility in North Portland.

Our collection operations extend to 22 communities, including Beaverton, Bonanza, Chiloquin, Dorris, Dundee, Forest Grove, Gaston, Gresham, Happy Valley, Hillsboro, Klamath Falls, Malin, Merrill, Milwaukie, Newberg, Portland, Sauvie Island, Scappoose, Tigard, Troutdale, Vernonia, Wood Village and unincorporated Clackamas, Columbia, Klamath, Multnomah, Washington and Yamhill counties. We own and operate transfer stations in Forest Grove, Newberg and Troutdale. Our disposal sites are located near Arlington, Hillsboro and McMinnville.

Companywide and in Oregon specifically, renewable natural gas (RNG) is fundamental to WM's climate action progress. WM uses waste to generate renewable energy and anticipates investing over \$1 billion in building 20 new RNG facilities across the country by 2026. We've chosen to invest in this technology because it increases gas collection at our landfills and enables WM to move closer to a near-zero emissions collection fleet.

In Oregon, WM uses the "book and claim" process to allocate RNG to 100% of our natural gas fleet (201 collection trucks). Consistent with the State's Greenhouse Gas Reporting Program (GGRP), WM claims the environmental benefits of using RNG by purchasing a credit representing ownership and transfer of RNG for use in our vehicles. Recognizing the increasing demand for RNG, we are developing an RNG production facility at WM's Columbia Ridge Landfill in Arlington. The project is in the early stages, with startup projected for 2025.

WM offers the following comments regarding the Oregon Department of Environmental Quality's (DEQ) final draft Appendix of Proposed Rules. Specifically, we would like to express our support, and urge DEQ to finalize its current definition, for "Book and Claim" accounting within the GGRP portion of the regulations, as follows:

"Book and Claim" refers to the accounting methodology where the environmental attributes of an energy source are detached from the physical molecules when they are commingled into a common

transportation and distribution system for that form of energy. The detached attributes are then assigned by the owner to the same form and amount of energy when it is used. For the purposes of this division, the common transportation and distribution system must be connected to Oregon.

DEQ Should Maintain Alignment with Existing Programs in Oregon and Worldwide

DEQ's existing book and claim accounting framework remains in line with existing policies in Oregon, which are designed to incent the development and use of RNG, an array of state- and federal-level programs, and international standards that govern greenhouse gas (GHG) accounting. Oregon's RNG procurement targets established by SB 98¹ and the Clean Fuels Program² are two key programs designed to incent the use of RNG in Oregon's residential and commercial thermal and transportation sectors. These sectors comprised around 69% of the state's GHG emissions in 2021,³ necessitating expedient deployment of clean fuels and electricity to decarbonize. **DEQ's current draft book and claim definition fits with these programs, which allow for the procurement of RNG via existing energy transportation and distribution infrastructure.**

The use of market-based instruments within a system that utilizes book and claim accounting can be seen in renewable gas standard and clean heat standard policies in California, Colorado, Minnesota, New Hampshire, British Columbia, and Quebec. The same system is employed under Low-Carbon Fuel Standard programs in California, Washington, British Columbia, and Canada on the federal level, as well as EPA's Renewable Fuel Standard program. Furthermore, other voluntary renewable energy procurement frameworks established by the Climate Disclosure Project, the Climate Registry, RE100, and Airport Carbon Accreditation allow for the purchase of RNG using book and claim accounting. Importantly, GHG accounting leader WRI is currently updating its standards around market-based procurement to allow companies reporting under the Greenhouse Gas Protocol to use market-based instruments for RNG purchases.

DEQ Should Avoid Limitations That Would Hurt Renewable Energy Growth

In finalizing its book and claim definition, DEQ should consider not only the objective of maintaining alignment with existing programs, but also the effects of potential limitations on market-based instruments. Specifically, we urge DEQ not to place artificial geographic limitations on renewable energy supply that are not also placed on the use of conventional energy supply. For example, restricting the use of RNG produced out-of-state would stifle industry growth and disincentivize the reduction of methane emissions in the solid waste sector.

As injection into a common pipeline system is the lowest-GHG way of transporting RNG and other renewable gases, book-and-claim accounting layers well on top of the way conventional gas is traded while incentivizing the buildout of RNG resources in a rational way beginning with the most cost-effective projects. RNG producers cannot change the physical flow of the gas system significantly until volumes reach scale and displace a significant share of fossil gas. The supply of conventional gas currently serving Oregon primarily originates out of state; the existing market for physical gas delivery optimizes moving gas from supply to demand in a least cost and generally lowest GHG manner.

¹ <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/SB98/A-Engrossed>

² <https://www.oregon.gov/deq/ghgp/cfp/pages/cfp-overview.aspx>

³ <https://www.oregon.gov/deq/ghgp/pages/ghg-inventory.aspx>

Maintaining consistency and fungibility between all North American RNG markets through the aligned use of book-and-claim accounting will increase competitiveness, improve investment certainty, and lead to the sustainable growth of the renewable gaseous fuel industry. The use of book-and-claim accounting for the vast majority of North American RNG has already resulted in overwhelmingly positive greenhouse gas emission reductions among jurisdictions employing low carbon fuel standard program and other RNG procurement programs throughout the United States and Canada.

Conclusion

WM appreciates the opportunity to provide feedback in support of DEQ's current draft regulations regarding RNG procurement under the GGRP. We urge DEQ to uphold the book and claim accounting framework to incent (1) landfill gas capture (2) to replace fossil-derived fuels and feedstocks in various sectors of the economy while (3) reducing methane emissions and improving other air and water quality impacts associated with waste management in Oregon and beyond.

Sincerely,

Chris Reigelsperger
Manager - Government Affairs, Public Sector Solutions
Pacific Northwest/British Columbia

Comment # 173

From: m.detwiler@renewableh2.org

Subject: RHA Comments on Climate 2023 GHG Emission Reporting Proposed Rules

Dear Nicole and Elizabeth,

Please find attached RHA's comments on the Climate 2023 GHG Reporting Program proposed rules.

Thank you,

Michelle

<<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Frenewableh2.org%2F&data=05%7C01%7CClimate.2023%40stateoforegon.mail.onmicrosoft.com%7C7f33add15b594f59181708dbcc34c74d%7Caa3f6932fa7c47b4a0cea598cad161cf%7C0%7C0%7C638328299286704307%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6Iik1haWwiLCJXVCi6Mn0%3D%7C3000%7C%7C%7C&sdata=RDMm%2B%2BW%2BIADY95YTh5AbBM3PAvtDZQ0M7mJxhQZJeWw%3D&reserved=0>>

Michelle Detwiler | Executive Director

a: Renewable Hydrogen Alliance

e: m.detwiler@renewableh2.org | w: renewableh2.org/

p: 971-727-9423 | Sign Up for RHA Newsletter

Number of commenters: 1

October 13, 2023

VIA EMAIL

Oregon Department of Environmental Quality
Climate.2023@deq.oregon.gov

RE: RHA Comments on Proposed 2023 Climate Rules

Thank you for the opportunity to provide comments on proposed permanent rule amendments to OAR chapter 340 Divisions 215, 272, 271, 216, and 12.

RHA appreciates DEQ's forward thinking on how to account for the use of hydrogen in various applications by entities that would be subject to GHG reporting rules.

While RHA is not focused on hydrogen produced from fossil energy resources, we do want to ensure that the proposed rules do not impede the use of hydrogen as a pathway to decarbonizing various industrial processes or the energy sector. There will be a transition period where the use of fossil derived hydrogen will be replaced by renewable and green electrolytic hydrogen. This transition is guaranteed by the robust climate policies in place in Oregon which will help that transition happen faster than it would have otherwise.

That transition will also be aided significantly by the fact that the US Department of Energy just awarded up to \$1 billion to develop a regional hydrogen hub that includes projects in Oregon, assuring the ramp up of renewable hydrogen production in the state. With the need to decarbonize hard to electrify industrial processes and other applications, we are confident that the award of grant money from the federal government will accelerate utilization of hydrogen to meet this goal in Oregon.

Specific comments:

- Definition of biomethane in OAR 340-215-0020(7) – It is unclear to us if changing the definition of “renewable resources” to “biomass feedstock” will impact the ability to produce hydrogen in Oregon that qualifies as “renewable” under HB 2530 passed in 2023. HB 2530 references the use of Oregon’s Renewable Portfolio Standard’s (ORS 469A.025) defined list of renewable resources as feedstock for hydrogen production which qualifies that hydrogen as “renewable” or “green electrolytic”. We would not want any change to this definition of “biomethane” or “renewable natural gas” to have a negative impact on the ability of Oregon producers to make qualifying renewable or green electrolytic hydrogen for use in the state.
- Geographic Bounds/Injection Requirements – Proposed changes to OAR 340-215-0020 allow for hydrogen produced outside of Oregon but limit the geographic bounds for biomethane and

hydrogen only delivered to pipelines connected to Oregon. OAR 340-215-0040 limits the geographic bounds and prevents book and claim accounting of direct delivery of H2 to end users outside of Oregon.

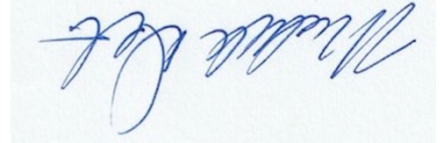
This would be a reasonable limitation in an ideal world where the state of Oregon supported and incentivized through aggressive policy and fiscal measures the production of adequate supplies of biomethane and hydrogen in the state. However, the extent of policy and public financial support needed is not yet in place. We are not producing those necessary amounts of biomethane and hydrogen within Oregon to allow for compliance with this provision, nor facilitate and ensure as fast a reduction in GHG emissions as possible.

Limiting the supplies of hydrogen that covered entities can use or attribute to book and claim accounting for compliance with the proposed rules to just those supplies delivered to pipelines in Oregon severely hamstrings the ability of those entities to comply with GHG emission reduction targets. Restricting the use of eligible fuels for compliance to only those locally available when there are no complementary policy or fiscal efforts to assure those fuels are available, will not facilitate prompt emissions reductions and will only penalize covered entities for a lack of compliance options outside of their control. Regulations alone are not sufficient to create markets and supply chains for eligible fuels.

It is a fact that California and Washington are moving much faster to incentivize production of clean hydrogen supplies in their respective states and Oregon is the gap in that supply network. We would suggest a broader geographic area within which hydrogen is produced and used to be eligible for book and claim accounting so as not to exacerbate the compliance burden. Other USDOE regional hydrogen hub awards include the states of California and Montana which will expand the availability of hydrogen, hydrogen infrastructure and distribution networks in the West and Intermountain West. We would strongly urge DEQ to consider a broader region for hydrogen supply and qualification for book and claim accounting.

Thank you again for the opportunity to provide our input.

Sincerely,



Michelle Detwiler
Executive Director
Renewable Hydrogen Alliance
m.detwiler@renewableh2.org

Comment # 174

From: dmcgraw@mercuria.com

Subject: Book-and-Claim comments

Hey!

Please see the attached comments on the proposed book-and-claim language for Oregon's CFS program.

Thanks,

Dan McGraw

Head of Regulatory Analysis

Mercuria Energy

Cell: 281-757-3774

Email: Dmcgraw@mercuria.com

Please consider the environment before printing this email!

Number of commenters: 1



Nicole Singh, SR Policy Advisor
Elizabeth Elbel, GHG Program Manager
Oregon Department of Environmental Quality
811 SW Sixth Ave.
Portland, OR 97204-1390

October 13, 2023

Climate 2023 Rulemaking: Appendix of Proposed Rules

Ms. Singh and Ms. Elbel,

Mercuria Energy America LLC, a Delaware corporation, is an independent energy marketing and trading company which collectively with our affiliate Mercuria Group companies (collectively 'Mercuria'), are active participants in various renewable fuel markets within the US, Canada and around the globe. Mercuria currently buys and sells renewable natural gas ("RNG") within the voluntary RNG market as well as compliance markets.

Mercuria offers the following comments regarding the Oregon Department of Environmental Quality's (DEQ) final draft Appendix of Proposed Rules. Specifically, **we support and urge DEQ to finalize its current definition for "Book and Claim"** within the Greenhouse Gas Reporting Program (GGRP) portion of the regulations, as follows:

"Book and Claim" refers to the accounting methodology where the environmental attributes of an energy source are detached from the physical molecules when they are commingled into a common transportation and distribution system for that form of energy. The detached attributes are then assigned by the owner to the same form and amount of energy when it is used. For the purposes of this division, the common transportation and distribution system must be connected to Oregon.

Maintaining Alignment with Existing Programs in Oregon and Worldwide

This framework remains in line with existing policies in Oregon that are designed to incent the development and use of renewable natural gas, and the proposal aligns with array of state- and federal-level programs as well as international standards that govern greenhouse gas (GHG) accounting.

Oregon's renewable gas procurement targets established by SB 98¹ and the Clean Fuels Program² are two key programs which are designed to incent the use of renewable natural gas (RNG) in Oregon's residential & commercial thermal and transportation sectors. These sectors comprised around 69% of

¹ <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/SB98/A-Engrossed>

² <https://www.oregon.gov/deq/ghgp/cfp/pages/cfp-overview.aspx>



the state's GHG emissions in 2021,³ requiring expedient deployment of clean fuels and electricity to decarbonize. DEQ's current draft book-and-claim definition fits with these programs that **allow for the procurement of renewable gas via existing energy transportation and distribution infrastructure.**

The use of market-based instruments within a system that utilizes book-and-claim accounting can be seen in Renewable Gas Standard and Clean Heat Standard policies in California, Colorado, Minnesota, New Hampshire, British Columbia, and Quebec. The same system is employed under Low Carbon Fuel Standard programs in California, Washington, British Columbia, and Canada on the federal level, as well as EPA's Renewable Fuel Standard. Furthermore, other voluntary renewable energy procurement frameworks from World Resources Institute, Climate Disclosure Project, The Climate Registry, RE100, and Airport Carbon Accreditation allow for the purchase of RNG to qualify in this manner.

Importantly, GHG accounting leader World Resources Institute (WRI) is currently updating its standards surrounding market-based procurement. Their recently published guidance explicitly allows companies reporting under the Greenhouse Gas Protocol to use market-based instruments for renewable gas purchases, stating that "companies purchasing certificates may wish to consult with their auditors and consider rules provided by relevant target-setting programs or applicable regulatory schemes in their jurisdiction(s) on how to report these purchases in their reports."⁴ In other words, these existing book-and-claim practices are deemed acceptable by WRI.

Avoid Limitations That Would Hurt Renewable Energy Growth

In finalizing its book-and-claim definition, DEQ must consider not only the objective of maintaining alignment with existing programs, but also the effects of potential limitations on market-based instruments. Specifically, we urge DEQ not to place artificial geographic limitations on renewable energy supply that are not also placed on the use of conventional energy supply. For example, in the case of imported renewable natural gas, such limitations would stifle industry growth in a time where it remains fundamental to replace or displace imported fossil gas and reduce methane emissions from organic waste.

Injection and delivery across a common pipeline system is the lowest-GHG way of transporting renewable gases. Book-and-claim as defined in the proposed rule works within the existing market structure for conventional gas and incentivizes the buildout of RNG resources in a rational manner beginning with the most cost-effective projects that produce the greatest emission reductions. Renewable natural gas producers cannot change physical flow of the gas system significantly until volumes reach scale and displace a significant share of fossil gas. The supply of conventional gas which currently serves Oregon primarily originates out of state; the existing market for physical gas delivery optimizes moving gas from supply to demand in a least cost and generally lowest GHG manner. RNG should be delivered in the same manner.

³ <https://www.oregon.gov/deq/ghgp/pages/ghg-inventory.aspx>

⁴ <https://ghgprotocol.org/blog/interim-update-accounting-biomethane-certificates>



Maintaining consistency and fungibility between all North American RNG markets through the aligned use of book-and-claim will increase competitiveness, improve investment certainty, and lead to the sustainable growth of the renewable gaseous fuel industry. This will lead to investment in capturing methane from waste streams and enhance its environmental benefit – displacing increasing amounts of fossil natural gas. Use of full book-and-claim accounting for the vast majority of North American RNG has already resulted in significant positive greenhouse gas emission reductions.

Conclusion

Mercuria appreciates the opportunity to provide feedback in support of DEQ's current draft regulations regarding renewable natural gas procurement under the GGRP. We urge DEQ to uphold this framework to incent (1) recycling of organic waste into renewable fuels which can lead to (2) replacement fossil-derived fuels and feedstocks in various sectors of the economy while (3) reducing methane emissions and improving other air and water quality impacts associated with waste management in Oregon and beyond.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jay Michals".

Jay Michals
Head of Compliance North America, Mercuria

Comment # 175

From: Abbie.Krebsbach@mdu.com

Subject: Cascade Natural Gas Comments on 2023 DEQ GHG Reporting Rule and CPP Rule Amendments

Good afternoon Nicole and Elizabeth,

Please see Cascade Natural Gas Corporation's comment letter attached.

Have a good weekend.

Abbie S. Krebsbach

Environmental Director

Cascade Natural Gas Corporation | Intermountain Gas Company

Montana-Dakota Utilities Co. | Great Plains Natural Gas Co.

400 N. 4th Street

Bismarck, ND 58501

Phone: 701-222-7844

abbie.krebsbach@mdu.com

Number of commenters: 1



8113 W. GRANDRIDGE BLVD.,
KENNEWICK, WASHINGTON 99336-7166
TELEPHONE 509-734-4500 FACSIMILE 509-737-9803
www.cngc.com

Submitted electronically via email to Climate.2023@deq.oregon.gov

October 13, 2023

Nicole Singh
Elizabeth Elbel
Oregon Department of Environmental Quality
700 NE Multnomah, Suite 600
Portland, OR 97301

Dear Ms. Singh and Ms. Elbel:

Cascade Natural Gas Corporation (“Cascade”) appreciates the opportunity to provide public comment on this rulemaking, as the biomethane reporting clarifications relate directly to its reporting of biomethane and environmental attribute procurement for customers, the subsequent use of biomethane and environmental attributes for compliance, and to the future procurement and deployment of low emission hydrogen to customers. Cascade thanks DEQ for its continued work on the proposed rules and would welcome the opportunity to discuss the recommendations below at any time.

Cascade is a natural gas supplier, delivering energy to more than 80,000 customers in eastern and central Oregon. Cascade is committed to ensuring that safe, reliable, and affordable energy is supplied to the rural communities that the company serves, while also being committed to achieving emission reduction goals.

Cascade continues to support DEQ’s inclusion of book and claim accounting in its existing climate programs and submits the following comments with the goal of improving program implementation and further increasing climate benefits:

- Cascade recognizes book and claim accounting already is permitted under DEQ’s existing programs. This is in agreement with the DEQ’s *Statement of Fiscal and Economic Impact*.
- The Greenhouse Gas Reporting Rule should not be retroactive to the 2023 data year, given the breadth of the proposed new biomethane and hydrogen recordkeeping and reporting requirements.
- To maximize greenhouse gas reductions, DEQ should allow book and claim accounting for biomethane and hydrogen injected into pipelines across North America to count toward Climate Protection Program compliance.
- To enable gas utilities to accurately reflect the environmental attributes of the fuel they transport, gas suppliers that use gas utilities’ systems to transport their gas (transport customers) should be required to report the environmental attributes of the gas to utilities based upon particular transactions with the utilities and/or gas marketers, in order to ensure that gas utilities can claim these environmental attributes.

- To allow environmental attributes the time necessary to be appropriately verified, DEQ should require biomethane and hydrogen credits to be claimed within the same or subsequent calendar year the associated gas was injected into a pipeline.
- DEQ should ensure the reporting of biomethane and hydrogen under the Greenhouse Gas Reporting Rule is as streamlined and feasible as possible. To this end, M-RETS reporting should be allowed for book-and-claim reporting in lieu of other requirements.
- DEQ should include rule language to allow it to easily approve future emissions-reducing technologies.
- For consistency, DEQ should include hydrogen under the “importer” definition in OAR 340-215-0020.

Adopting these recommendations will help ensure GHG reductions to the fullest extent possible.

1. Cascade concurs that DEQ’s existing programs already allow for book and claim accounting.

Cascade agrees that most of the amendments to the Greenhouse Gas Reporting Program are amendments “intended to add more precise language to the rule, while not changing or creating new requirements.”¹ As DEQ’s *Statement of Fiscal and Economic Impact* notes, amendments of this nature should result “in little to no fiscal or economic impact to regulated entities.”² Similarly, regarding racial equity, “DEQ has not identified any significant positive or negative implications for racial equity,” as the amendments generally aim to improve program implementation.³

As DEQ staff emphasized in the last Rulemaking Advisory Committee (“RAC”) meeting, the existing Greenhouse Gas Reporting Program already allows for the reporting of biomethane, and the existing Climate Protection Program already allows for the use of biomethane via book and claim accounting as a compliance pathway for regulated entities to reduce their emissions. Contrary to one commenter’s claim that book and claim accounting does not benefit Oregonians, DEQ staff rightly recognized that curtailing book and claim accounting would increase program costs; this in turn would increase Oregonians’ energy costs.

Furthermore, DEQ correctly concluded that there are no discernable racial equity impacts from the proposed rule changes, and whether to allow biomethane as a compliance mechanism is outside of this rulemaking’s scope and DEQ’s rulemaking authority here.⁴

¹ DEQ, *Climate 2023 Rulemaking – Notice of Proposed Rulemaking*, 33 (Aug. 22, 2023).

² *Id.*

³ *Id.* at 48.

⁴ See ORS 468A.020(3)(a) (“Except to the extent necessary to implement the federal Clean Air Act (P.L. 88-206 as amended), the air pollution laws contained in ORS 468A.025, 468A.030, 468A.035, 468A.040, 468A.045 and 468A.300 to 468A.330 do not apply to carbon dioxide emissions from the combustion or decomposition of biomass.”).

2. The Greenhouse Gas Reporting Rule should not be retroactive to the 2023 data year.

Given the breadth of the new proposed reporting requirements for biomass-derived fuels and hydrogen, DEQ should not retroactively apply these requirements to the 2023 data year, the data for which is already accruing. Importantly, this proposed rulemaking is not on track to be finalized until the end of 2023. As such, regulated entities have no certainty as to exactly what reporting requirements DEQ aims to retroactively impose.

Instead of applying the proposed new reporting requirements for biomass-derived fuels or hydrogen on a post-2023 data year basis, OAR 340-215-0046(3) requires regulated entities to request exemptions from DEQ. Cascade anticipates that it will need to ask for such an exemption. To reduce unnecessary back-and-forth between the utilities and DEQ, DEQ should streamline the rule by automatically exempting the 2023 data year from these requirements.

In the last RAC meeting, DEQ staff stated that any proposed rules would not apply retroactively. Cascade agrees with this commonsense approach, especially given the significant increase in recordkeeping and reporting for biomethane and hydrogen transactions. As such, any new recordkeeping and reporting requirements should apply only to post-2023 data years.

3. DEQ should allow book and claim accounting for environmental attributes across North America.

Cascade asks DEQ to recognize environmental attributes from gas injected into any pipeline in North America for Climate Protection Program compliance via book and claim accounting. To geographically restrict where gas must be injected arbitrarily limits the greenhouse gas emissions reductions that would otherwise occur, contrary to the program's goals.

DEQ has stated that it has restricted where Oregon utilities can make emission reductions because this "would allow for reporting of gas that is physically unable to reach Oregon."⁵ But the stated purpose of the Climate Protection Program is to "reduce greenhouse gas emissions from sources in Oregon."⁶ What should matter is that what the Climate Protection Program classifies as "sources" in Oregon, such as Oregon gas utilities, are incentivized to make greenhouse gas reductions, whether in Oregon or elsewhere. A greenhouse gas emissions reduction somewhere is a greenhouse gas emissions reduction everywhere.

Additionally, given reliable environmental attribute tracking systems like M-RETS, or alternatively, DEQ's proposed book and claim reporting requirements, expanding the geographic scope of where Oregon utilities can invest in emission reductions will not result in double counting. Furthermore, maximizing the greenhouse gas reductions that book and claim accounting can achieve will not cause utilities to forgo Community Climate Investment ("CCI") credits as a compliance mechanism. As demonstrated from Cascade's CPP compliance plan filings before the Oregon Public Utilities Commission, Cascade will need to rely upon a combination of compliance strategies, which includes a significant reliance on CCI credits.⁷ However, CCI credits are not currently available for purchase, as DEQ is still in the process of certifying CCI entities, and covered fuel suppliers can only use CCIs to meet a mere 10% of their compliance obligation in the first compliance period.

⁵ *Id.* at 53.

⁶ OAR 340-271-0010(3).

⁷ LC 83 CNGC 2023 IRP Page 9-19 Figure 9-14

Finally, imposing arbitrary geographic limits on where environmental attributes can be procured harms rather than helps Oregon utility customers, which include environmental justice communities, as such limitations will increase compliance costs under the Climate Protection Program.

4. Gas suppliers should report their environmental attributes to utilities so utilities can accurately calculate the emissions from delivered fuel.

Gas suppliers, that are not local distribution companies, and transport customers should be required to report their environmental attributes under the Greenhouse Gas Reporting Program based upon particular transactions with gas utilities. Doing so will ensure that gas utilities have the necessary information to accurately calculate the emissions from the fuel they deliver and, thereby, improve overall program integrity.

Cascade's transport customers (i.e., customers which contract directly with a natural gas marketer to procure fuel and where the gas utility merely transports the fuel to the customer's location) make up a significant portion of Cascade gas delivery. In 2022, this was about 36.5 percent of Cascade's Oregon total load (excluding electric generation transport customer load). However, as an industry, utilities currently have little to no information on the environmental attributes of the transported gas. This undermines the integrity of the overall program, which is especially important when the State is working to meet ambitious emissions targets.

Requiring gas suppliers, that are transport customers to match their environmental attributes to the fuel that gas utilities deliver would ensure that utilities, and DEQ, have accurate information regarding any environmental attributes associated with the transported fuel. This would more easily enable these attributes to be included in gas utilities' emissions calculations—which in turn ensures that DEQ is able to accurately track progress toward the State's climate goals.

For these reasons, Cascade asks that DEQ work with gas utilities, suppliers, and customers to formulate a pathway to accurately account for transport customers' environmental attribute purchases.

5. DEQ should require environmental attributes to be claimed within the same or subsequent calendar year.

Regarding book and claim reporting, DEQ should require environmental attributes to be claimed within the same or subsequent calendar year the gas was injected into a pipeline. The significance of this change should not be underestimated. Under the current proposed rule, biomethane transactions taking place later in the reporting year will take too long to claim and report on for the same year. This unduly restricts book and claim accounting as a compliance option for utilities, who must achieve significant emission reductions.

Furthermore, a slightly longer vintage timeline than the one year currently proposed will allow the necessary flexibility for regulated entities who are waiting on the U.S. Environmental Protection Agency or other regulatory entities to approve environmental attributes and renewable thermal certificates (RTCs). Administrative delays in crediting, which may be beyond the utility's control, should not be a reason a utility's environmental attributes for Oregon expire.

Cascade's experience is that more than one year is required to acquire environmental attributes and RTCs and to retire them after the generation and injection of the associated gas into a pipeline. The

process to review and validate RTCs and environmental attributes through the applicable protocols and regulations may take longer than one year. As one example, biomethane injected by newly commissioned facilities in the later months of a year would not yet be fully verified by the end of that same year.

Another example is the amount of time needed for demonstrating ongoing generation of RTCs by the generator in M-RETS after pipeline injection occurs. Additional time is needed for RTCs or environmental attributes to be available for transfer to covered entities. For instance, biomethane project owners and operators, their consultants and third-party verifiers need to conduct analysis and compile data over multiple months, assemble reports and upload to M-RETS for M-RETS review and certification before the RTCs are ready for transfer to another a covered entity, such as Cascade. This process could take 120 days or longer and may vary depending on the project. The process could be required on an annual basis. Retirement would be able to occur after transferring the RTCs within M-RETS, but retirement would occur in some cases after the year the respective biomethane was injected into a pipeline. If insufficient time is available from DEQ to complete this process and retire RTCs within M-RETS, RTCs would be wasted.

Based on our understanding, there would not be enough time to complete the entire process of generating, verifying, purchasing, RTC transfer, and retirement within one year. Therefore, a subsequent year is needed to retire and report the RTCs or environmental attributes under annual GHG reporting. As such, we urge DEQ to change all instances of “same reporting data year” in the draft OAR 340-215 rule to instead read “same **or subsequent** reporting data year.

6. DEQ should ensure the reporting of biomethane and hydrogen under the Greenhouse Gas Reporting Rule is as streamlined and feasible as possible.

Cascade welcomes DEQ’s clarifications in implementing book and claim accounting, especially its clarification under OAR 340-215-0040(7)(b) that regulated entities may use the same environmental attributes of biomethane and hydrogen in the Greenhouse Gas Rule reporting, the federal Renewable Fuel Standard Program, the Oregon Clean Fuels Program, and the Climate Protection Program. This will further incentivize RNG and hydrogen developments by making such projects more economical and provide consistency across regulatory programs.

However, some of the reporting provisions appear to be unnecessary to achieve reporting accuracy and could needlessly inflate the cost burden of the program on Oregonians. Cascade makes the following suggestions to clarify and streamline book-and-claim reporting requirements:

- DEQ should allow M-RETS reporting for book and claim transactions in lieu of other requirements. Cascade appreciates that DEQ has allowed a pathway to approve an electronic tracking system for environmental attributes like M-RETS under the rule. M-RETS “tracks the life cycle of each renewable certificate created and ensures against any double-counting or double-use of each certificate.”⁸ To increase regulatory certainty, DEQ should approve M-RETS as an approved tracking system under the Greenhouse Gas Reporting Rule and allow utilities using this system to forgo the other recordkeeping requirements under OAR 340-215-0042, which would then be unnecessarily duplicative.

⁸ M-RETS, *Frequently Asked Questions*, <https://www.mrets.org/resources/frequently-asked-questions/#:~:text=M%2DRETS%C2%AE%20creates%20a,double%2Duse%20of%20each%20certificate> (last visited Sept. 20, 2023).

- To conform with how the delivery of lower carbon fuels within the Oregon pipeline system occurs, DEQ should define what it means by “direct delivery” of biogas, biomethane, or hydrogen under OAR 340-215-0042(5) to encompass blending and delete reference to “point of use” in this sub-section. Biomethane and hydrogen may be blended into the Oregon pipeline system, thereby displacing natural gas. In such instances, it will not always be possible to document where the fuel is “directly delivered” to the “point of use in Oregon.”

In order to give regulated entities, the time necessary to produce the detailed reporting requirements under the proposed rule, we ask that DEQ expand the number of days to submit required documentation to DEQ under OAR 340-215-0042(12) from 14 calendar days of notification to 30 days calendar days of notification.

Additionally, Cascade provides the following suggested edits to help clarify proposed amendments to the Reporting Rule:

340-215-0042 Recordkeeping Requirements

(4) Regulated entities reporting biomass-derived fuels or hydrogen, as required under OAR 340-215-0044(5), must retain supporting documentation that authenticates the purchase quantity and quality of the hydrogen or gaseous or liquid biomass-derived fuel between parties. This supporting documentation:

(a) May include, but is not limited to, documentation from each upstream party, invoices, bills of lading, shipping reports, balancing reports, storage reports, in-kind nomination reports, allocation, contracts confirming the source of fuel supplied in the state, attestations, information on the environmental attributes associated with the sale or use of the fuel, renewable thermal ~~credit certificate~~ records, or any combination therein; and

(b) When reporting biogas, biomethane, or hydrogen, must include ~~proof of ownership of a renewable thermal certificate~~ or attestations from each upstream party collectively demonstrating that no other upstream party can make a claim on environmental attributes that are being reported under this division. The quantity of energy covered by the environmental attributes must match or exceed the energy of fuel reported under this division.

(5) When reporting direct delivery of biogas, biomethane, or hydrogen in Oregon regulated entities must retain documentation that shows the fuel type and quantity directly delivered from the point of origin ~~to the point of use in Oregon~~.

(6) When reporting ~~renewable thermal certificate purchase or~~ contractual deliveries of biomethane or hydrogen using book and claim accounting the regulated entity must retain and make available:

(a) Records demonstrating the specific quantity of gas claimed was injected into a pipeline that is part of the natural gas transmission and distribution network ~~connected to Oregon in North America~~ in the current data year and link those environmental attributes to a corresponding quantity of gas withdrawn for use in Oregon;

(b) Records demonstrating the quality of the fuel reported ~~or a renewable thermal certification requiring pipeline quality gas~~;

- (c) Records documenting the fuel production facility, the ~~facility's type of production and purification process~~, facility location and feedstock(s). ~~This may include, but is not limited to, documentation of feedstock production and schemata of the production method;~~
- (d) Records demonstrating the full lifecycle carbon intensity of the reported fuel including all records supporting the estimation of the reported carbon intensity value required under OAR 340-215-0044(5)(b)(I) or OAR 860-150-0050(6);
- (e) If using an electronic tracking system approved by DEQ for book and claim accounting, records demonstrating the retirement of all environmental attributes of that fuel that are being reported under this division. The quantity of energy covered by the environmental attributes must match or exceed the energy of fuel reported under this division;
- (f) Records demonstrating that the retired or claimed environmental attribute was generated from gas injected into the pipeline within the same reporting data year; and
- (g) Any records used in the reporting of information required under OAR 340-215-0044(5).

7. DEQ should include language to encompass future emissions-reducing technologies.

Given the urgency of addressing climate change and the amount of money being invested by both the public and private sector in emerging emissions-reducing technologies, Cascade recommends that DEQ include rule language under the Greenhouse Gas Reporting Program and the Climate Protection Program to allow the agency to quickly approve other fuel pathways that reduce emissions. This would align with DEQ's approach under OAR 340-253-0450 of Oregon's Clean Fuels Program, through which DEQ can certify new fuel pathways that reduce emissions. Such an approach would also save DEQ time and resources by potentially avoiding the necessity of undertaking yet another rulemaking to address such technologies.

Further, DEQ should have the ability to approve new emission reduction technology timely and for natural gas suppliers to report emission reductions from such technology. An example of such an emerging technology is CarbinX⁹. This technology consists of units that can be connected directly to a customer's natural gas heating appliances to capture carbon dioxide (CO₂) from combustion and convert the CO₂ emissions into potassium carbonate. The potassium carbonate would be retrieved for recycling into soaps, laundry supplies, and shower products. CarbinX claims a unit can capture about 6-8 metric tons of CO₂ per year. This technology is also claimed to create an exothermic reaction during the creation of potassium carbonate which can result in a reduction in natural gas usage by the customer of up to 20%. This is technology that could be implemented in the future. Cascade requests DEQ include rule language to allow for approval of emissions reductions from post-combustion carbon capture and sequestration technology to be accounted for in GHG reporting and recognized as emission reductions in CPP compliance demonstrations.

We anticipate more emission reduction technologies will come to market in the future and DEQ should include language allowing for quick approval of these emerging emissions-reducing technologies.

⁹ <https://www.carbinx.com/>

8. For consistency, DEQ should include hydrogen under the “importer” definition in OAR 340-215-0020.

OAR 340-215-0020(36) only references biomethane when defining “importer.” Because the Greenhouse Gas Reporting Program allows for the reporting of hydrogen as well as for biomethane throughout the rest of the proposed rule, DEQ should reference hydrogen fuel imports/book and claim imports here as well for consistency.

Cascade appreciates the opportunity to engage with DEQ and share our support and further recommendations for achieving emissions reductions under Oregon’s Greenhouse Gas Reporting Program and the Climate Protection Program. If you would like to further discuss this letter or have any questions, please reach out to Abbie Krebsbach at 701-222-7844 or abbie.krebsbach@mdu.com.

Sincerely,



Abbie Krebsbach
Director of Environmental

cc: Kevin Connell – Director, Gas Supply
Chanda Marek – Director, Business Development
Scott Madison – Executive VP, Business Development & Gas Supply
Lori Blattner – Director, Regulatory Affairs
Alyn Spector – Manager, External Affairs

Comment # 176

From: njackson@nwga.org

Subject: 2023 Climate Rulemaking Comments

To whom it may concern-

Please accept the attached comments on the 2023 Climate Protection Program Rulemaking from concerned workers and business leaders across Oregon.

Thank you,

Natasha Jackson

Policy and Partnerships Manager

Office: 503-344-6637

Mobile: 208-446-8616

1914 Willamette Falls Drive, Suite 260

West Linn, OR 97068

Advocating for the role of the region's natural gas infrastructure in safely delivering a clean, dependable and affordable energy future.

Number of commenters: 1

October 13, 2023

Oregon Department of Environmental Quality
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

RE: 2023 Climate Rulemaking Comments from Concerned Workers and Business Leaders

We – the community leaders and organizations that represent highly skilled workers and diverse industries that make up Oregon’s economic engine – appreciate the opportunity to provide public comments on DEQ’s proposed changes to the Greenhouse Gas Reporting Program (Division 215) and the Climate Protection Program (Division 271).

Though we represent a wide range of industries and perspectives, we are unified in a common concern about cost impacts to our state’s workforce and families. We urge DEQ to help keep costs down by using the most effective and efficient ways to reduce emissions.

- We support decarbonized fuels – like renewable natural gas – as tools for reducing emissions, including from sources outside of Oregon.
- Decarbonized fuels provide tangible greenhouse gas savings by displacing the use of more carbon intensive fuels, regardless of the end use location or a pipeline connection to Oregon. Reducing emissions anywhere, within Oregon or otherwise, creates a climate benefit everywhere, including for Oregonians.
- Imposing arbitrary geographic limits on where environmental attributes can be procured harms rather than helps Oregonians. This would be akin to excluding wind and solar resources from outside of Oregon – which would prevent us from meeting our clean electricity goals.
- Limitations will increase compliance costs under the Climate Protection Program. As a business operating in Oregon, we are concerned with efficiency and cost. It is important that real carbon reductions are achieved by the Climate Protection Program in the most cost-effective manner.
- Proven and auditable carbon accounting methods are important. The standard book and claim accounting methodology for decarbonized fuel use from across North America provides a mechanism for proper greenhouse gas accounting under the Greenhouse Gas Reporting Rule while controlling costs.

Please control for costs.

Increasing decarbonized fuel supply decreases costs, which is why we urge DEQ to be consistent with other carbon markets and programs by **not** arbitrarily including geographic limitation on biomethane and renewable natural gas in the Climate Protection Program and Greenhouse Gas Reporting Rule.

ON BEHALF OF:

Susan Kay Wahlke
Mayor, Lincoln City, Oregon

Stephen Webster, President
Siletz Boat Works Inc.



Comment # 177

From: robert@oregonbuildingtrades.com

Subject: OSBCTC Climate Rulemaking.pdf

Dear Ms. Singh, please see attached letter regarding climate 2023 rulemaking.

Thank you,

Robert Camarillo

Executive Secretary

Oregon State BCTC

1001 Molalla Ave. Ste 207

503. 788.7153

C. 503.847.6377

Robert@oregonbuildingtrades.com

www.oregonbuildingtrades.com

Number of commenters: 1

October 13, 2023

Oregon Department of Environmental Quality
ATTN: Nicole Singh
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

RE: Climate 2023 Rulemaking

Dear Ms. Singh,

The Oregon State Building and Construction Trades Council (OSBCTC) appreciates the opportunity to provide public comments on DEQ's proposed changes to the Greenhouse Gas Reporting Program and the Climate Protection Program.

OSBCTC is a statewide umbrella organization comprised of 31-member unions, representing tens of thousands of Union skilled trades workers in a wide array of crafts. Our Union affiliates are leaders in the nation in establishing apprenticeship programs that continue to advance quality workmanship and high performing trades workers. Together we work for local jobs that provide family-sustaining wages, hours, and safe working conditions. My name is Robert Camarillo and I am the Executive Secretary of the organization.

Our affiliates are fully committed to Oregon's transition to a low-carbon, renewable energy future. Smart, safe, dependable and affordable solutions are critical to ensure that the transition is sustainable and produces long-term benefits towards greenhouse gas reduction goals set by policymakers and regulators. Upcoming opportunities within the clean energy transition will advance the quality of stable long-term careers available to Oregonians, providing family-sustaining careers with excellent benefits.

To that end, we agree with DEQ that book and claim is allowed under the current rules and should remain so under the reporting rule and CPP. It is important to us that the CPP allows decarbonized fuels and their attributes from outside of Oregon to count as compliance mechanisms for local distribution companies. Limiting solutions to decarbonizations is counterintuitive to Oregon's climate targets.

These renewable fuels provide tangible greenhouse gas savings by displacing the use of more carbon intensive fuels, regardless of the end use location or a pipeline connection to Oregon. Reducing such emissions anywhere, within Oregon or otherwise, creates a climate benefit everywhere, including for Oregonians.

Lastly, we oppose ODEQ setting up its own renewable thermal credit (RTC) reporting and record-keeping regime. The protocol set out in the proposed rule is confusing, onerous and distinct from widely adopted industry practice. ODEQ should simplify the process by relying upon well-established, well-understood and well-respected RTC registration, tracking and retirement platforms like M-RETS.

Thank you for giving our comments careful consideration. If you have any additional questions about OSBCTC's stance on this issue, please don't hesitate to contact us.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert Camarillo". The signature is fluid and cursive, with a prominent initial "R" and a long, sweeping underline.

Robert Camarillo



Executive Secretary: Robert Camarillo

Political & Special Projects Coordinator: Hayley Watson

Affiliated Unions

1. Boilermakers Local 242	17. OR & S. Idaho District Council of Laborers
2. Bricklayers Local 1	18. Floor Coverers Local 1236
3. Cement Masons Local 555	19. Office & Professional Employees Local 11
4. Heat and Frost Insulators Local 36	20. Operating Engineers Local 701
5. Drywall Finishers Local 101	21. Painters & Drywall Finishers Local 10
6. IBEW Local 48	22. Painters District Council No. 5
7. IBEW Local 112	23. Plasterers Local 82
8. IBEW Local 280	24. Plumbers & Steamfitters Local 290
9. IBEW Local 659	25. Plumbers & Steamfitters Local 598
10. IBEW Local 932	26. Roofers Local 49
11. Elevator Constructors Local 23	27. Sheet Metal Workers Local 16
12. Glaziers Local 740	28. Sheet Metal Workers Local 55
13. Ironworkers Local 29	29. Sprinkler Fitters UA Local 669
14. Ironworkers Shop Local 516	30. Teamsters Local 162
15. Ironworkers District Council	31. Joint Council of Teamsters No. 37
16. Laborers Local 737	

Regional Councils:

- Central Oregon Building and Construction Trades Council
- Columbia Pacific Building and Construction Trades Council
- Lane, Coos, Curry, Douglas Building Trades Council
- Pendleton Building and Construction Trades Council
- Salem Building and Construction Trades Council
- Southern Oregon Building and Construction Trades Council

Comment # 178

From: SharlaMoffett@oregonbusinessindustry.com

Subject: OBI Comments on the Proposed Rule

Good afternoon DEQ Rule Managers:

Please find attached OBI's comments on the CPP (Climate 2023) rulemaking.

Thank you for considering our comments and please reach out if you have questions.

Have a great weekend.

Sharla

Sharla Moffett | Senior Policy Director

Oregon Business & Industry

M: 971.998.2272 E: sharlamoffett@oregonbusinessindustry.com

200 SW Market Street L100 | Portland, OR 97201 | www.oregonbusinessindustry.com

Number of commenters: 1



October 13, 2023

Via Email (Climate.2023@deq.oregon.gov)

Oregon Department of Environmental Quality

Attn: Elizabeth Elbel and Nicole Singh

700 NE Multnomah St., Room 600

Portland, OR 97232-4100

Re: Comments on Climate 2023 Rulemaking

Dear Ms. Elbel and Ms. Singh:

Oregon Business & Industry (OBI) appreciates this opportunity to provide comments on DEQ's proposed Climate 2023 Rulemaking. OBI is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. In addition to being the statewide chamber of commerce, OBI is the state affiliate for the National Association of Manufacturers and the National Retail Federation. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

OBI's comments address the aspects of DEQ's rulemaking proposal that would revise the Climate Protection Program (CPP) rules at Divisions 12, 215, 216, 271 and 272.

Generally, OBI is not supportive of further CPP rulemaking at this time that would broaden or increase the stringency of the program. That is because OBI stands with a broad coalition of businesses and affected sources statewide in the belief that the Environmental Quality Commission (EQC) overstepped its authority in adopting (and causing DEQ to implement) the CPP rules. Although OBI supports sound policies to address climate change, we share the larger coalition's concern that the CPP rules were not lawfully adopted. Accordingly, OBI joined numerous other petitioners in challenging the legality of the CPP rules before the Oregon Court of Appeals. The Court heard oral argument on that challenge late last month. Because that lawsuit and the core issues it presents about the legitimacy of the CPP rules remain unresolved, we believe it is inappropriate for DEQ to now propose further CPP rulemaking. More fundamentally, OBI's position remains that the sweeping societal changes (to eliminate fossil fuel use) and high costs imposed by the CPP rules should have been the direct outgrowth of specific and clear legislation enacted by the locally-elected members of the Oregon Legislature, not DEQ or the EQC.

In addition to OBI's general opposition to new CPP rulemaking before numerous legal challenges are resolved, OBI has specific concerns about DEQ's proposals (1) to trigger the Best Available Emission Reduction (BAER) assessment process for existing facilities making modifications, and (2) to identify as separate violations each metric ton of greenhouse gas emissions (GHG) that is not reported as required under Division 215. In addition to these concerns, OBI also wants to express its position that the CPP rules should broadly support natural gas utilities' use of book and claim accounting to demonstrate replacement of covered emissions with biomethane. These specific comments are set forth below.

(1) DEQ should reconsider its proposed approach to imposing BAER on existing facilities making modifications

For the reasons explained below, OBI asks that DEQ reconsider the proposed rules that would tie the BAER assessment process for qualifying stationary sources to DEQ's process for approving modifications under the existing Notice of Construction (NOC) and air permitting rules.

First, as DEQ is aware, stationary industrial sources represent a small fraction of Oregon's overall GHG emissions. The integrated data from DEQ's own Greenhouse Gas Reporting Program indicates that emissions from the industrial sector only comprise approximately 12 percent of the state's overall GHG emissions. Covered emissions from covered stationary sources under the CPP rules represent a far smaller fraction than that. What is more, DEQ's data shows that the industrial sector has dramatically reduced its GHG emissions since 2000 relative to other sectors. One key reason for the reduction in contributions from the industrial sector is the ever-increasing energy and fuel costs that sources in that sector face; simply put, sources undertaking modifications have overwhelming market incentives to ensure those modifications are as efficient as possible (from a potential GHG-emissions standpoint), without any DEQ involvement or further regulatory incentive. All in all, focusing DEQ's limited resources on further regulating a group of existing sources for permit modifications that result in relatively small changes in *actual* GHG emissions (as opposed to the *potential to emit* proposal) cannot be justified when assessing the cost versus benefit (for the agency or regulated entities) of the proposed change.

Second, DEQ's proposal to condition modification approvals on a source's completion of the BAER assessment process will further frustrate the ability of the state's most loyal and productive businesses to make timely investments. Last November, DEQ proposed and the EQC adopted extensive changes to the state's NOC air rules, the net effect of which was to make Type 2 and 3 changes (as defined under the Division 210 rules) more difficult, process-intensive, costly and time-consuming for little to no improvement in air quality. The true burden of that rulemaking on existing Oregon businesses was poorly understood at the time those rules were adopted and is only now beginning to become clear. OBI respectfully asserts that now is not the time to further prolong the process under the air rules for existing stationary sources to obtain DEQ approval for modifications (especially not modifications that qualify for treatment as Type

2 changes). Since the CPP rules were adopted by the EQC in 2021, DEQ has not completed a single existing source BAER assessment.

There is real concern in the regulated community about tying DEQ's construction approval for qualifying modifications to completion of the BAER assessment process (i.e., issuance of a BAER order and approved air permit modification). Without overstating things, DEQ is setting the state's existing businesses up to fail by conditioning their ability to make the modifications they must make to remain competitive on yet another ill-defined, costly and time-consuming DEQ air permitting approval process.

Frankly, we fear a repeat of Cleaner Air Oregon's story in which the agency undertook rapid, sequential rulemaking modifications while simultaneously trying to stand up a brand-new regulatory program, which resulted in tremendous delays. The CAO revisions caused DEQ to confront many new issues before basic implementation questions were resolved or guidance was completed on the original rules. This proposed change to the CPP rules could be even more challenging than CAO, since 1) revisions to the air permitting program, including the NOC provisions, are less than one year old (and the new permitting program rules alone will, without a doubt, lengthen construction approval timelines), 2) implementation of the CPP regulations has been slow and many issues have yet to be resolved, 3) and not one of the 13 original sources has completed the BAER process since the original rules were adopted in Dec. 2021.

For the above reasons, OBI respectfully requests that DEQ not proceed with the proposed changes to the CPP rules to impose the BAER assessment process on existing stationary sources at the time and as a condition of DEQ's approval of proposed modifications. However, if DEQ does proceed with these proposed changes, OBI requests that DEQ modify the proposed rules covering BAER assessments by existing sources undertaking modifications, as follows:

1) DEQ should make clear, in proposed OAR 340-271-0310(c) and otherwise, that no BAER assessment will be required as a result of a proposed modification for which a complete application (including a Type 2 notice) was submitted to DEQ before the effective date of the Climate 2023 rules, should EQC adopt them. This request is only fair, given that DEQ's existing CPP rules contemplate that existing sources subject to BAER assessments will require up to nine months (with the possibility for extension) after the source first receives notice that a BAER assessment is required. Sources that turned in modification applications before the EQC adopts the current proposed rules will have had no prior notice of the possibility their modifications could trigger BAER assessments. Likewise, DEQ should modify the proposed rules to provide adequate time for sources required to have an air contaminant discharge permit due to their having the capacity to emit 25,000 metric tons of CO₂e to actually apply for and obtain such permit without threat of violation.

2) DEQ should modify proposed OAR 340-271-0310(c) to clarify that any BAER assessment required as a condition of construction approval be limited to assessing BAER for the specific modification being proposed, not the entirety of the existing source. Tailoring the modification-triggered BAER assessment to the underlying proposed project will be fairer to existing sources

in that, for many projects, existing sources will be able to plan for and apply BAER to the project being proposed more readily than to the entire facility. This approach mirrors what DEQ proposed and the EQC adopted in 2022 for existing source modifications triggering National Ambient Air Quality Standard (NAAQS) compliance demonstrations at the construction approval stage. Specifically, per OAR 340-210-0230(3), any person proposing a Type 2 or 3 modification (for a new or replaced device or activity) must demonstrate, as a condition of the modification's approval, that the proposed individual device or activity will not cause or contribute to a NAAQS violation. In justifying this approach, DEQ explained that "[t]his will ensure that construction projects comply with the National Ambient Air Quality Standards" but because "[m]odeling for a Type 2 and Type 3 NCs is only for the piece of equipment being installed or replaced, not the whole source...this will make the air quality modeling analysis much simpler, saving time and resources for sources and DEQ."¹ DEQ's justification makes equally good sense in this context. If DEQ is concerned that construction projects could cause an existing source to have the potential to emit covered GHG emissions at or in excess of the 25,000 MT threshold, DEQ could require the source to demonstrate – as a condition of the project's approval – that the project itself met the BAER requirement.

3) DEQ should not require two separate public comment periods during the BAER assessment process. As is currently provided, proposed OAR 340-271-0320(2)(j) would require a "minimum" 30-day public notice and comment period after DEQ receives a source's draft BAER assessment as well as upon DEQ's issuance of its subsequent draft BAER order. Although OBI supports public involvement in DEQ permitting processes, the proposal to solicit public comment upon DEQ's mere receipt of a draft BAER assessment is excessive and will result in delays that are unnecessarily prejudicial to sources going through the process. At the time a draft BAER assessment is submitted by a source, neither the source nor the public will have had the benefit of DEQ's response to that draft, in the form of DEQ's draft BAER order. Accordingly, the point at which a draft BAER assessment is submitted is not a stage in the process that affords either the source or the public a meaningful opportunity for involvement, let alone an opportunity that is essential to the public's understanding of and input on the agency action that results from the BAER process (which is the issuance of a BAER order). OBI therefore requests that DEQ revise proposed OAR 340-271-0320(2)(j) to eliminate the obligation that DEQ provide a public comment period in response to a source's submittal of a draft BAER assessment. In addition, similar to what DEQ already allows under OAR 340-209-0080(3), DEQ should allow the source a minimum of 10 working days after receipt of the written comments to provide a response to those comments—a response that the rules should specify DEQ must take into account.

4) OBI urges DEQ to revise proposed OAR 340-271-0310(c)(B) so that if a proposed modification potentially triggering BAER follows from a source's submittal of a NOC for a Type 2 change, then DEQ will notify the source not later than 30 days after such submittal that a BAER assessment is

¹ See DEQ's Response to Comments to the proposed Air Quality Permitting Updates 2022 Rulemaking, page 35 of 104, available at [Notice \(oregon.gov\)](https://www.oregon.gov/DEQ/air_quality/Pages/Notice.aspx).

required. As proposed, this rule would give DEQ a full 60 days after a Type 2 NOC is submitted to notify the source of its need to submit a BAER assessment. The proposed approach (providing DEQ with 60 days) is inconsistent with ORS 468A.055(2), which establishes that requests for “submission of plans and specifications” (such as BAER assessments) required as a condition precedent to the construction approval must be made “[w]ithin 30 days of receipt” of the NOC application. Accordingly, to give effect to the statutory protection of ORS 468A.055(2), DEQ should act on a Type 2 NOC to require a BAER assessment (or not) within 30 days.

2) DEQ should abandon its overly aggressive approach for identifying violations of the Division 215 reporting rules

DEQ’s proposed OAR 340-215-0130 would identify each metric ton of emissions that is not reported or otherwise is misreported by a covered fuel supplier as a separate violation of the Division 215 requirements. DEQ’s proposed approach is flawed and unnecessary. The proposed approach is flawed in that it is breathtakingly aggressive, and would leave fuel suppliers vulnerable to extraordinary compliance risk that is totally disproportionate to the degree to which a given Division 215 report was inaccurate or incomplete. The proposed approach is unnecessary in that, at OAR 340-012-0054(ii), it is already a Class I violation for a fuel supplier to fail to timely submit a complete and accurate emissions report under Division 215.

3) DEQ should promote natural gas utilities’ use of book and claim accounting to demonstrate replacement of covered emissions with decarbonized fuels and remove geographic limitations

OBI asks DEQ to not include any geographic limitations for decarbonized fuels, like biomethane and hydrogen, and allow the use of book and claim accounting methodology under the Greenhouse Gas Rule. Decarbonized fuels provide tangible greenhouse gas savings by displacing the use of more carbon intensive fuels, regardless of the end use location or a pipeline connection to Oregon. Reducing emissions anywhere, within Oregon or otherwise, creates a climate benefit everywhere, including for Oregonians. Limitations will only increase compliance and ratepayer costs under the Climate Protection Program while slowing the nation’s conversion to a low carbon future. It is important to OBI members that real carbon reductions are achieved by the Climate Protection Program in the most cost-effective manner.

Book and claim accounting methodology for decarbonized fuel use from across North America provides a mechanism for proper greenhouse gas accounting under the Greenhouse Gas Reporting Rule while controlling costs.

OBI believes that the proposed revisions to the CPP rules are premature and should be postponed, at least until the pending legal challenge is resolved. That said, OBI appreciates this opportunity to comment and requests that – if DEQ elects to proceed with this rulemaking –

the specific aspects of the proposed rules that cover the CPP program rules be revised as requested in this comment letter.

Please do not hesitate to contact me if you have questions about these comments.

Sincerely,

A handwritten signature in blue ink that reads "Sharla Moffett". The signature is written in a cursive style with a large initial 'S'.

Sharla Moffett
Oregon Business & Industry

Cc: OBI Energy, Environment and Natural Resources Steering Committee
OBI Air Policy Steering Committee

Comment # 179

From: arlenesherrett3019@gmail.com

Subject: Re: Comments on Climate 2023 Proposed rules

Please see attached.

Number of commenters: 1

Date: October 13, 2023

To: DEQ

From: Arlene Sherrett

RE: 2023 Climate Rulemaking, Proposed final rules

Thank you for the opportunity to comment on the rulemaking for the Climate Protection Program and emissions reduction from HB 2021.

As an observer of climate policy in Oregon I have discovered three areas of concern within the proposed administrative rules that I want to bring to the attention of DEQ.

There is a potential loophole in the Climate Protection Program (CPP) rules which could lead to undercounting of emissions. Unclear wording in the definition of book and claim accounting could disguise fossil fuels as clean energy and therefore, not subject to compliance with emissions reduction caps, which could lead to a large source of emissions going uncounted.

Book and claim is an accounting system whereby renewable credits are recorded and tracked, and it is appropriate for use with biomethane credits. The portion of the definition that I see as problematic is the statement in the definition that states after biomethane delivery, the “detached [environmental] attributes are **then assigned** by the owner to the same form and amount of energy when it is used.” Does this definition presume that attributes will be used again when the proposed rules clearly prohibit the practice of reuse?

First of all that definition is not complete or accurate because there are other options for the credits, either retirement or use in voluntary practices, such as a company’s Environmental, Social and Governance (ESG) goals, but not repeated use for compliance. Secondly, there is no need to include any statement on reuse in the definition which could be open to misinterpretation. Book and claim is an accounting system, period.

The definition of “book and claim” accounting needs to be reworked ensure adherence to the principles of Oregon’s CPP. There is no need for the definition to include a statement on reuse which could be used to disguise fossil fuels as renewable and exempted from compliance obligations. I won’t attempt to say what an appropriate wording would be. My main interest is to point out the internal inconsistency that needs to be corrected.

I would also like to discuss the challenge with out of state biomethane. SB 98 established the use of biomethane for compliance with emissions reduction obligations but does not address out of state production, whether to allow or disallow.

Currently, Northwest Natural has purchased facilities in Nebraska to produce biomethane. Under the proposed rules, biomethane coming into Oregon from anywhere in the pipeline system can be counted as credit toward compliance; with this wording, the biomethane may have been produced anywhere in the US where the pipeline system is connected to Oregon. Benefit to Oregon from this out of state activity is limited in that RNG produced out of state does not reduce emissions in Oregon.

Advocates of keeping the benefits local have stated their case without success. Community Climate Investments, if used as compliance instruments instead of RNG, would bring all these benefits back to Oregon and into underserved communities here.

It is assumed that local utilities would seek to maximize use of out of state biomethane to meet its emissions goals, perhaps because larger RNG sources are found outside Oregon; this might mean CCI credits would be used sparingly or not at all. A solution needs to be sought that strikes a balance between the use of one method or the other for compliance; perhaps the emissions value of each could be weighed in establishing criterion for the balance.

Finally, a good argument can be made for Hydrogen rules to be postponed. DEQ issued a Hydrogen Brief during the climate rulemaking process explaining why including hydrogen for accounting purposes would be a benefit to the program. I see factors that would oppose this thinking that make some sense as well.

My first point is that the hydrogen industry is in its beginning stages. It's too early to define how the hydrogen industry will develop and what rules will be needed.

Second, hydrogen strategy is essential going forward: the Oregon Department of Energy's Hydrogen Study stated "Keeping in mind that hydrogen has so many potential applications, a smart approach to hydrogen deployment might be to identify those uses that are essential before including them in a hydrogen strategy or overall energy strategy."

We should consider all aspects of applications when we look to regulate the use of hydrogen in the energy sector. Even for green hydrogen, increased emissions associated with electrolysis complicate calculating lifecycle emissions. This will figure into cost/benefit analysis for any industry using hydrogen and any regulation to incentivize industry growth.

Safety concern associated with hydrogen for home use are greater than for natural gas. A new study will be needed to assess safety issues of having hydrogen content in natural gas for home delivery. In already overburdened communities of color increased harms will need to be considered.

Thank you for the opportunity to comment on the proposed rules.

Arlene Sherrett

Comment # 180

From: greer.ryan@climatesolutions.org

Subject: Re: 2023 Climate Rulemaking -- Joint comments on proposed rules

To DEQ staff,

Thank you for the opportunity to provide feedback on the proposed rules in the 2023 Climate Rulemaking. Attached, please find joint comments submitted on behalf of 36 organizations representing climate, public health, business, faith, and environmental justice communities from across Oregon. Please let us know if you have any questions.

Thanks,

Greer

Greer Ryan | Clean Buildings Policy Manager

Climate Solutions - Accelerating Clean Energy Solutions to the Climate Crisis

greer.ryan@climatesolutions.org

Number of commenters: 1

**Beyond Toxics * Citizens for a Better Lincoln County * Climate Reality Project, Portland Chapter
Climate Solutions * Columbia Riverkeeper * Community Energy Project
Consolidated Oregon Indivisible Network * Douglas County Global Warming Coalition
DPO Environmental Caucus * Earthjustice * Ecumenical Ministries of Oregon * Electrify Corvallis
Electrify Now * Environmental Defense Fund * Families for Climate
Green Energy Institute at Lewis & Clark Law School * Metro Climate Action Team
Natural Resources Defense Council * Onward Oregon * Oregon Business for Climate
Oregon Environmental Council * Oregon Interfaith Power & Light * Oregon Chapter Sierra Club
Our Climate * Pinos y Campesinos Unidos del Noroeste * Physicians for Social Responsibility
Rogue Climate * Rural Oregon Climate Political Action Committee
Southern Oregon Climate Action Now * Third Act Oregon * Verde * 350 Deschutes * 350 Eugene
350 PDX * 350 Salem * 350 Washington County * Oregon Interfaith Power & Light (OIPL)**

October 13, 2023

Oregon Department of Environmental Quality
Office of Greenhouse Gas Emissions
Via email to *climate.2023@deq.oregon.gov*

RE: 2023 Climate Rulemaking – Joint Comments on Proposed Rules

On behalf of the undersigned 36 organizations representing climate, public health, business, faith, and environmental justice communities from across Oregon, we appreciate the opportunity to provide comments and feedback related to the Department of Environmental Quality’s (DEQ) proposed rules for the 2023 Climate Rulemaking.

Since this rulemaking was initiated in April, the planet experienced its hottest summer ever.¹ Additionally, the Oregon Health Authority issued its report detailing the 242% increase in heat-related emergency visits since 2020, the 167 heat-related deaths in 2021-2022, the 1.3 million acres burned in the state, the air quality impacts from wildfire smoke, and the fact that nearly every county in Oregon experienced severe to exceptional drought.² And the secretary general of the United Nations warned that humanity has “opened the gates to hell” by allowing the fossil fuel industry to continue to drag its feet and engage in “shameful” behavior to slow the energy transition.³

The March 2023 United Nations’ Intergovernmental Panel on Climate Change report is clear: without further government action to immediately reduce emissions across all sectors, global temperatures are

¹ NASA Announces Summer 2023 Hottest on Record (Sept. 14, 2023), <https://www.nasa.gov/news-release/nasa-announces-summer-2023-hottest-on-record/>.

² Oregon Health Auth., Climate and Health in Oregon, 2021-2022 Report 4-6 (June 22, 2023), https://www.oregon.gov/oha/PH/HEALTHYENVIRONMENTS/CLIMATECHANGE/Documents/le-105251_23.pdf.

³ Oliver Milman, Humanity has ‘opened gates to hell’ by letting climate crisis worsen, UN secretary warns, The Guardian (Sept. 20, 2023), available at https://www.theguardian.com/world/2023/sep/20/antonio-guterres-un-climate-summit-gates-hell?utm_source=Sightline%20Institute&utm_medium=web-email&utm_campaign=Sightline%20News%20Selections&utm_source=Sightline+Newsletters+II&utm_campaign=f393d61e0e-EMAIL_CAMPAIGN_2023_09_22_02_36&utm_medium=email&utm_term=0_3e1b0f73ac-f393d61e0e-%5BLIST_EMAIL_ID%5D.

likely to surpass 1.5 degrees Celsius within the next decade.⁴ While Oregon has made important progress in recent years to reduce emissions from some of our top polluting sectors, we are still **19 percent short of our 2020 targets**.⁵ The effects are obvious across the state – from drought to wildfires to deadly heat waves – and will only get worse if we do not work to reduce fossil fuel use in Oregon and build more resilient communities.

The issues and proposed rule changes under consideration in the 2023 Climate Rulemaking will have far-reaching consequences for the climate and communities in Oregon. By designing guardrails and pathways for regulated entities to comply with Oregon’s cornerstone Climate Protection Program (CPP) and HB 2021, this rulemaking – if done well – will be vital to ensuring our state stays on track to achieve our climate goals, and to delivering public health, economic, and employment benefits for environmental justice communities in Oregon. However, given the broad scope of issues and laws touched by this proceeding, there could be serious unintended consequences if impacts to communities and the climate are not sufficiently considered.

We strongly urge DEQ to use this rulemaking to protect and strengthen – rather than undermine – our cornerstone climate programs by prioritizing emissions reductions and associated local air quality and economic benefits in Oregon. This rulemaking provides an opportunity not only to help ensure Oregon stays on track to achieve our climate goals, but also to create jobs, improve public health, and enhance the vibrancy and resiliency of Oregon communities.

With those goals in mind, we urge DEQ to:

1. Restrict biomethane used for CPP compliance to only that which produces direct benefits for Oregonians;
2. Improve compliance and reporting requirements to support strong implementation of existing programs and inform future regulation with respect to use of hydrogen;
3. Strengthen emissions reduction requirements for new or expanded large stationary source facilities in Oregon under the CPP’s Best Available Emissions Reduction program; and
4. Limit the scope of compliance instrument redistribution and incentivize accurate reporting for non-natural gas fuel suppliers under the CPP.

We submit for your consideration the following comments and recommendations to strengthen the proposed rule amendments along these lines. We also submit comments and feedback on DEQ’s Fiscal and Racial Impact Statements for the 2023 Climate Rules, including recommendations for more accurately quantifying and balancing the full scope of costs and benefits of the proposed rule amendments.

I. Biomethane used for CPP compliance should produce benefits for Oregonians.

⁴ IPCC, Summary for Policymakers, A.6 (2023), available at https://report.ipcc.ch/ar6syr/pdf/IPCC_AR6_SYR_SPM.pdf.

⁵ Oregon Global Warming Commission 2023 Report to the Legislature, accessible at <https://www.keeporegoncool.org/s/2023-Legislative-Report.pdf>

A. To best implement the CPP, limit the eligible use of “book-and-claim” accounting to biomethane that is injected into a pipeline within Oregon.

As stakeholders engaged in CPP rule development and implementation, DEQ asked us to provide feedback about what geographic scope would be most appropriate for book-and-claim accounting for biomethane under the CPP; DEQ offered options ranging from biomethane injected *directly* into a pipeline in Oregon, to biomethane injected *anywhere* in the interstate pipeline system or provided to an end user outside of Oregon, regardless of whether it would ever make it to Oregon. We took this request seriously and considered which book-and-claim approach would be in line with Climate Protection Program goals, including: accurately and completely accounting for greenhouse gas emissions; providing compliance options and flexibility for regulated entities; providing certainty for regulated entities on use of biomethane for compliance; maximizing greenhouse gas emissions reductions and potential emissions reductions from biomethane; minimizing costs for consumers in Oregon, particularly environmental justice communities; and assessing any potential local benefits of biomethane production or use.

We have provided this feedback multiple times, as have a variety of other stakeholders during the public meetings. Despite our comments, the proposed rules do not impose any kind of meaningful limit that would ensure that biomethane purchased for CPP compliance would physically make it into Oregon to displace fossil gas. The rules instead make it as flexible as possible for major polluters to use out-of-state biomethane credits to comply with the CPP, making it less likely that these entities will either invest in Community Climate Investments or develop in-state resources for compliance, as we outline further below. Ultimately, as we have offered extensively in previous comments, the rules as written would be detrimental to achieving the overall clean air, public health, consumer and economic goals of the CPP, and contrary to DEQ’s mandate to “safeguard the air resources of the state” and “restore and maintain the air quality” of Oregon.⁶

Given these continued concerns, we once again strongly urge DEQ to limit the eligible use of book-and-claim to biomethane that is injected into a pipeline within Oregon, at least for purposes of the CPP. Doing so would preserve the ability of DEQ to more accurately account for greenhouse gas emissions reductions in the state, while maintaining certainty and flexibility for regulated entities. These limits would also help to ensure direct public health and economic benefits for environmental justice and other communities in Oregon.

As we have shared in previous comments, but that bears repeating, allowing the use of book-and-claim for out-of-state biomethane projects or investments is extremely problematic. **First, out-of-state biomethane projects and investments deliver *no direct benefits* to Oregon’s air quality, or its workers, ratepayers, or communities,** while the CPP’s existing, robust alternative compliance option (i.e, the Community Climate Investment (CCI) program) will provide substantial economic, health and job creation benefits to environmental justice and other Oregon communities while improving air quality in communities. In fact, it is unclear if out-of-state RNG delivers even **indirect** benefits to Oregonians. Since DEQ does not possess the authority to regulate CO₂ emissions from the combustion of biomass unless necessary to comply with the federal Clean Air Act, effectively requiring it to treat biomethane as a

⁶ ORS 468.015; ORS 468A.010; *see also* ORS 468A.015.

zero emissions fuel,⁷ and since the least expensive biomethane provides the least emissions-reduction benefits,⁸ we anticipate gas utilities will prioritize investments in biomethane that will do little to reduce greenhouse gas emissions even outside of Oregon. For purposes of the CPP, at least, DEQ has no control over whether RNG comes at the expense of food production or forests, feedstock sustainability, and whether the methane would have otherwise been released into the atmosphere. As Avista’s filing in support of its integrated resource plan makes clear, “[i]f purchasing RNG can be done at a cheaper price and satisfies model constraints for energy and environmental areas, the resource is selected.”⁹

Second, allowing book-and-claim reporting of biomethane injected either 1) into a pipeline outside of Oregon or 2) delivered directly to an end-user outside of Oregon would be superfluous as a flexibility mechanism; the CPP already provides significant flexibility and cost constraints for regulated entities. Perhaps more importantly, **allowing covered fuel suppliers to rely on out-of-state biomethane presents the alarming likelihood that investments will be diverted toward RTCs and away from the Community Climate Investment (CCI) program.** Through the CCI program, a fuel supplier or fossil gas utility is allowed to invest in **projects to reduce emissions in Oregon communities** – for example, replacing fossil gas appliances with electric heat pumps in an apartment complex – instead of directly reducing some of their own climate pollution. If this rulemaking allows for reporting and compliance of out-of-state biomethane (through the likely use of Renewable Thermal Certificates or RTCs) to count toward CPP compliance, gas utilities will take advantage of this avenue and purchase the cheapest RTCs they can, which will result in underinvestment in CCIs. Consider the filing made by Avista Utilities’ in support of its Integrated Resource Plan, in which it supports a pathway that relies on biomethane purchases (whether the fuel or just the credit) rather than purchasing the maximum number of CCIs. As Avista explains: “When considering least cost and least risk, CCI credits are not a long-term solution, so compliance risk remains and drives the need to acquire RNG or other alternative clean fuels.¹⁰ Facilitating purchases of RTCs offering no environmental or economic benefits to Oregonians, to the detriment of DEQ’s own program crafted specifically to bring robust benefits to Oregon’s environmental justice communities, would be a significant missed opportunity.

In modifying its rules, DEQ should compare its proposed treatment of biomethane to the current treatment of CCIs. The CPP specifies that CCIs must reduce anthropogenic greenhouse gas emissions in Oregon by an average of at least one MT CO₂e per CCI credit, reduce emissions of other air contaminants and promote public and environmental health in Oregon, and protect Oregon consumers from increases in fossil fuel prices. Further, the ability to purchase CCIs is limited by percentage, so a covered fuel supplier is not permitted to buy itself out of compliance while continuing to emit greenhouse gasses. The CCI entities are subject to DEQ approval, their work plans are subject to DEQ review and approval, and with oversight by an Equity Advisory Committee. **The choice DEQ makes in this**

⁷ ORS 468A.020(3).

⁸ See e.g. Or. Public Util. Comm’n, Avista’s 2023 Integrated Resource Plan, Docket No. LC 81, Table 4.3 at 4-16, and Table 4.4 at 4-26, <https://edocs.puc.state.or.us/efdocs/HAA/lc81haa114738.pdf> (landfill biomethane produces 41% less carbon than natural gas, as compared with dairy at -45% , but costs only \$9.62 per Dth, as compared with \$36.84 per Dth.)

⁹ Or. Public Util. Comm’n, Avista’s 2023 Integrated Resource Plan, Docket No. LC 81,, Reply Comments at 17 (Sept. 26, 2023), <https://edocs.puc.state.or.us/efdocs/HAC/lc81hac125055.pdf>.

¹⁰*Id.*

Rulemaking will impact the success of the CPP in achieving actual emission reductions in Oregon and impact energy costs for Oregon consumers for decades to come.

Finally, as DEQ considers rule changes to the GHGRP to determine compliance obligations for companies regulated by the CPP, we urge you to keep in mind the stated goals of the program. The CPP: 1) requires that covered entities reduce greenhouse gas emissions; 2) supports reduction of emissions of other air contaminants that are not greenhouse gases; 3) prioritizes reduction of greenhouse gases and other air contaminants in environmental justice communities; 4) and provides covered entities with compliance options to minimize business and consumer economic impacts. A perfect example of how these rules will undermine greenhouse gas emissions reductions, beyond those mentioned above, is the fact that, under these proposed rules, sources subject to BAER may demonstrate emissions reductions by purchasing RTCs associated with biomethane (or hydrogen) from anywhere in the country. Such an outcome would deeply conflict with the purpose of the BAER assessment, which is guided by rules focused on analyzing processes, equipment, technologies, and actions resulting in emissions reductions, environmental and health impacts, and energy impacts.¹¹ The CPP rules contemplate a BAER assessment process that results in science-based emissions reductions from stationary sources. DEQ's proposal to allow book-and-claim without any tie to carbon intensity, geographic limitations, or any other sensible guardrail will undermine any hope of achieving emissions reductions from covered stationary sources. The compliance and reporting requirements discussed in this RAC must align with the CPP's goals. **If DEQ is unable to meet the important mandates of the CPP with rules that are broadly applicable to other programs, it should initiate a separate rulemaking to adopt rules that will be suitable to the CPP and DEQ's existing authority.**

B. Alternatively, DEQ should follow the leadership of neighboring states and limit RNG to injections into pipelines flowing into Oregon.

In lieu of limiting eligibility to biomethane injected directly into a pipeline in Oregon, **we urge DEQ to at least limit eligibility to biomethane injected into pipelines that are reasonably likely to flow to Oregon.** As Commissioner Schlusser suggested during the recent EQC hearing, this might mean limiting purchases to biomethane that is injected into a pipeline west of the Opal Hub in Wyoming, as that could be considered a reasonable divide in the pipeline system. We urge DEQ to look at flow directions in our regional pipeline system and – at a bare minimum – limit biomethane book-and-claim for purposes of CPP compliance to fuel injections that have a reasonable likelihood of actually displacing fossil gas use in Oregon.

States with similar climate goals have imposed (or are considering) similar limitations. For example, the California Air Resources Board (CARB) Staff is exploring its Low Carbon Fuel Standard requirements to better ensure any accepted fuels satisfy the goals of the program. Staff is recommending that biomethane be directly delivered to California for physical consumption in the state, or meet deliverability requirements like those required for low-carbon intensity electricity.¹² California's Public Utilities

¹¹ OAR 340-271-0310(2)(d).

¹² Cal. Air Resources Bd., *California Low Carbon Fuel Standard* 35 (Sept. 28, 2023), <https://ww2.arb.ca.gov/sites/default/files/barcu/board/books/2023/092823/23-8-1pres.pdf>; *Low Carbon Fuel*

Commission, too, recognizes that allowing “[u]tilities to purchase renewable attributes separate from physical biomethane . . . would result in negligible to no direct environmental benefits to California, contradictory to the statutory and policy goals” of its biomethane statute.¹³ As a result, for its pilot biomethane program, it required the utilities to acquire 50% of the biomethane from within California or, if from out-of-state, that it provide “direct and measurable environmental benefits to California[.]”¹⁴

For purposes of its Climate Commitment Act, Washington also requires “a physical connection between the origin of the gas and the end user in Washington with physical flow within or towards Washington as well as a reasonable distance between pipeline injection and the end user in Washington[.]”¹⁵

In its Clean Heat Program, Vermont recognized the importance of directing “bundled” biomethane to be delivered to Vermont customers in order to achieve the fossil fuel reductions demanded by state policy. Since the point of the Clean Heat Program is to decrease emissions from fuels and heating systems within the state of Vermont, policy makers did not want the natural gas utility to contract with out-of-state entities to obtain RTCs to meet program requirements. Policymakers noted the importance of documenting “real” and “legitimate” emissions reductions that were not susceptible to double counting.¹⁶ Accordingly, biofuel physically delivered to homes and businesses in Vermont is eligible under the program. The gas utility must purchase the biogas and the RTCs, along with a contractual pathway for physical delivery to Vermont customers via a pipeline all the way to its service territory

Similarly, under its Clean Heat law, Colorado requires that “recovered methane” be delivered “to or within Colorado through a dedicated pipeline” or “through a common carrier pipeline if the source of the recovered methane injects the recovered methane into a common carrier pipeline that physically flows within Colorado or toward the end user in Colorado for which the recovered methane was produced.”¹⁷

Importantly, these states did not want to encourage “the *creation* of biofuels anywhere in the world—or even anywhere in North America or the U.S.”¹⁸ They also recognized the importance of changing behavior in the state, rather than serving as “an offsets support system.”¹⁹ DEQ should follow the lead of states with similar climate goals and avoid inadvertently creating an offset-like scheme that encourages the creation of biomethane.

C. We support DEQ’s definition of “biomethane” but urge reconsideration of “environmental attribute”

Standard 2023 Amendments: Standardized Regulatory Impact Assessment (SRIA) 9 (Sept. 8, 2023), https://ww2.arb.ca.gov/sites/default/files/2023-09/lcfs_sria_2023_0.pdf.

¹³ Cal. Public Util. Comm’n, Decision 20-12-022, Decision Adopting Voluntary Pilot Renewable Gas Tariff Program 20 (Dec. 12, 2020), <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M356/K268/356268059.PDF>.

¹⁴ *Id.*

¹⁵ Wash. Dept. of Ecology, Concise Explanatory Statement: Chapter 173-446, Climate Commitment Act at 218 (Sept. 2022), available at <https://apps.ecology.wa.gov/publications/documents/2202046.pdf>.

¹⁶ Richard Cowart & Chris Neme, Energy Action Network, *The Clean Heat Standard*, 27 (Dec. 2021), <https://www.eanvt.org/chs-whitepaper/>

¹⁷ S.B. 21-264, § 3 (Co. 2021), https://leg.colorado.gov/sites/default/files/2021a_264_signed.pdf.

¹⁸ Richard Cowart & Chris Neme, Energy Action Network, *The Clean Heat Standard*, 27 (Dec. 2021), <https://www.eanvt.org/chs-whitepaper/> (emphasis in original).

¹⁹ *Id.*

As DEQ has outlined in its rulemaking presentations and materials, we understand DEQ wishes to provide clarity and ensure consistency in the reporting of biomethane to support emission reduction programs, including HB 2021 and the CPP.

First, we strongly support DEQ’s current proposed definition for “biomethane,” which we understand would exclude synthetic methane produced from anthropogenic sources. Since the purpose of the CPP has always been to reduce anthropogenic emissions to address the worsening effects of climate change, and since the March 2023 IPCC report underscores the importance of reducing GHG emissions, DEQ must stand strong in this decision. Synthetic methane, which is comprised of carbon dioxide and hydrogen, is in essence natural gas. Whether combusting natural gas or synthetic methane, the pollution remains largely the same. Further, synthetic methane is extremely energy intensive to create, which significantly reduces any climate benefits. Additionally, synthetic methane is expensive, unavailable, and technologically infeasible. DEQ should not consider incentivizing this fuel in any way as it would merely prolong our reliance on fossil fuels.

Referring back to the goals of this process, we have some concerns with respect to DEQ’s current proposed definition for “environmental attribute.” In particular, we are concerned that the definition adds ambiguity about what is being claimed by the entity using book-and-claim and, more importantly, what is not. The definition could result in commodification of other environmental attributes other than what is called out in the definition; such a parsing of the RTC will open the door to greenwashing and harm to customers, and increases the likelihood of double counting attributes. For example, the Green-e Renewable Fuels Standard, understood to be the gold standard in environmental attribute certification, sets criteria for certification in order to promote high quality renewable energy. It specifically calls for the Renewable Fuel Certificate to “convey[] all attributes of a unit of renewable fuel from production until delivery to a renewable fuel consumer.”²⁰ Similarly, 1) the Clean Fuels Program finds no need for an environmental attribute definition, and 2) the regulatory definition for a REC in Oregon is broadly defined to include all social, environmental and economic value that can be gained from renewable energy. We note, too, that the Clean Fuels Program requires that any claim made in the CFP using a book-and-claim accounting method “must retire RTCs or RECs that embody the full environmental attributes of that fuel in an electronic tracking system approved by DEQ.”²¹ Additionally, “[t]he environmental attributes embodied by that RTC or REC must not have been used or claimed in any other program or jurisdiction” with just a few exceptions.²² It is not clear at all to us why biomethane would be treated differently under the CFP than it would under the GHGRP applicable to the CPP. This is especially true where there is a desire to align programs where appropriate.

In summary, the definition of “environmental attributes” should be deleted as it puts the State in a position of facilitating greenwashing. Instead, it should require the retirement of the RTC or REC just as the CFP requires. DEQ’s definition of biomethane accurately describes the fuel and should remain as drafted.

²⁰ Center for Resource Solutions, Green-e Renewable Fuels STandard, Version 1.0 at 6 (Sept. 16, 2021), available at <https://www.green-e.org/docs/rf/Green-e%20Renewable%20Fuels%20Standard.pdf>.

²¹ OAR 340-253-0600(6)(a).

²² OAR 340-253-0600(6)(a).

II. DEQ should improve compliance and reporting requirements to support the strong implementation of existing programs, but should not permit the use of book-and-claim accounting for hydrogen absent authority to regulate its production methods.

We urge DEQ to consider broader implications of hydrogen production and use and, importantly, given statutory limitations over the production of hydrogen outside of Oregon, refuse book-and-claim accounting for hydrogen applications.

A. Avoid book-and-claim accounting for hydrogen at this time.

Oregon is swiftly moving away from carbon intensive hydrogen production and toward green electrolytic hydrogen, and we want to encourage that trajectory. A few things to be mindful of as we look across the policy landscape:

- ODOE undertook a high level study on hydrogen in 2022 and will likely continue looking at the issue with a focus on carbon intensities of various production processes and a merit order of deployment to ensure optimal and efficient use of hydrogen for hard-to-decarbonize sectors.
- Federal funding is becoming available for hydrogen pilot projects, with strong preferences and incentives for green electrolytic hydrogen.
- The Northwest Hydrogen Hub is considering pilot projects, all of which will likely involve green electrolytic hydrogen.
- HB 2530, passed by the legislature in the 2023 session, establishes a definition for green electrolytic hydrogen and ties that definition to our efforts to secure federal dollars.

Despite all of these policy signals, we know that it will be years before green electrolytic hydrogen is the predominant form of hydrogen used by fuel suppliers. Until then, by far the primary feedstock for hydrogen will be methane. As RMI reminds us, “[A]ll methods of production will require additional regulations to meet the mark. Supply chains must be strictly managed with a cradle-to-gate view on emissions to maximize hydrogen’s climate benefits.”²³ Given DEQ’s jurisdictional restrictions, it is unwise to capture in rules a book-and-claim system for hydrogen; indeed, the International Energy Agency recommends that regulations refer to the emissions intensity of hydrogen production.²⁴

Accordingly, given the limitations on DEQ’s authority to regulate alternative fuels on a lifecycle basis under the CPP, we urge DEQ to avoid accepting attributes from hydrogen through a book-and-claim system until it can ensure that doing so will actually produce meaningful greenhouse gas emissions reductions.

B. DEQ should improve its hydrogen reporting criteria

²³ Tessa Weiss, Kaitlyn Ramirez, RMI, Five Hydrogen Myths-Busted (Aug. 23, 2023), <https://rmi.org/five-hydrogen-myths-busted/>.

²⁴ IEA, Hydrogen, “Establish appropriate certification schemes,” available at <https://www.iea.org/energy-system/low-emission-fuels/hydrogen#overview>.

In its 2022 report, “Renewable Hydrogen in Oregon: Opportunities and Challenges,” ODOE acknowledged the difficulty of collecting data on hydrogen use. The agency recommended development of “a more in-depth inventory of current hydrogen use in the state.”²⁵ Data is the foundation for a more comprehensive and informed statewide hydrogen policy – one that focuses on limited and efficient deployment of green electrolytic hydrogen for hard-to-decarbonize sectors and phases out carbon intensive forms of hydrogen production.

Recognizing that hydrogen is an emergent type of energy carrier, and the state and federal policy landscape for hydrogen continues to evolve, transparent and accurate reporting of information related to hydrogen is necessary to ensure informed policy decisions around the optimal role of hydrogen in the transportation, buildings, and energy sectors moving forward. We strongly recommend that DEQ add additional requirements for reporting lifecycle emissions for hydrogen. Specifically, with regard to the new requirements on emissions data reports, under (5)(b)(D) Feedstock(s) used to produce the gas; and (E) Production method. We encourage DEQ to demand additional information in this section, including:

- The provider of the feedstocks, where and how feedstocks were produced, and the carbon intensity of producing the feedstock;
- Production method carbon intensity and specs or schemata of the production method; and
- Carbon intensity of electricity used in an electrolyzer to produce hydrogen. Electrolytic hydrogen is likely to be the prevailing technology due to the incentives and policies identified above. However, electricity from the grid can have markedly different carbon intensities. Data on carbon intensity of electricity for electrolyzers should be reported, along with information on whether clean electricity sources are existing or additional.

III. Emissions reduction requirements should be strengthened for new and expanded large stationary source facilities in Oregon under the CPP’s Best Available Emissions Reduction (BAER) program.

A. Strengthen BAER Treatment for Stationary Sources

As our organizations repeatedly expressed through written and verbal comments throughout the initial CPP rulemaking process, it is vital that large industrial emitters be held accountable for their significant climate pollution by ensuring regulation of both fuel combustion and process emissions from stationary sources. Moreover, many of our organizations expressed strong concerns during the initial rulemaking about DEQ’s proposal to exempt stationary sources from binding emissions reduction requirements and instead regulate these emissions through a BAER approach. We repeatedly recommended that industrial source emissions come under the program’s emissions cap to assure the best outcomes for achieving Oregon’s greenhouse gas (GHG) reduction goals while improving air quality and public health in impacted communities. We urged DEQ to require mandatory reductions in process-based GHG emissions that increase in stringency over time, consistent with the CPP’s science-backed, declining emissions cap.

²⁵ Or. Dept. of Energy, Renewable Hydrogen Report (2022), available at [2022-ODOE-Renewable-Hydrogen-Report.pdf](#)

Contrary to our strong and repeated recommendations, the final EQC-adopted CPP rules provided a BAER approach for stationary sources to comply with the CPP, meaning that emissions from stationary sources could very well increase under this program. Unfortunately, since the adoption of the final CPP rules in 2021, increasing emissions from Oregon’s industrial sector has become a reality. As one example, Amazon is seeking multiple permits to build or expand operations at several energy-intensive, fossil gas-powered data centers in Eastern Oregon. These data centers alone will result in an enormous increase in gas use and GHG emissions. Further, in the 2023 legislative session, lawmakers adopted the “Oregon CHIPS Act,” which provides \$210 million in funding and creates land use exemptions to accelerate the development of semiconductor plants or other advanced manufacturing facilities. In the last week, Portland General Electric has sharply increased its future load forecast, primarily due to industrial growth and increasing data center demand on the horizon.²⁶ Given the increasing inevitability of a growing industrial sector, it is especially critical that DEQ use this rulemaking to strengthen the integrity of the BAER program.

As the only existing state regulation on major industrial emitters, **responsible for roughly 20% of our state’s total GHG emissions**, it is vital that the CPP works to ensure science-based emissions reductions from existing stationary sources and deter development of new stationary sources in Oregon. In fact, DEQ’s preliminary CPP reference case modeling estimated that industrial emissions will *increase* by 28% between 2018 and 2050.²⁷ We believe DEQ should use this rulemaking opportunity to ensure the CPP adequately deters expansion of existing sources or development of new stationary sources of process-based GHG emissions that will make it more difficult for Oregon to meet its GHG emissions targets, and that will harm local communities.

Continuing to enable the development of new sources or expansion of existing sources flies in the face of DEQ’s stated equity and emissions goals under the CPP. Particularly given recent, historic federal investments in industrial decarbonization—including more than \$20 billion from the 2022 Inflation Reduction Act, an estimated \$67 billion from the 2022 CHIPS and Science Act, as well as forthcoming investments from the CPP’s Community Climate Investment program—that will accelerate industrial efficiency upgrades and other technological advancements, **there is no reasonable excuse to continue to allow the development of new sources, or allow the expansion of existing facilities, with the potential to emit unfettered climate pollution in Oregon.**

We are therefore concerned that DEQ’s proposed rules continue to exempt these sources from mandatory declining emissions reductions and maintain the two-part threshold for requiring pre-construction BAER review for permit modifications. While we appreciate DEQ’s efforts to provide clarity for existing stationary sources seeking to increase greenhouse emissions and require these sources to conduct a BAER assessment before completing their proposed permit modification, we do not believe that the proposed two-part threshold is adequate or necessary. Further, the discretion afforded DEQ to determine whether a

²⁶ PGE, facing clean energy challenge, revises load forecast sharply higher as data centers sprout, Portland Business Journal, July 11, 2023: <https://www.bizjournals.com/portland/news/2023/07/11/pge-new-annual-energy-needs-44-higher.html>

²⁷ Or. Dept. of Env’tl. Quality & ICF, Oregon Climate Protection Program: Modeling Study on Program Options 9 (2021), <https://www.oregon.gov/deq/Regulations/rulemaking/RuleDocuments/ghgcr2021modStudyResults.pdf>.

modification represents a significant change to equipment or processes, such that a BAER assessment is required, is troubling,²⁸ as is the elimination of authority to DEQ to require a BAER assessment later.²⁹

We again strongly urge that any new stationary source or any proposed modification that has the potential to emit GHGs in any quantity should complete a BAER assessment prior to construction. Facilities must be incentivized to install technologies and seek operational changes to reduce emissions from the outset. Such an approach will help Oregon’s manufacturing sector remain competitive as economies around the world continue to decarbonize. As the BAER program currently operates, large stationary sources have no incentive to consider new technologies or change processes to maximize emissions reductions unless their actual emissions exceed 25,000 MT CO₂e annually and DEQ mandates a technology or operation change.

However, if DEQ is unable, due to resource constraints and workload balancing, to require BAER assessments for all new or modified sources with the potential to emit GHGs in any quantity, we recommend that DEQ instead lower the threshold to require any source with a potential to emit (PTE) above 5,000 MT CO₂e per year to undertake a BAER assessment. Noting, again, that these sources do not fall under the cap, contrary to treatment of industrial sources in both California’s cap and trade program and Washington’s cap-and-invest program, Oregon should not position itself as the state welcoming industrial polluters seeking access to ports and rail infrastructure, which are also trying to avoid stringent emissions regulations of other West Coast states.

Finally, to ensure that covered stationary sources actually achieve real, verifiable GHG emissions reductions, we once again strongly urge DEQ to add provisions in the rules that convert a source’s BAER determination into a mandatory emissions limit that will be incorporated into the source’s air pollution permit.³⁰ The CPP is a remarkable regulation, but the BAER component requires careful oversight to achieve the modeled emissions, equity, and economic benefits. Continuing to exempt these sources from binding emissions reduction requirements will not only undermine the climate potential of the CPP, but will also fail to capitalize on unprecedented federal incentives for technological innovation and advancement. As we have learned from other states and countries’ experiences, a declining emissions limit on industry is what paves the way for upgrades like electrification and super efficient boilers, and for innovations in cleaner, less carbon intensive manufacturing.

B. Issue Basic ACDPs

As we indicate above, we continue to urge reconsideration of DEQ’s decision to allow new sources to operate in Oregon that produce process-based GHG emissions. Nevertheless, we appreciate DEQ’s desire to anticipate sources that do not yet exist but which will be subject to BAER. Given the apparent inevitability of new industrial emitters coming online in Oregon, it is appropriate for DEQ to require such

²⁸ Or. Dept. of Env’tl. Quality, Notice of Proposed Rulemaking, Climate 2023 Rulemaking, Appendix of Proposed Rules, Proposed OAR 340-271-0310(1)(c)(A) (Aug. 22, 2023).

²⁹ Or. Dept. of Env’tl. Quality, Discussion Draft Rules- Div 216 and Div 271, 340-271-0310(1)(c)(C) (June 27, 2023), available at <https://www.oregon.gov/deq/rulemaking/Documents/c2023m3Rulesacdp.pdf>.

³⁰ Please see recommended redline rule changes regarding translating BAER orders into mandatory emissions reductions submitted as part of DEQ’s 2021 CPP rulemaking, accessible at: https://drive.google.com/file/d/1G2f0tHPyn_xA7RX6zLKad9_IQ6EOgf7v/view?usp=sharing

facilities to apply for a basic permit in order to confirm whether the source is subject to BAER. We reiterate our concern that new industrial facilities are frequently sited in environmental justice communities that already face air pollution and climate change impacts. We urge DEQ to add safeguards to protect local communities and prevent new industrial sources from impairing Oregon’s GHG emissions reduction progress.

C. Permitting Now Will Save Time in the Long-Run

Some RAC members expressed concern about the time it might take for DEQ staff to process new permits. In response, we note that DEQ’s decision to proactively evaluate sources in advance of construction efforts will save applicants time and money in the long-term. Retroactively correcting errors will impose burdens on both DEQ staff and the regulated entity.

D. Reflect the Public Process in the BAER Rules

For the benefit of stakeholders, impacted communities, and the regulated sources themselves, we appreciate DEQ’s proposed rule changes to clarify public engagement on BAER assessments. Given the impacts to communities from source operations, we applaud DEQ’s proposal to incorporate into the CPP rules requirements that the public be notified of and offered the opportunity to provide input at multiple stages of the BAER process. Specifically, we strongly support DEQ’s proposed rule changes requiring public notice and at least a 30-day comment period after (1) a facility submits its BAER assessment to DEQ and (2) DEQ publishes the draft BAER order.

IV. Limit the scope of compliance instrument redistribution.

We appreciate DEQ’s efforts to adjust the evaluation period for distribution of compliance instruments from three years to one year, to more quickly integrate new covered fuel suppliers and limit the extent to which covered suppliers rely on the compliance instrument reserve.

We understand and appreciate that DEQ’s proposed rule changes to the compliance instrument methodology would not impact the overall number of compliance instruments distributed for non-natural gas fuel suppliers. However, we are concerned about potential adverse effects of increasing the number of compliance instruments distributed to new covered fuel suppliers. We urge DEQ to consider additional criteria to ensure that the CPP effectively encourages early emission reductions and mitigates harm to environmental justice communities.

Specifically, we urge DEQ to limit the redistribution of compliance instruments to situations where necessary to advance the CPP’s equity goals and mitigate harms to environmental justice communities in Oregon. Fuel suppliers that cause or contribute to air pollution that threatens public health in environmental justice communities should not be eligible to receive additional compliance instruments. Likewise, regulated fuel suppliers should be required to demonstrate that they have implemented emissions reduction plans before being eligible to receive additional compliance instruments.

V. Fiscal and Racial Impact Statements

As we have expressed in written and verbal comments throughout this rulemaking process, the issues and proposed rule changes under consideration will have far-reaching consequences for the climate and communities in Oregon. By designing guardrails and pathways for regulated entities to comply with Oregon’s cornerstone CPP, this rulemaking – if done well – will be vital to ensuring our state stays on track to achieve our climate goals, and to delivering public health, economic, and employment benefits for environmental justice communities in Oregon. However, given the broad scope of issues and laws touched by this proceeding, there could be very serious unintended consequences if impacts to communities and the climate are not sufficiently considered.

Indeed, as DEQ rightfully notes in its racial impact statement, “Insofar as these proposed amendments support and could improve that implementation, the proposed amendments would continue to support the overall goals of the Climate Protection Program.”³¹ Unfortunately, under the current proposed rule amendments, the converse will be true. Rather, **by undermining the integrity of the CPP, the current proposed rule amendments will severely compromise the public health, economic, and employment benefits for environmental justice communities in Oregon, and will very likely hinder benefits for Oregon consumers, workers, and local economies across the state.**

Given that these proposed rule amendments constitute policy decisions with far-reaching consequences for local economies and communities of color in Oregon, the impacts of those decisions must be reflected in the fiscal and racial impact statements. We are therefore surprised and concerned that the fiscal impact statement does not include *any* anticipated direct impacts to the public, and that “DEQ has not identified any significant positive or negative implications for racial equity.”³²

We offer the following comments to improve DEQ’s fiscal and racial impact statements to more adequately and accurately capture the far-reaching impacts of the proposed rule amendments, as well as recommendations for how DEQ might mitigate these impacts.

A. Compliance Costs and Direct Fiscal and Equity Impacts

The Fiscal Impact Statement adopted for the 2021 CPP rules rightfully acknowledged that directly reducing emissions has the potential to benefit business for covered entities, as well as to benefit Oregon’s economy as a whole. This assessment is in line with economic analyses that have clearly shown that emissions reductions can serve to reboot our economy and set it up for long-term success. Recent Energy Innovation modeling found that—if well implemented—the CPP, along with other recently-adopted Oregon climate policies, will add nearly 10,000 jobs and \$2.5 billion to Oregon’s GDP in 2050. Strong implementation will also avoid 600 asthma attacks and 40 premature deaths annually in 2050, with avoided deaths 40 to 90 percent greater for people of color. The modeling found that these health care benefits will amount to a cumulative \$49 billion in avoided health care costs through 2050.

³¹ Or. Dept. of Env’tl. Quality, Notice of Proposed Rulemaking, Climate 2023 Rulemaking at 49 (Aug. 22, 2023).

³² *Id.* at 48.

However, these benefits are only realized through strong implementation. It is therefore vital that DEQ acts to protect the integrity of the CPP, by ensuring emissions reductions, air quality improvements, and associated public health, jobs, and economic benefits remain in Oregon.

As discussed at length above, by allowing gas utilities to comply with the CPP through investments in out of state biomethane projects or renewable thermal credits, DEQ's current proposed rule amendments will significantly hinder benefits for environmental justice and other communities in Oregon. **Allowing reliance on out-of-state biomethane or hydrogen projects as a means of compliance is not economical and could create higher compliance costs for utilities and consumers than other decarbonization strategies.** For example, E3 modeling for the California Energy Commission found that the lowest-cost pathway to eliminate direct emissions from commercial and residential buildings is to electrify. In the building sector, the shift from natural gas to electric systems and appliances also carries substantial cost savings. For example, the American Council for an Energy-Efficient Economy estimates that high-efficiency electric heat pumps save Oregon consumers approximately \$2,000 to \$3,000 over the systems' lifetimes when compared to gas furnaces. Leading deep decarbonization studies for West Coast states confirm it is more cost effective to electrify most current uses of natural gas (coupled with deep energy efficiency), particularly for reducing these emissions in residential and commercial buildings.

By choosing to allow out-of-state biomethane projects and investments—which deliver no direct benefits to Oregon's air quality, or its workers, ratepayers, or communities—DEQ's proposed rule amendments threaten to compromise these cost savings benefits for consumers. Further, in slowing or delaying demand-side electrification, these proposed rule changes could very well increase costs for Oregonians.³³

At the same time, by enabling out of state investments in biomethane as a compliance option for covered gas utilities, these proposed rule changes are likely to significantly reduce reliance on CCIs, thereby undermining the associated economic, health and job creation benefits to environmental justice and other Oregon communities and improving air quality in their communities. Diverting investments from the CCI fund will have adverse economic impacts, hindering job opportunities for local contractors and other workers, including BIPOC-owned businesses, and other businesses serving environmental justice communities, in conducting CCI-funded projects. **Unlike out-of-state biomethane projects, investments in CCI and other projects in Oregon will have a multiplier effect in that these benefits cannot be exported out of state, but rather circulate multiple times in our own economy and therefore further boost Oregon's economic growth and job creation.**

At the same time, by failing to limit emissions reductions from new and expanded large industrial polluters under the BAER program, the proposed rule amendments could very well hinder industrial innovation and technological development and the associated benefits to the state economy as a whole. Further, by enabling the development of new sources or expansion of existing large stationary sources that contribute to significant air and climate pollution in Oregon—allowing emissions from these sources to continue unabated—the current proposed BAER rule amendments could have negative impacts for air quality and public health for neighboring environmental justice communities in Oregon. DEQ may

³³ Evolved Energy Research, Oregon Clean Energy Pathways Final Report (June 15, 2021): https://uploads-ssl.webflow.com/5d8aa5c4ff027473b00c1516/60de973658193239da5aec7b_Oregon%20Clean%20Energy%20Pathways%20Analysis%20Final%20Report.pdf.

mitigate these adverse fiscal and racial impacts by strengthening emissions reduction requirements for new or expanded large stationary source facilities in Oregon.

B. Additional Adverse Impacts to Environmental Justice Communities, Small Businesses, Local Governments and Economies

Climate change is already producing devastating impacts for Oregon’s economy and frontline communities. As underscored by OHA’s recent Climate and Health in Oregon report, these climate hazards disproportionately harm the health and wellbeing of communities of color, Tribal communities, low-income, and other environmental justice communities more than other populations.³⁴ The destruction caused by recent climate-fueled weather events and natural disasters, such as wildfires, droughts, and unprecedented heat waves, have price tags in the billions of dollars. The 2023 Oregon Climate Change Research Institute’s Sixth Oregon Climate Assessment emphasized that “Oregon’s economy and gross domestic product (GDP) remain highly impacted” by climate change, threatening multiple sectors, industries, and communities across the state. These costs are projected to rise dramatically as the climate crisis worsens.³⁵

By diverting investments that would otherwise reduce air and climate pollution, improve resilience, and create jobs, and by enabling fossil gas and industrial emissions to persist, in environmental justice communities in Oregon, DEQ’s current proposed rule amendments stand to exacerbate these economic and racial impacts. We once again encourage DEQ to revise the fiscal and racial impact statements to more adequately reflect the adverse impacts of the current proposed rule amendment to local governments, jobs, and businesses.

VI. Conclusion

For the above reasons, we strongly encourage DEQ to strengthen its proposed rules to protect and strengthen our cornerstone climate programs including the CPP by prioritizing emissions reductions *and* associated local air quality, public health, energy affordability, and jobs benefits in Oregon.

We appreciate the opportunity to provide comments and all the work DEQ staff have put into this process. We hope the final rules will be strengthened so that the input of community groups, climate and energy experts, and other stakeholders are taken into account and, ultimately, so that the integrity of our state’s landmark climate policies is upheld.

Sincerely,

³⁴ Or. Health Auth., Climate and Health in Oregon, 2021-2022 Report 4-6 (June 22, 2023), https://www.oregon.gov/oha/PH/HEALTHYENVIRONMENTS/CLIMATECHANGE/Documents/le-105251_23.pdf.

³⁵ Fleishman, E., Sixth Oregon Climate Assessment, Or. Climate Change Research Inst., Or. State Univ. (2023), <https://blogs.oregonstate.edu/occri/oregon-climate-assessments/>

Teryn Yazdani
Staff Attorney and Climate Policy Manager
Beyond Toxics

Martin Desmond
President
Citizens for a Better Lincoln County

Jeff Hammarlund
Co-Chair
Climate, Energy and Environment Team
Consolidated Oregon Indivisible Network

Karen Harrington
Legislative Committee, Chair
Climate Reality Project, Portland Chapter

Greer Ryan, *Clean Buildings Policy Manager*
Joshua Basofin, *Clean Energy Policy Manager*
Climate Solutions

Audrey Leonard
Staff Attorney
Columbia Riverkeeper

Charity Fain
Executive Director
Community Energy Project

Stuart Liebowitz
Facilitator
Douglas County Global Warming Coalition

Catherine Thomasson, MD
Vice Chair
DPO Environmental Caucus

Molly Tack-Hooper
Supervising Senior Attorney
Earthjustice

Britt Conroy
Ecumenical Ministries of Oregon

Wendy Woods
Co-Founder
Electrify Corvallis

Brian Stewart
Co-Founder
Electrify Now

Kjellen Belcher
Manager, U.S. Climate Policy
Environmental Defense Fund

Nora Lehmann
Founding Member
Families for Climate

Carra Sahler
Director and Staff Attorney
**Green Energy Institute at Lewis & Clark
Law School**

Brett Baylor, Rick Brown, Linda Craig, Pat
DeLaquil, Dan Frye, Debby Garman, KB
Mercer, Michael Mitton, Rich Peppers, Rand
Schenck, Jane Stackhouse, and Catherine
Thomasson
Steering Committee
Metro Climate Action Team

Angus Duncan
Consultant
Natural Resources Defense Council

Lenny Dee
President
Onward Oregon

Tim Miller
Director
Oregon Business for Climate

Nora Apter
Climate Program Director
Oregon Environmental Council

Debra Higbee
Conservation Committee Chair
Oregon Chapter Sierra Club

Patricia Hine
President
350 Eugene

Richenda Fairhurst
Oregon Interfaith Power & Light (OIPL)

Dineen O'Rourke
Campaign Manager
350 PDX

Grace Doleshel
Pacific Northwest Field Organizer
Our Climate

Philip Carver
Co-Coordinator
350 Salem

Ira Cuello-Martinez
Policy and Advocacy Director
PCUN

Debby Garman
Team Lead
350 Washington County

David De La Torre
Healthy Climate Program Director
Physicians for Social Responsibility

Alessandra de la Torre
Advocacy and Programs Director
Rogue Climate

Hogan Sherrow
Director
**Rural Oregon Climate Political Action
Committee (ROCPAC)**

Alan Journet
CoFacilitator
Southern Oregon Climate Action Now

Thor Hinckley
Oregon Steering Committee Member
Third Act Oregon

Cheyenne Holliday
Energy, Climate, and Transportation Manager
Verde

Diane Hodiak
Executive Director
350 Deschutes

Comment # 181

From: EAndersson@sedcor.com

Subject: Comments re: Climate Action Plan Rulemaking

Please see attached.

Thank you.

Erik Andersson / President / SEDCOR / 626 High Street NE, #200 / Salem, OR 97301

503.837.1800 / eandersson@sedcor.com

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Number of commenters: 1



October 13, 2023

Oregon Department of Environmental Quality
Attention: Nicole Singh and Elizabeth Elbel
4026 Fairview Industrial Drive SE
Salem , OR 97302

President
Erik Andersson

2023-2024
Executive Council

Chair
Kate Schwarzler
Indy Commons

Vice-Chair
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Willamette Valley Bank

Secretary/Treasurer
Tim Murphy
DCI

Past Chair
Mike Keane
Garrett Hemann Robertson

Members at Large

Michael Fowler
Cabinet Door Service

Tim Murphy
DCI

Scott Snyder
The Grand Hotel in Salem

Keith Stahley
City of Salem

Colm Wills
Marion County
Commissioner

RE: Rulemaking for Climate Protection Program

Ms. Singh & Ms. Elbel:

The Strategic Economic Development Corporation (SEDCOR) is a 501(c)(6) nonprofit organization providing economic development services to the Mid-Willamette Valley region. SEDCOR recognizes the challenges that we face as we collectively work to address climate change and its impacts.

As one of our utility partners in our economic development work, NW Natural is a leader in working toward decarbonization, exemplified by its renewable natural gas initiative. But we are concerned about the cost and effectiveness of the Climate Action Program as currently proposed and urge you not to further increase costs by imposing geographic limitations on renewable natural gas (RNG).

Limiting opportunities for development will decrease supply and ultimately increase costs. Arbitrary geographic boundaries for RNG would be akin to excluding wind and solar resources from outside of Oregon, preventing the state from meeting our clean electricity goals. Additionally, arbitrary geographic boundaries do not cut more carbon, and in fact, will limit carbon reduction opportunities.

Oregon's processors and manufacturers compete on an international scale; these types of policies ultimately would raise production costs, and the region would quickly become less competitive for future investment. Please keep costs down and focus this program on quantifiable solutions to address climate change.

Thank you for your consideration.

Respectfully,

A handwritten signature in black ink, appearing to read "Erik Andersson", written in a cursive style.

President

Comment # 182

From: robertaccio@comcast.net

Subject: letter re Climate Action Plan

Please consider the attached letter as testimony on the Climate Action Plan.

Number of commenters: 1

Friday, October 13, 2023

Ms. Elizabeth Elbel and Ms. Nicole Singh
Oregon Department of Environmental Quality
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

Dear Ms. Elbel and Ms. Singh,

I am writing to you about the rulemaking currently in process under the Climate Protection Program. My wife and I are retired Oregonians on a fixed income. We are not by any means indigent. I am not so concerned that the Climate Protection Program will significantly impact our ability to maintain a reasonable standard of living for the few years we have left as I am about the economic future of my daughter and grandson.

The question you and every Oregonian must honestly answer is: “how much am I willing to lower my standard of living – and that of my children – to achieve my climate goals?” In other words, in spite of what climate activists – many of whom are well-paid to advocate for drastic solutions - tell you, cost matters. A rising tide may float all boats, but it also drowns all coasts.

I find it interesting that people can be very serious about trying to reduce everyone else’s carbon footprint while voraciously consuming the latest in personal electronic technology. 5G, 10G, 100G, when will it all end? The giant sucking sound you hear is all the new data centers required by Moore’s Law and the huge amounts of electricity they consume. Not to mention that wind and solar are still expensive and still unreliable. I’m struck every time I drive up the Gorge and beyond how few of those wind turbines are actually turning and generating electricity.

In this era, when more and more Oregonians struggle to find adequate housing and adequately compensated employment in the face of the rapidly rising cost of almost everything, the amount of money that will get passed on to the citizenry to pay for climate solutions will exacerbate the divide between the haves and the have-nots. It is foolish to impose radical measures which are not yet technically feasible or for which we don’t have the infrastructure to implement.

I used to be in the construction materials industry, which is heavily dependent on trucking. Everybody agrees that we need to transition away from diesel as a primary fuel, toward less carbon-heavy alternatives. Yet the state has rejected renewable natural gas as an alternative, even though it has shown proven results in the Los Angeles basin and elsewhere. It is a technology that is available NOW, not in a decade or more.

There are those who might point with pride in having Oregon the most stringently regulated place in the nation, or the world. However, being out of step with everyone else comes at a cost. If we impose onerous standards on our local businesses that render them non-

competitive in the global market we lose, among other things, our main source of high-paying well-benefitted blue-collar jobs, as well as the revenues those companies plough into our economy in terms of purchasing local goods and services and paying local taxes. If Intel moves to Ohio, so does Intel's money.

In short, we will rise or fall with the rest of the world. As much as our climate activist friends want to point to their own singular accomplishments, we cannot afford their hubris. You are in a critical position, and you are no doubt being assailed by all sides. Your path, as I see it, is the path of reasonableness. What will work for everybody? How can we manage to move toward a lower carbon future and keep Oregon's economy strong?

We are already seeing that, in spite of the Governor's best efforts, we cannot build our way out of the homeless crisis because affordable housing is too damned expensive to construct. In general, government is demanding more and more, even though it's pretty obvious that government is a pretty inefficient deliverer of services. Constructing an elaborate and expensive regulatory framework to oversee climate reduction strategies could easily cause our already overtaxed (pun intended) economy to implode.

There are two interrelated things to remember here: traded sector goods are essential to a sound economy. Without bringing in revenue from the global market you're just chasing your tail (government grants are like a Las Vegas casino – you never get back everything you invest). The second, and most important thing is that private investment capital drives everything. If you don't maintain a climate where business can thrive, all the regulations in the world won't save you. You won't have a job any more because nobody will be around to pay the bills.

Your agency is in a position to do a great deal of good. You are tasked with finding a way forward to a more climate-friendly future. Nobody – at least no reasonable person – disputes the need. However, neither does any reasonable person who doesn't have a vested interest in promoting radical solutions think it's a good idea to wreck the economy while we do it.

Oh, and one other thing: climate activists are like anti-abortionists. If and when they win, they're out of a job. That's why they keep pushing for more.

Peace, love and beach party,

Bob Short
1210 SW 61st Court
Portland, Oregon 97221
971.254.8171
robertaccio@comcast.net

PS Please do not publish my phone number or email address. They are for your use only. I don't need any more junk email and phone calls.

Comment # 183

From: smsdeep1@gmail.com

Subject: DEQ

Lavdeep Singh

Number of commenters: 1

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

During a recent DEQ climate Rulemaking Public Hearing on September 18th, it became clear that some groups have reservations about allowing covered entities in Oregon to use book and claim accounting for Bio-Methane from other states. However, these groups seem to support the use of electric vehicles made outside Oregon and the importation of out-of-state electricity, even without direct economic benefits to our citizens. This creates a difference in standards between Bio-Methane and out-of-state electricity.

We urge DEQ to maintain the current regulations for Bio-Methane without further changes. Book and claim accounting has worked well for using out-of-state Bio-Methane in Oregon's electricity generation. Changing these rules could lead to higher electricity costs, impacting consumers, including those in environmental justice communities. To minimize costs and achieve equity, DEQ should refrain from altering existing regulations. Technological advancements can help with CO2 levels, but economic distress from hasty rule changes cannot be easily reversed.

We believe Bio-Methane should not be subject to geographical constraints for book and claim reporting. There should be no requirements to inject Bio-Methane into an Oregon natural gas pipeline, no restrictions on vintage use for greenhouse gas reporting, and no time constraints. Bio-Methane should be allowed to be claimed and delivered to end-users in Oregon, even if it displaces natural gas used in a connected pipeline.

The book and claim regulations established by DEQ at the start of the Greenhouse Gas Reporting program should remain unchanged. They strike a balance between environmental concerns and our state's energy infrastructure needs.

Hydrogen, especially "Gray" and "Blue" Hydrogen, is a lower emissions alternative worth considering. Electric vehicles, while promoted as environmentally friendly, are not entirely carbon neutral, and their production outside Oregon doesn't benefit our state's economy. We must consider the entire lifecycle and make informed decisions.

Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

Comment # 184

From: Ryan.Kenny@cleanenergyfuels.com

Subject: Rulemaking Comment

Hello,

Please find attached a comment letter from Clean Energy on the Climate 2023 Rulemaking: Appendix of Proposed Rules.

Thank you,

Ryan Kenny

Senior Public Policy & Regulatory Affairs Advisor Western U.S.

Mobile: 949-536-1962

ryan.kenny@cleanenergyfuels.com

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Number of commenters: 1



Ms. Nicole Singh and Ms. Elizabeth Elbel
Oregon Department of Environmental Quality
811 SW Sixth Avenue
Portland, OR 97204-1390

October 13, 2023

Re: Climate 2023 Rulemaking: Appendix of Proposed Rules

Dear Ms. Singh and Ms. Elbel:

On behalf of Clean Energy, I would like to provide the following comments regarding the appendix to the Notice of Proposed Rulemaking for the Office of Greenhouse Gas Programs' Climate 2023 Rulemaking that was published on August 22, 2023.

We would like to express our support for only this portion of the proposed definition for "Book and Claim" within the Greenhouse Gas Reporting Program (GGRP):

"Book and Claim" refers to the accounting methodology where the environmental attributes of an energy source are detached from the physical molecules when they are commingled into a common transportation and distribution system for that form of energy. The detached attributes are then assigned by the owner to the same form and amount of energy when it is used.

However, we urge that the last sentence be amended:

From: "For the purposes of this division, the common transportation and distribution system must be connected to Oregon"

To: "For the purposes of this division, the common transportation and distribution system must show that there is connectivity to demonstrate the energy source could deliver to Oregon."

As North America's largest provider of renewable natural gas (RNG) transportation fuel with over twenty-six years of leading industry experience, we provide construction, operation and maintenance services for refueling stations. We have a deep understanding of the growing marketplace, and our portfolio includes over 550 stations in 43 states, including Oregon.

Additionally, Clean Energy is one of the largest RNG suppliers in the market, with over 100 active and in-development projects at dairy farms, wastewater treatment facilities, and landfills nationwide. We have strategic partnerships with leading energy providers that allow us to quickly develop and scale our pipeline of projects, many of which are planning to deliver their RNG into the Oregon marketplace. In 2022, our portfolio represented over 40% of the total RNG being used in natural gas vehicles nationwide. We are aggressively expanding this portfolio, including commissioning one RNG project in Oregon later this year.

BOOK AND CLAIM IS AN INDUSTRY STANDARD

Book and claim, also referred to as “mass balance,” is the preferred method for delivering RNG in North American clean fuel programs, including EPA’s Renewable Fuel Standard,¹ the Canadian Clean Fuel Regulation, the California Low Carbon Fuel Standard, Oregon Clean Fuels Program, and the Washington Clean Fuels Program, as well as for electricity and hydrogen projects. Gas utility procurement programs for RNG use similar concepts, and Europe’s Renewable Energy Directive requires book and claim for successful RNG project buildout in the European Union.

Oregon’s renewable gas procurement targets established by SB 98² and the Clean Fuels Program³ are two key programs which are designed to incent the use of RNG in Oregon’s residential & commercial thermal and transportation sectors. These sectors comprised around 69% of the state’s GHG emissions in 2021,⁴ requiring expedient deployment of clean fuels and electricity to decarbonize.

Any detrimental change to book and claim for deliverability requirements would be disastrous for the RNG industry. For example, considering what has occurred with the California Renewable Portfolio Standard (RPS), on paper the requirements appear simplistic, but in practice the policy essentially prohibits the use of imported RNG as a transportation fuel. In fact, no new importing facilities were constructed to serve the RPS after the deliverability language was added in 2012⁵. An RNG project would need to contract with every pipeline company to deliver their product, do daily balancing across the entire pipeline system, and pay tolling fees to all stakeholders in the value chain. The administrative requirements of the RPS present an insurmountable barrier to import RNG, especially for smaller projects like dairy digesters, and do not offer any environmental benefit.

We are always concerned about the potential phase-out of RNG book and claim delivery, which would strand RNG assets and cause a back-slide of GHG emissions reductions in Oregon and nationwide. In finalizing its book and claim definition, we believe DEQ must consider not only the objective of maintaining alignment with existing programs, but also the effects of potential limitations on market-based instruments. We ask that DEQ please keep in mind that any significant policy amendments and programmatic changes – even if just proposed - can unintentionally undermine the very trust DEQ has worked so hard to build with the investment community; an essential partner that is putting private capital to work in Oregon to combat both air pollution and climate change.

Injection into a common carrier pipeline system is the lowest-GHG way of transporting renewable gases, and layers well on top of the way conventional gas is traded due to the fungibility of natural gas. The use of book and claim accounting for the vast majority of North American RNG has already resulted in overwhelmingly positive greenhouse gas emission reductions, including for the state of Oregon.

¹ <https://www.biocycle.net/biogas-rng-projects/>

² <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/SB98/A-Engrossed>


³ <https://www.oregon.gov/deg/ghgp/cfp/pages/cfp-overview.aspx>

⁴ <https://www.oregon.gov/deg/ghgp/pages/ghg-inventory.aspx>

⁵ California Energy Commission RPS data here: <https://rps.energy.ca.gov/Pages/Search/SearchApplications.aspx>

Clean Energy is committed to partnering with DEQ to achieve Oregon's climate and clean air goals.
Thank you for your consideration of our comment letter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ryan Kenny". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Ryan Kenny
Senior Public Policy & Regulatory Affairs Advisor – Western U.S.
Clean Energy

Comment # 185

From: sourabh.s.pansare@p66.com

Number of commenters: 1

Sourabh Pansare
Climate Policy Advisor

PHILLIPS 66

2331 Citywest Blvd.
Houston, TX 77042
O: 832-765-1274
Sourabh.s.pansare@p66.com
Phillips66.com

October 13, 2023

Elizabeth Elbel and Nicole Singh
Oregon Department of Environmental Quality
GHG Programs
700 NE Multnomah Street
Portland, OR 97232-4100

Submitted electronically via email to: Climate.2023@deq.oregon.gov

Re: Oregon DEQ Notice of Proposed Rulemaking - Climate 2023 Rulemaking

Dear Ms. Elbel and Ms. Singh,

Phillips 66 Company (Phillips 66) appreciates the opportunity to comment on the Notice of Proposed Rulemaking for the Climate Protection Program (CPP). Phillips 66 is one of the largest fuel suppliers in the State of Oregon and is a covered fuel supplier under the CPP Cap-and-Reduce regulation.

In response to the Rulemaking Advisory Committee (RAC) Meeting #3, Phillips 66 had submitted comments on July 14, 2023¹, that highlighted our concerns and recommendations about proposed changes to the “evaluation period”, methodology for calculation of compliance instruments, and implementation of holding limits. We support and appreciate DEQ’s decision to not implement changes related to holding limits during the first compliance period and conduct the first holding limit evaluation in October 2025. DEQ, however, is continuing to propose the use of prior year’s self-reported, unverified GHG reporting data from covered fuel suppliers for calculation of compliance instruments followed by a true-up process. In addition, DEQ is proposing to implement changes in 2024 – during the first compliance period (CP1).

As mentioned in our letter dated July 14, 2023, major changes such as these can impact ability of covered fuel suppliers to make sound business decisions, especially if changes are implemented during a compliance period. Phillips 66 reiterates the position that DEQ should not change the compliance instrument calculation methodology, especially before the end of a compliance period or at least delay the change until January 1, 2025, so that consistent methodology can be used for calculation of compliance instrument during the entirety of the compliance period. Letters submitted by majority of non-natural gas fuel suppliers in response to the RAC Meeting # 3 support this thinking¹.

We thank DEQ for this opportunity to submit comments. If there are any questions, please contact me at (832) 765-1274 or sourabh.s.pansare@p66.com.

Sincerely,

Sourabh Pansare

¹ <https://ormswd2.synergydcs.com/HPRMWebDrawer/Record/6369635/File/document>



Comment # 186

From: JHunter@perkinscoie.com

Number of commenters: 1



1120 NW Couch Street
10th Floor
Portland, OR 97209-4128

T +1.503.727.2000
F +1.503.727.2222
PerkinsCoie.com

October 13, 2023

Jeffrey L. Hunter
JHunter@perkinscoie.com
D. +1.503.727.2265
F. +1.503.346.2265

VIA ELECTRONIC MAIL ONLY

Oregon DEQ
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Suite 600
Portland, OR 97232-4100
Climate.2023@deq.oregon.gov

Re: Comments on the Oregon Department of Environmental Quality's Climate Protection Program Proposed Rule

Dear Ms. Elbel and Ms. Singh:

Thank you for the opportunity to comment on the Oregon Department of Environmental Quality's ("DEQ") Climate Protection Program ("CPP") Proposed Rule issued for public comment on August 22, 2023. The following comments are on behalf of various clients that are stationary sources potentially subject to the CPP rules. We also support the comments submitted by Oregon Business & Industry and adopt them here by reference.

Proposed Changes to Division 271, OAR 340

Permanently Adopting the November 18, 2023 Temporary Rule.

DEQ should reconsider permanently adopting the November 18, 2023 Temporary Rule to include under the Cap natural gas that is utilized to make hydrogen, ammonia or other products. With the declining Cap, there are less quantities of natural gas available through the Local Distribution Companies ("LDCs"). By regulating under the Cap natural gas which is used to make other products (not for on-site combustion purposes), DEQ is inhibiting any incentive to create new energy-efficient processes and technologies. This will result in less innovation and companies engaged in new technologies will be disincentivized from locating to Oregon.

We strongly encourage DEQ to reconsider the changes that were adopted on November 18, 2023 especially in light of the proposed revisions in the new rulemaking regarding modifications at stationary sources that could potentially trigger a Best Available Emission Reduction ("BAER") assessment.

Modifications at Existing Sources Potentially Triggering BAER.

DEQ is proposing that certain modifications (including Type 2, 3 and 4 notices of construction) at existing stationary sources that are not currently covered under OAR 340-271-0110(5)(a)(A)

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could trigger a BAER assessment that must be completed **before** approval of the modification. DEQ's proposed revisions are unnecessary, will result in substantial delays for minor modifications, will tax DEQ's limited resources and will not result in meaningful reductions of greenhouse gas ("GHG") emissions.

DEQ is proposing these changes as a result of one existing stationary source that submitted an application to modify its air permit to install equipment to convert natural gas to hydrogen. In response, DEQ launched new rulemaking out of fear of some theoretical gap in the current regulation. There is no gap and the current regulations do not have to be amended.

The CPP covers *any* existing source that has *actual covered emissions* that equal or exceed 25,000 metric tons of CO₂e. OAR 340-271-0110(5)(a)(A). An existing source that modifies its facility that results in actual covered emissions equal to or greater than 25,000 metric tons of CO₂e would then be subject to the CPP and DEQ could then notify the covered stationary source as described under OAR 340-271-0310(1)(a). DEQ has that authority under the existing rules and there is no reason to couple the BAER assessment with a permit modification.

DEQ's Proposed Rule Changes the BAER Assessment Threshold.

DEQ's proposed revisions could significantly impact a number of stationary sources and small business that have actual GHG emission of less than 25,000 metric tons. There are a number of existing stationary sources whose *potential to emit* GHGs equals or exceeds 25,000 metric tons per year and many other existing stationary sources may have a *potential to emit* slightly below the 25,000 metric ton threshold. Because these sources do not typically operate 8,760 hours per year, their *actual* GHG emissions are below 25,000 metric tons and they are not subject to the CPP. Under the proposed revisions, if these sources proposed a modification which increased the source's *potential to emit* by 10,000 metric tons, these sources would automatically be subject to the CPP and the BAER program without regard to actual emissions. For all practical purposes, DEQ is treating existing sources that make a modification like a new source.

During the original CPP rulemaking, DEQ and the Rule Advisory Committee ("RAC") agreed to *actual emissions* of 25,000 metric tons as the triggering threshold and limited application of the BAER program to thirteen (13) stationary sources who either had processes emissions or obtained their natural gas from an interstate pipeline. DEQ and the RAC recognized that attempting to regulate GHG emissions from smaller sources would not produce meaningful reductions in GHG emissions and would result in significant economic impacts on smaller sources. DEQ's proposed revisions completely disregard this purpose and undermine the intent to not impose the BAER program on smaller sources.

If DEQ proceeds with the proposed changes, DEQ should not use potential to emit as the trigger for BAER for existing sources who propose a modification. If the actual emissions following a modification remain below 25,000 metric tons, then the source should not be subject to the CPP. Existing sources should also have the option of accepting a limit (production or hours of

E. Elbel and N. Singh
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Page 3

operation) to maintain actual covered emissions below the 25,000 metric tons threshold and avoid BAER regardless of the source's potential to emit. While the proposed rules suggest DEQ has some discretion to determine whether a BAER assessment is necessary, an existing source should not need to rely on DEQ's undefined discretion. Unless an existing source's actual emissions will equal or exceed 25,000 metric tons CO₂e, the CPP rules should not apply.

DEQ has not adequately evaluated the financial impacts on small businesses that could be subject to the new rules. During the third RAC meeting, DEQ represented that the BAER assessments would cost \$30,000 to complete. Given the few BAER assessments that have been submitted to date, it is not clear what information DEQ used to make this estimate. Based on discussions with other stationary sources subject to the BAER program, DEQ may be off by a factor of 10. But for a small business, having to spend even \$30,000 on a BAER assessment will have a significant economic impact.

DEQ also needs to consider whether it has adequate resources to process BAER assessments especially for minor modifications.

DEQ should reconsider the proposed thresholds. If after the modification, the existing stationary source's actual covered emissions will equal or exceed 25,000 metric tons CO₂e, then the source would be subject to the CPP and DEQ could consider notifying the source that it will need to complete a BAER assessment in the normal course. However, the completion of BAER assessment should not be tied to a permit modification.

Public Notice and Comment on BAER Assessments.

DEQ is proposing public comment following the submittal of the BAER assessment and a draft BAER order. While issuance of a BAER order is a "permitting action," the submittal of a BAER assessment is not. A BAER assessment is akin to a permit application. Applications for permits are not typically subject to public comment because of their preliminary nature. Nothing in OAR 468A suggests or authorizes the Environmental Quality Commission to adopt rules allowing for public comment on permit applications or a BAER assessment.

If public comments are submitted on a BAER assessment, DEQ would presumably be obligated to review and potentially address those comments. The rights of the applicant also need to be taken into consideration including whether the applicant should have an opportunity to respond to public comment raised during the application process.

Allowing public comment on a BAER assessment is premature, will only result in further delay, and will be wasteful of DEQ's limited resources. We strongly encourage DEQ to not subject the submittal of a BAER assessment to public comment.

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Timing of the New Rules.

If DEQ moves forward with its proposed changes to the BAER program, the new rules should only apply to applications for modifications or Type 2, 3 or 4 notices of construction that are submitted **after** the new rules are adopted by the Environmental Quality Commission. DEQ should clarify this in the new rules to avoid retroactive effect. Further, any BAER assessment required as a condition to approval of the modification should be limited to assessing BAER for the specific modification being proposed, not the entire existing source.

Proposed Changes to Division 215, OAR 340

“Book and Claim” Accounting.

We support DEQ’s adoption of a “Book and Claim” accounting mechanism to allow regulated entities to report contractual deliveries of biomethane and hydrogen. However, DEQ should not require that “the pipeline be connected to Oregon.” If a regulated entity can purchase renewable biomethane or hydrogen from outside the state and does not otherwise use or claim the environmental attributes of such biomethane or hydrogen, that entity should be able to claim those environmental attributes for purposes of reporting under OAR 340-215 regardless of whether the biomethane or hydrogen ever reaches Oregon or is injected into a pipeline that “is part of the natural gas transmission and distribution network connected to Oregon.”

The Oregon Legislature recognizes that *global warming* poses a serious threat to the economic well-being, public health, natural resources and environment of Oregon. Global warming and GHGs are not just limited to Oregon. Reducing GHG emissions in another state equally benefits Oregon. Limiting “book and claim” accounting to only deliveries into pipelines connected to Oregon is misguided and fails to achieve a valid climate goal.

By comparison, California’s cap-and-trade system expressly permits calculating emissions purchased from eligible renewable energy sources that are **not** directly delivered into California. *See* Cal. Code Reg. Tit. 17 § 95111(b)(5). California explains that permitting offsets in other states has driven climate action in numerous states across the country. We recommend that Oregon adopt a similar approach and remove the requirement that the pipeline must be “part of the natural gas transmission and distribution network connected to Oregon.”

Separate Violations.

DEQ’s proposal to add the provision that “each **metric ton** of greenhouse gas emissions not reported by a covered fuel supplier” constitutes a separate violation is not necessary and conflicts with related rule provisions including the Third Party Verification program under OAR 340-272. Indeed, the whole purpose of the Third Party Verification is to find and correct errors in GHG reports. Any entity that discovers an error and timely corrects the error should not be punished and DEQ’s proposed amendment entirely fails to take into account the thoughtful provisions that

E. Elbel and N. Singh
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allow timely calculation of emissions (and compliance instruments) subject to later verification and adjustment. For DEQ to assess a separate violation for each metric ton not properly reported at any time, even pre-verification, is punitive and contrary to the spirit and letter of the rule revisions.

Further, we note that in the proposed revisions to OAR 340-271-0420, DEQ is establishing a “verified emissions data correction factor” that will be applied to the following year’s distribution of compliance instruments in the event errors are identified in the Third Party Verification report. That provision will correct any under- or over-reporting. A covered fuel supplier that inadvertently misses a transaction on its emissions report, makes a mistake in its calculations or makes a typographical error should also not be subject to a civil penalty on a per ton basis.

OAR 340-012 already includes as a Class I violation “failing to timely submit a complete and accurate emissions data report under OAR 340-215-0044 and OAR 340-215-0046.” This is an adequate incentive for ensuring the GHG reports are accurate. Creating a separate violation for each metric ton not reported is duplicative and overly punitive.

We appreciate the opportunity to offer comments on DEQ’s Climate Protection Program rulemaking and request that DEQ take these comments into consideration. Please contact me if you have any questions regarding these comments.

Sincerely,

Perkins Coie LLP



Jeffrey L. Hunter

Comment # 187

From: Marisa.Blackshire@bloomenergy.com

Attached are Bloom Energy's comments on the proposed rulemaking.

Thanks in advance for your consideration!

Marisa Blackshire

Vice President, Environment and Regulatory Law

4353 North First Street,

San Jose, CA 95134

www.bloomenergy.com

E Marisa.Blackshire@bloomenergy.com

M (805) 231-0912

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Number of commenters: 1

What Powers You

October 13, 2023

VIA EMAIL

Elizabeth Elbel and Nicole Singh (Climate.2023@deq.oregon.gov)
Office of Greenhouse Gas Programs
Oregon Department of Environmental Quality
700 NE Multnomah St., Suite #600
Portland, OR 97232

Re: Comments on Proposed Revisions to Division 271

Dear Ms. Elbel and Singh,

Bloom Energy Corporation (“Bloom Energy”) welcomes this opportunity to comment on the proposed revisions to the Division 215 and 271 Climate Protection Program (“CPP”) regulations. Bloom Energy empowers businesses and communities to responsibly take charge of their energy. The company’s leading solid oxide platform for distributed generation of electricity and hydrogen is changing the future of energy in Oregon and around the world. Fortune 100 companies turn to Bloom Energy as a trusted partner to deliver lower carbon energy today and a net-zero future. Given our focus on reducing emissions of criteria pollutants and greenhouse gases, we share an interest in the development and implementation of Oregon’s CPP program. With that in mind, we submit the following comments.

BAER should be applied to modified facilities consistent with other existing facilities

We recommend that DEQ reconsider its requirement to require that BAER be completed before fairly small modifications can be permitted at existing facilities. DEQ’s experience to date demonstrates that the BAER process is lengthy and detailed. As such, it should be allowed to unfold consistent with the time required and not hold up the ability for sources to change. This is particularly true at existing facilities where the policy reasons for holding up permitting are not strong. The policy basis for requiring that facilities not proceed with any type of permanent improvement until the air permit modification process is complete was established so that decisions about end-of-pipe controls were completed before ground was broken. For GHGs, there are no end-of-pipe controls and so the need to prevent any site work being done before a BAER analysis is complete is not present. A facility that chooses to proceed with site preparation and initial construction work should be able to do so based on when its amended air permit is issued, and that process should not be delayed while BAER is determined.



Bloom Energy Corporation
4353 North First Street, San Jose, CA 95134
408 543 1500
www.bloomenergy.com

What Powers You

DEQ should clarify how book and claim accounting applies to stationary sources

We recommend that DEQ clarify how its book and claim accounting approach applies in the context of covered stationary sources. DEQ has suggested at times that book and claim accounting was an approach that would be applied in the BAER process and that would enable DEQ to require the covered stationary source to obtain environmental attributes from third party sources in order to net out GHG emissions. We believe that that is contrary to the clear wording of the regulations and exceeds DEQ's statutory authority under ORS 468A. Although the best reading of the proposed rule language is that book and claim accounting is limited to natural gas suppliers, DEQ should clearly state this so as to dispel any prior suggestions to the contrary.

DEQ should not limit book and claim accounting to distribution systems connected to Oregon

To the extent that DEQ allows book and claim accounting for natural gas suppliers, there is no purpose served by limiting the approach to biomethane or hydrogen that is injected into a pipeline that is part of the natural gas transmission and distribution network connected to Oregon. Climate change is a global phenomenon and not limited to Oregon. If the environmental attributes of biomethane or hydrogen are purchased and retired in a verifiable manner, then those attributes should be capable of being deployed in Oregon regardless of where the attributes were generated. So long as the attributes are verifiable, they are producing a benefit for the environment. That is where we believe the rule should be focused.

Bloom Energy supports the ability of a covered source to use environmental attributes also claimed under the federal Renewable Fuel Standard Program

The proposed rules specify that when reporting contractual deliveries of biomethane or hydrogen using book and claim accounting, the regulated entity must demonstrate the retirement of all environmental attributes of that fuel that are being reported under Division 215. Proposed OAR 340-215-0042(6). Elsewhere in the proposed rules DEQ states that the environmental attributes of biomethane or hydrogen can be claimed in Oregon even if the fuel's environmental attributes are claimed under the federal Renewable Fuel Standard Program. Proposed OAR 340-215-0040(7)(b)(A). Bloom Energy supports the idea of being able to employ under the CPP the environmental attributes of biomethane or hydrogen even if those same environmental attributes are covered by Renewable Identification Numbers ("RINs") used under the federal Renewable Fuel Standard Program to meet the Renewable Volume Obligations of a separate entity. We encourage this type of approach as an effective means to address climate change in a cost-effective manner.



Bloom Energy Corporation
4353 North First Street, San Jose, CA 95134
408 543 1500
www.bloomenergy.com

**What
Powers
You**

Bloom Energy appreciates this opportunity to comment on the proposed rules.

Best Regards,

Marisa Blackshire

Marisa Blackshire

Vice President, Environment and Regulatory Law



Bloom Energy Corporation
4353 North First Street, San Jose, CA 95134
408 543 1500
www.bloomenergy.com

Comment # 188

From: jenifer.isais@edstaub.com

--

Jenifer Isais

Customer Service Representative

La Pine

541-536-7520

jenifer.isais@edstaub.com

Number of commenters: 1

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

During a recent DEQ climate Rulemaking Public Hearing on September 18th, it became clear that some groups have reservations about allowing covered entities in Oregon to use book and claim accounting for Bio-Methane from other states. However, these groups seem to support the use of electric vehicles made outside Oregon and the importation of out-of-state electricity, even without direct economic benefits to our citizens. This creates a difference in standards between Bio-Methane and out-of-state electricity.

We urge DEQ to maintain the current regulations for Bio-Methane without further changes. Book and claim accounting has worked well for using out-of-state Bio-Methane in Oregon's electricity generation. Changing these rules could lead to higher electricity costs, impacting consumers, including those in environmental justice communities. To minimize costs and achieve equity, DEQ should refrain from altering existing regulations. Technological advancements can help with CO2 levels, but economic distress from hasty rule changes cannot be easily reversed.

We believe Bio-Methane should not be subject to geographical constraints for book and claim reporting. There should be no requirements to inject Bio-Methane into an Oregon natural gas pipeline, no restrictions on vintage use for greenhouse gas reporting, and no time constraints. Bio-Methane should be allowed to be claimed and delivered to end-users in Oregon, even if it displaces natural gas used in a connected pipeline.

The book and claim regulations established by DEQ at the start of the Greenhouse Gas Reporting program should remain unchanged. They strike a balance between environmental concerns and our state's energy infrastructure needs.

Hydrogen, especially "Gray" and "Blue" Hydrogen, is a lower emissions alternative worth considering. Electric vehicles, while promoted as environmentally friendly, are not entirely carbon neutral, and their production outside Oregon doesn't benefit our state's economy. We must consider the entire lifecycle and make informed decisions.

Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,



Comment # 189

From: cindi.smith@edstaub.com

Please see attached

----- Forwarded message -----

From: Redmond <esssmtp@edstaub.com>

Date: Thu, Oct 12, 2023 at 4:07 PM

Subject: Attached Image

To: cindi smith <cindi.smith@edstaub.com>

Number of commenters: 1

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

During a recent DEQ climate Rulemaking Public Hearing on September 18th, it became clear that some groups have reservations about allowing covered entities in Oregon to use book and claim accounting for Bio-Methane from other states. However, these groups seem to support the use of electric vehicles made outside Oregon and the importation of out-of-state electricity, even without direct economic benefits to our citizens. This creates a difference in standards between Bio-Methane and out-of-state electricity.

We urge DEQ to maintain the current regulations for Bio-Methane without further changes. Book and claim accounting has worked well for using out-of-state Bio-Methane in Oregon's electricity generation. Changing these rules could lead to higher electricity costs, impacting consumers, including those in environmental justice communities. To minimize costs and achieve equity, DEQ should refrain from altering existing regulations. Technological advancements can help with CO2 levels, but economic distress from hasty rule changes cannot be easily reversed.

We believe Bio-Methane should not be subject to geographical constraints for book and claim reporting. There should be no requirements to inject Bio-Methane into an Oregon natural gas pipeline, no restrictions on vintage use for greenhouse gas reporting, and no time constraints. Bio-Methane should be allowed to be claimed and delivered to end-users in Oregon, even if it displaces natural gas used in a connected pipeline.

The book and claim regulations established by DEQ at the start of the Greenhouse Gas Reporting program should remain unchanged. They strike a balance between environmental concerns and our state's energy infrastructure needs.

Hydrogen, especially "Gray" and "Blue" Hydrogen, is a lower emissions alternative worth considering. Electric vehicles, while promoted as environmentally friendly, are not entirely carbon neutral, and their production outside Oregon doesn't benefit our state's economy. We must consider the entire lifecycle and make informed decisions.

Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

The image shows two handwritten signatures in black ink. The signature on the left is written in a cursive style and appears to be 'C. Meli'. The signature on the right is also cursive and more stylized, possibly reading 'S. Smith'.

Comment # 190

From: Clarkson

received via USPS

Number of commenters: 1

C L I M A T E W R I T E R S

Clarkson
86083 Cherokee Dr
Eugene OR 97402

October 3,

Dear Nicole Singh:

Governor Brown's Executive Order 20-04
has been usurped by a committee
with selfish interests. Please ignore
efforts by gas utilities to define
methane (renewable natural gas) as an
offset for Oregon's natural gas (methane).

We need to return to the original
Climate Protection Plan!

Alfred P. Clark

Erin O'Syng
Peter DeGroot

Martha Dragovic

Marie-Hélène O'Byrne

M. Gessert

Kate Gessert

Comment # 191

From: Clarkson

received via USPS

Number of commenters: 1


C L I M A T E W R I T E R S

Clarkson
86083 Cherokee Dr
Eugene OR 97402

October 3,

Dear Elizabeth Eibel:

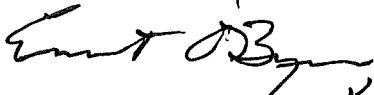
Governor Brown in 2020 had good intentions with Executive Order 20-04 but the rule making advisory committee did not. Please ignore efforts by gas utilities to define methane (renewable natural gas) as offsets for natural gas (methane). We need to return to the original climate protection plan!


Peter Dragovic

Maitha Dragovic

Marietta O'Byrne

M. Gessert


Kate Gessert

Kate Gessert

Comment # 192

From: Dragovich

received via USPS

Number of commenters: 1

C L I M A T E W R I T E R S

86070 Cougar Lane
Eugene, OR. 97402

Oregon DEQ
700 NE Multnomah St., Room 600
Portland,
OR. 97232-4100

Oct. 4, 2023

Dear Elizabeth Elbel and Nicole Singh:

Governor Brown took climate change seriously when she signed Executive Order 20-04. However, the rule-making advisory committee on the DEQ's Greenhouse Gas Reporting Program, apparently thinks climate crisis can be willed away with words. Efforts by gas utilities to define out-of-state "Renewable" natural gas (methane) as offsets for in-state natural gas (methane) is down accountability. We need a steep downward trajectory in emissions, not games with numbers. Return to the original Climate Protection Plan.

M. Jessett

Peter Dragovic

Martha Dragovic

Marie-Hélène O'Byrne

Jeffrey A. Carter

Ernest Coz

Kate Jessett

DEPT OF ENVIRONMENTAL QUALITY
RECEIVED
OCT - 9 2023
NORTHWEST REGION

Comment # 193

From: William Johnson

received via USPS

Number of commenters: 1

14 September, 2023

Oregon DEQ
Attn: Elizabeth Eljel
Nisale Single
700 NE Multnomah St, Ste 600
Portland, Oregon 97232-4100

To Whom it may Concern:

We are all so lucky that we have a Climate Protection Program in the state of Oregon. Thank you for your efforts in this project.

Now, however, we are told that our Climate Protection Program will permit out of state "nonrenewable" natural gas to be used by industrial entities in place of lowering our gas usage. This is unacceptable.

We must not allow states to shuffle gas back and forth so that it "appears" we are using less gas. Overall usage in Oregon and elsewhere, must be reduced.

O V S R

Thus natural gas must never be considered "renewable." Fossil fuels burned anywhere affect the climate everywhere.

Anything else is tantamount to rearranging the deck chairs on the Titanic. There simply cannot be any renewable natural gas if we are to meet our necessary climate goals.

Thank you

William R. Johnson

Comment # 194

From: Polly Stirling

received via USPS

Number of commenters: 1


September 14, 2023

Oregon DEQ
Attention: Elizabeth Elbel and Nicole Singh
700 NE Multnomah Street
Suite 600
Portland, Oregon 97232-4100

Oregon DEQ's Climate Protection Program is a major step forward toward reducing Oregon's CO2 emissions. Two changes to the rules are necessary to ensure the Program's goals are met:

- 1) Natural gas utilities must not be allowed to purchase dubious out of state RNG credits to meet their obligations to reduce their Oregon pollution. They must make investments that benefit Oregonians.
- 2) New and expanding stationary sources must be subject to the same rigorous standards that currently apply to existing industrial sites. Otherwise they pose a threat to achieving Oregon's CO2 emissions reduction goal.

Thank you for your consideration of these changes.

Yours truly,

Polly Stirling
143 SE Lane Avenue
Roseburg, OR 97470

Comment # 195

From: Trudy Wilkinson

received via USPS

Number of commenters: 1

Trudy Wilkinson
150 Steelhead Drive
Elkton, Or. 97436

Dear Elizabeth and Nicole,

I am writing you concerning the need to stop climate pollution in Oregon. Allowing out of state Renewable Natural Gas as a substitute for reducing emissions in our state will undermine the Climate Protection Program and harm Oregonians.

I also urge you to require new and existing industrial polluters to follow the same pollution rules as existing facilities. Thank you -
Trudy Wilkinson

Comment # 196

From: Stuart Liebowitz

received via USPS

Number of commenters: 1

September 12, 2023

Oregon DEQ
Attention: Elizabeth Elbel and Nicole Singh
700 NE Multnomah Street
Suite 600
Portland, Oregon 97232-4100


I am writing to express my strongest concern regarding proposed rules governing biomethane and emissions from stationary sources. The Climate Protection Program is a landmark achievement in the effort to address the climate crisis. However, the proposed rules in these two areas will undermine and severely compromise the integrity of this program.

Specifically, it is imperative to disallow any out of state biomethane (RNG) to substitute for in-state emissions reductions from natural gas. To do otherwise means that Oregonians will continue to suffer the impacts of these dirty emissions. Moreover, by allowing out of state RNG to offset in-state emissions, DEQ is beholden to out of state regulatory entities to measure these emissions. It is critical to recognize that RNG is a dirty fuel and a loophole such as this will undermine the intent of this important program. Further, a recent study by NASA in conjunction with Harvard, Duke and Brown Universities has shown that a leakage of methane as little as 0.2% makes this fossil fuel dirtier than coal - a figure that is easily exceeded. It is true that DEQ has no jurisdiction over leakage; however that is precisely the point. Since DEQ is unable to monitor this source of emissions, it argues even more strongly to reject RNG as an acceptable offset to in-state pollution.

In regards to stationary sources, it is equally imperative to ensure the integrity of this program by holding new and expanded facilities to the same rigorous standards that currently apply to existing ones. To do otherwise subjects this program to an ongoing loophole that will prevent the CPP from reaching its goals essential to bringing the climate crisis under control.

To safeguard the integrity of this program, I strongly urge the DEQ to disallow out of state biomethane as a substitute for in state pollution and hold new and expanded stationary sources to the same standards as existing ones.

Sincerely,



Stuart Liebowitz
143 SE Lane Avenue
Roseburg, Oregon 97470

Comment # 197

From: Douglas County Global Warming Coalition

received via USPS

Number of commenters: 1



September 12, 2023

Oregon Department of Environmental Quality
Attention: Elizabeth Elbel and Nicole Singh
700 NE Multnomah Street
Suite 600
Portland, Oregon 97232-4100

The Douglas County Global Warming Coalition, an all-volunteer grassroots organization representing approximately five hundred members in our community, offers the following comments on the proposed rules regarding biomethane (RNG) and stationary source emissions.

In order to safeguard the integrity and overall intent of the Climate Protection Program, it is essential to reject the use of out of state biomethane as an offset to in-state emissions produced by natural gas companies. Embracing RNG as an alternative to lowering in-state emissions will jeopardize Oregon's ability to meet the emission reduction goals set forth in the Climate Protection Program. It will ensure that Oregonians will bear the brunt of in-state climate pollution. Compounding the problem is the fact that DEQ has limited ability to accurately monitor and verify the actual emission reductions asserted by out of state RNG. In addition, studies conducted by NASA with Duke, Harvard and Brown Universities have demonstrated that the most modest leakage of methane results in this fossil fuel being as detrimental to the climate as coal.

In regards to stationary sources, new and expanded facilities must fall under the same regulatory requirements as existing ones. To allow otherwise creates a loophole which will prevent the Climate Protection Program from meeting its short and long term greenhouse gas reduction goals. These scientifically based targets are essential to Oregon doing its share to address the climate crisis.

The Douglas County Global Warming Coalition strongly urges the DEQ to disallow out of state RNG as an offset to in-state climate pollution and to hold new and expanded stationary sources to the same standards as existing ones.

Sincerely,

The Board of the Douglas County Global Warming Coalition

Polly Stirling
Diana Bailey

Melanie MacKinnon
Stuart Liebowitz

Scott McKain
Liz Gayner

Comment # 198

From: Jemma Crae

received via USPS

Number of commenters: 1

Sept 15, 2023

Attention:

Elizabeth Elbel + Nicole Singh,

Allowing out of state
Renewable Natural Gas as
a substitute for reducing
emissions in our state
will undermine the
Climate Protection Program
and harm Oregonians.

I urge the DEQ to require
new + expanding polluters to
follow the same pollution rules
as existing facilities.

Sincerely



Jemma T. Crae
6018 Coos Bay
Wagon Rd.
Roseburg, OR 97471

Comment # 199

From: Edward Cranston

received via USPS

Number of commenters: 1

October 10, 2023

Oregon Department of Environmental Quality
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

RE: 2023 Climate Rulemaking Comments from Concerned Workers and Business Leaders

We – the organizations that represent highly skilled workers and diverse industries that make up Oregon’s economic engine – appreciate the opportunity to provide public comments on DEQ’s proposed changes to the Greenhouse Gas Reporting Program (Division 215) and the Climate Protection Program (Division 271).

Though our groups represent a wide range of industries and perspectives, we are unified in a common concern about cost impacts to our state’s workforce and families. We urge DEQ to help keep costs down by using the most effective and efficient ways to reduce emissions.

- We support decarbonized fuels – like renewable natural gas – as tools for reducing emissions, including from sources outside of Oregon.
- Decarbonized fuels provide tangible greenhouse gas savings by displacing the use of more carbon intensive fuels, regardless of the end use location or a pipeline connection to Oregon. Reducing emissions anywhere, within Oregon or otherwise, creates a climate benefit everywhere, including for Oregonians.
- Imposing arbitrary geographic limits on where environmental attributes can be procured harms rather than helps Oregonians. This would be akin to excluding wind and solar resources from outside of Oregon – which would prevent us from meeting our clean electricity goals.
- Limitations will increase compliance costs under the Climate Protection Program. As a business operating in Oregon, we are concerned with efficiency and cost. It is important that real carbon reductions are achieved by the Climate Protection Program in the most cost-effective manner.
- Proven and auditable carbon accounting methods are important. The standard book and claim accounting methodology for decarbonized fuel use from across North America provides a mechanism for proper greenhouse gas accounting under the Greenhouse Gas Reporting Rule while controlling costs.

Please control for costs.

Increasing decarbonized fuel supply decreases costs, which is why we urge DEQ to be consistent with other carbon markets and programs by **not** arbitrarily including geographic limitation on biomethane and renewable natural gas in the Climate Protection Program and Greenhouse Gas Reporting Rule.

Sincerely,

Edward C Cranston
President
Cranston Machinery Co. Inc

Comment # 200

From: Pamela de Jong

received via USPS

Number of commenters: 1

Pamela de Jong
2150 Pine St.
North Bend, OR 97459
541-404-8894
pamiedejong@yahoo.com

October 8, 2023

Oregon Department of Environmental Quality
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

RE 2023 Climate Rulemaking Comments

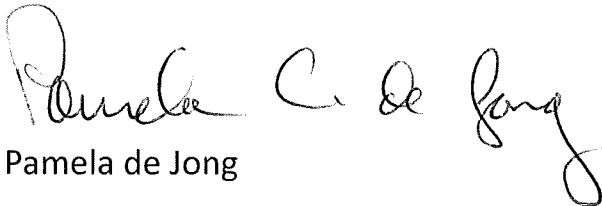
As an individual citizen from North Bend Oregon in Coos County, I am happy to comment on DEQ's proposed changes to the Greenhouse Gas Reporting Program (Division 215) and the Climate Protection Program (Division 271).

I understand we need to reduce our emissions. However, in the process of reducing emissions, we must focus on economic development and jobs as well as cost and cost effectiveness for our communities and families.

Absolutely, I support decarbonized fuels – such as renewable natural gas – as part of how we reduce emissions both within and outside of Oregon. Decarbonized fuels will create a climate benefit everywhere regardless of end use. Any limitations we put on the process, will increase compliance costs which would be detrimental to the program. Using proven and auditable carbon account methods are imperative for both the reporting process and controlling the costs.

Please center costs, cost effectiveness, and efficiency in your decision making.

Best regards,



Pamela de Jong

Comment # 201

From: Amanda Yampolsky

received via USPS

Number of commenters: 1

Dear DEQ,

October 10, 2023
Climate protection plan

Let's steward the land, people, and livelihoods of Oregon by establishing policy that strengthens emissions reduction requirements for new or expanded large industrial facilities, as promoted in the CPP. As a key department in the hands on front line work of setting the policy for a change in how we protect the land, air, and water, I am asking you to ensure that the CPP stays on track to deliver its stated climate goals and public health, economic, and employment benefits for environmental justice in all of our communities in Oregon.

The CPP is the product of a decision making process that considers long term impacts of today's policy choices. As a public school teacher I know the damage and set backs that result from institutional overhauls that are tinkered with before they have enough time to start working effectively.

Now is not the time to change course and capitulate to the short term interests of the oil and gas industry. I implore you to think long term, set policy using the CPP and support it while it begins to create the changes we want to see in the health & welfare of Oregon.

Thank you,
Amanda Yampolsky

Comment # 202

From: williadi@jeffnet.org

Dear Sir, I would like to register my concern regarding any decrease in regulations for emissions in our current climate crisis problem. We are speaking of a huge crisis in our world with little time to reverse things. Therefore I would like to request:

- * Restricting biomethane (aka renewable natural gas (RNG) and hydrogen used for CPP compliance to that which produces direct benefits for Oregonians.
- * Strengthening emissions reduction requirements for new or expanded large industrial facilities in Oregon under the CPP's Best Available Emissions Reduction (BAER) program.

Sincerely,

Diane Williams Engelhardt

Number of commenters: 1

Comment # 203

From: craigad2001@sendgrassroots.com

Dear Oregon Department of Environmental Quality,

Hello, I am an aspiring scientist soon to graduate with my B.S. in physics at U of O. I've lived in Oregon my entire life and the one thing I've always been proud of is how much better than most of the advanced world we are at caring for our environment. But we need to be vigilant. Anyone with any sort of power needs to be doing everything they can to put the nail in fossil fuel companies' coffin. So please, do the right thing. Strengthen green policies, and continue using science to inform decisions.

Regards,

Craig DMello

712 E 14th Ave

Eugene, OR 97401

Number of commenters: 1

Comment # 204

From: sntitus@gmail.com

Please allow enough latitude in your rule making so Oregonians can still earn a living in a wide range of industries.

Thank you,

Stephen Titus

Tualatin, OR

Number of commenters: 1

Comment # 205

From: 2016denpat@everyactioncustom.com

Dear Oregon Department of Environmental Quality,

Thank you for the opportunity to provide comment on DEQ's 2023 climate rulemaking. The Climate Protection Program (CPP) is a program that is absolutely essential to achieving our state's climate pollution reduction goals, and it was adopted with overwhelming public support following an extensive 18 month rulemaking and stakeholder engagement process.

CORPORATE AMERICA HAS BEEN IGNORING AND LYING FOR 60 YEARS ABOUT GLOBAL WARMING DANGER TO CONTINUE MAKING BILLIONS OF DOLLARS YEARLY BECAUSE THEY APPROVE OF GREED MORE THAN TAKING CARE OF US CITIZENS THAT MAKE THAT BILLIONS A YEAR FOR THEM! DON'T LET THEM CONTINUE MURDERING US FOR THEIR GREED AND CONTROL!

IF ANYONE DESERVES DEPORTED IT'S THE TRAITORS IN AND OUT OF GOVERNMENT!!

I am concerned that DEQ's current proposed rules would effectively undermine the CPP.

Specifically, I am concerned that DEQ's current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane investments, and would enable the expansion of new large industrial emitters with the potential to emit unfettered climate pollution in Oregon. By undermining the integrity of the CPP, the current proposed rule amendments will severely compromise the program's intended public health, economic, and employment goals, and thereby hinder benefits for Oregon consumers, workers, local economies, and environmental justice communities across the state.

As DEQ knows well, this rulemaking will have far-reaching consequences for the climate and communities in Oregon. By designing guardrails and pathways for regulated entities to comply with Oregon's cornerstone CPP, this rulemaking "if done well" will be vital to ensuring our state stays on track to achieve our climate goals, and to deliver public health, economic, and employment benefits for environmental justice communities in Oregon.

I therefore strongly urge DEQ to amend the proposed rules to help ensure that Oregon stays on track to achieve our climate goals, but will also maximize the associated job creation, cost saving, public health, and economic development benefits" ensuring that they benefit Oregon communities, and are not exported out of state.

Thank you.

Sincerely,

Dennis West

284 Lemwick Ln Yachats, OR 97498-8431

2016denpat@gmail.com

Number of commenters: 1

Comment # 206

From: pogmahonia@gmail.com

greetings,

i am writing from the cully neighborhood in portland where the out of state owned and out of compliance glass recycling facility has been spewing toxins into the air for years to request that the deq rulemaking committee consider establishing rules that break with the business as usual approach that it was established to support. i am asking that you consider a planet and people approach that prioritizes clean air and water

thanks and best of luck in dealing with the power of the \$

dwayne hedstrom

4823 ne 72nd ave

portland or 97218

Number of commenters: 1

Comment # 207

From: nancy4875@comcast.net

Please stay strong in the face of industry push back to weaken the Climate Protection Plan.

I am concerned that of 14 members of the rule-making advisory committee, only two are public interest groups. How can such a heavy reliance on the regulated industries' input serve the public interest?

Also, I am concerned that the current proposed rule amendments will compromise the program's intended public health, economic, and employment goals, and hinder benefits for Oregon consumers, workers, local economies, and environmental justice communities.

Northwest Natural Gas is already seeking to comply with the CPP by purchasing Renewable Thermal Certificates associated with RNG outside of Oregon. Please strengthen requirements by restricting bi-methane used for CPP compliance to that which would produce direct benefits to Oregonians by limiting the eligible use of œbook and claim accounting to only biomethane or hydrogen that is injected into a pipeline within Oregon.

Also please strengthen emissions reduction requirements for new or expanded large stationary source facilities in Oregon under the CPP's Best Available Emissions Reduction program. As the only existing state regulation on major industrial emitters, it is vital that the CPP works to ensure science-based emissions reductions from existing stationary sources and deter development of new stationary sources in Oregon. I live in Eugene, where J. H. Baxter company polluted neighboring residential lots, causing severe damage. I really appreciate the DEQ's part in getting this pollution stopped.

The Climate Protection Plan is a wonderful program. Your work to keep it strong is very important.

Thank you for working to retain a robust Climate Protection Plan, and your time to consider my comments.

Sincerely,

Nancy Ahnert

Eugene, Oregon resident

Number of commenters: 1

Comment # 208

From: markrtipper@gmail.com

To Whom It May Concern:

Compared to other climate programs, DEQ's price per ton of CO2 is the most expensive in North America. And costs will increase over time as requirements to reduce emissions become more stringent. I believe DEQ should leverage the lowest-cost and most available resources for Oregonians as we decarbonize the gas system over time and not include geographic limits for renewable natural gas projects.

Carbon policy should be clearly authorized by laws and regulations; and those laws, regulations and resulting programs should be effective and as affordable as possible; they should result in verifiable reductions in greenhouse gas emissions; and the impact on consumers should be clearly understood.

DEQ did not analyze the costs, alternative solutions, and economic impacts of their final program design, so no one knows the true cost to Oregonians - at the pump, at the grocery store, in other goods and services, or in their energy bills.

I stand with NW Natural in my belief that the DEQ is working outside its authority in moving forward with this program, that the new program lacks accountability, will be costly for customers and is unlikely to result in all the emission reductions customers will be paying for.

Notable concerns include:

1. DEQ rejected the use of verified offsets as a compliance option, a proven strategy to lower emissions affordably.
2. A significant portion of DEQ's program is based on untested paper credits, referred to as Community Climate Investments, which do not ensure climate benefits attributed to the program actually occur.

These elements are inconsistent with all other carbon regulation in North America and should be fixed.

-Mark

Number of commenters: 1

Comment # 209

From: jane@janestackhouse.com

DEQ and EQC Commissioners

The Climate Protection Plan is an excellent effort by DEQ to reduce climate pollution and create a healthier Oregon. I am concerned that businesses with a vested interest in keeping the status quo continue to try to weaken the rules. I urge DEQ to strengthen the Climate Protection Plan rules, close loopholes and ensure that the Community Climate Investment Program not only assists the poorest and most adversely impacted populations in Oregon but contributes significantly to reduction in greenhouse gas emissions. I know DEQ, with the direction and support of the EQC, can do this.

I lobbied hard for the Clean Energy Jobs bill that would have created a cap and invest program in Oregon thereby reducing climate pollution and providing funds for development of clean energy and harm reduction programs. I saw that polluting industries in Oregon lobbied hard against the bill. A number of these same industries are on the Rules Advisory Committee and continue to advocate for the status quo or minor changes that advance their interests and do not help solve the issue of ever increasing greenhouse gases in our atmosphere. This disregard for the health of our community and blindness to adverse consequences led me to electrify my 1925 duplex in Portland and cut the gas off at the street.

Cleanly generated electricity is one solution to emissions from transportation and buildings, the two biggest contributors to carbon emissions in Oregon. We need programs that promote clean electricity and help to build that infrastructure. I am especially frustrated with the behavior of the methane gas companies in the State of Oregon. They are, individually and collectively, fighting to keep the status quo. Any good business executive knows that when the external market shifts the business must adjust. The methane gas companies are not taking the changing market into account. They have viable business alternatives that they are not pursuing even as they advertise 'choice of fuel' and beg customers to 'save their employees' jobs' even as they try to increase customer costs. There will be no one to blame for the demise of the gas companies except their leadership's failure to adapt to changing energy needs.

I suppose one could argue that the market has not yet forced this change but the logical outcome of market forces has been obvious for years. It has also been obscured by direct fossil fuel company actions and advertising. Solar and wind energy is clean and becoming cheaper every year. Climate Pollution is an existential risk to all inhabitants of our planet and the situation becomes more dire every year. A future focused and ethical company would have started the transition away from fossil fuels years ago. These big polluters keep trying to prolong the process. It is the responsibility of the Department of Environmental Quality to stop them and protect our environment, health and economy.

Moreover, these companies have alternatives that could keep them in business and protect their workforce. NW Natural methane Gas, Avista, and Cascade Natural methane Gas could follow the example of the gas company in Vermont that is moving into the clean energy equipment and heat pump business https://youtu.be/8i_QnOiy1eA. Forming in-ground heat pump hubs would provide extremely efficient heat pumps to neighborhoods (usually a one or two block network) at a reasonable cost to customers and create an ongoing source of income for the company as they maintain and provide

heating and cooling to the customers in the hub. Of course they would need pipefitters to create and maintain the network of pipes and heat transmitting fluids in them.

These companies have alternatives to gas to stay in business. Apparently they need DEQ and the EQC to give them the push to move forward. Please push and push hard. I, for one, will not fault the program if some of the Community Climate Investment Funds go to setting up in-ground heat pump hubs in low income neighborhoods. Rural Oregon would benefit because in-ground heat pumps operate more efficiently in cold weather than the more common air heat exchange.

Thank you for the opportunity to comment. Please make the CCP and the CCI stronger.

- * No credits for out of state projects - Oregon programs should benefit Oregonians.req
- * Skip the proposed renewable methane and hydrogen path.
- * Methane is methane
- * Providing electrical solutions to buildings is more efficient than using it to cleanly create hydrogen.
- * Require rapid, meaningful reductions in greenhouse gas emissions.
- * Help the gas companies become true innovators in providing clean energy.

Jane Stackhouse

2133 NE Brazee Street

Portland, OR 97212

503.284.1049

jane@janestackhouse.com

--

Jane Stackhouse

503.284.1049

jane@janestackhouse.com

Number of commenters: 1

Comment # 210

From: gretchen97520@gmail.com

I urge the DEQ to return to the original Climate Protection Plan. Community Climate Investment must promote social justice. Large emitters must be accountable for the pollution they produce, there can be no expansion of existing pollution sources, and there can be no development of new sources. This is just common sense if we are serious about eliminating our dependence on fossil fuels. There is no time to waste.

Thank you for taking comments.

Gretchen King, Ph.D.

Ashland Oregon

Number of commenters: 1

Comment # 211

From: 1rolewis@gmail.com

I am writing to urge you to make rules which do not allow corporations to increase emissions. The Oregon DEQ should return to its original Climate Protection Plan and ignore efforts by the gas utilities to bypass the Community Climate Investment (CCI) fund by incorporating out-of-state Renewable Natural gas into their product. This would evade the CCI focus on promoting social justice in Oregon. The Best Available Emissions Reduction rules keep industry on a steep downward trajectory in emissions, and encourage the position that only hydrogen produced through electrolysis using renewable energy should be acceptable.

I trust you to truly stand up to the big moneyed interests and protect the environmental quality of our beautiful state.

I am a rural Oregonian and I am concerned about the climate crisis. Thank you,

Rosanne Lewis

Number of commenters: 1

Comment # 212

From: dolgonas@msn.com

Greetings,

I want to submit my comments about the on the proposed Climate 2023 Rulemaking, a joint rulemaking of DEQ's teams that implement the Greenhouse Gas Reporting Program (GHG RP), Third Party Verification (3PV) and Climate Protection Program (CPP).

I am concerned that the proposed rule is too reliant on offsets rather than strong actions that will truly reduce GHG emissions. We are fortunate to have strong, clear policies addressing the need to reduce GHG emissions, and I ask that the focus remain clearly on reductions rather allowing GHG emissions to continue to rise due to allowance of offsets.

Thank you.

Dick Dolgonas

Roseburg, Oregon

Number of commenters: 1

Comment # 213

From: dave.kost@comcast.net

To Decision-makers at DEQ:

I am very concerned about the Oregon State government over-reacting to the climate change issue & pursuing solutions that are over-reaching and far too costly. I am a strong supporter of being good stewards of the environment, and I do my best to live consistently with that. I want my government to do that as well.

However, I believe we need to ensure that when we are addressing issues such as the effects of climate change, we do not pursue solutions that are worse overall than the problem. In my opinion government should NOT be outlawing natural gas for residential or commercial use. It should also NOT be outlawing vehicles that run on petroleum products. Incentives are one thing, making these things illegal is another. I also understand that there are many other facets of this issue and many solutions in play. It is not a simple issue.

We need to ensure that the costs of the proposed solutions are sustainable for ALL Oregonians, especially those in lower income brackets. We need to ensure that viable, cost-effective alternatives are developed and available to ALL Oregonians before we mandate switching to those alternatives. We need to ensure we are not jeopardizing the health of the state's budget & that those entrusted with funding for the chosen solutions are accountable in meaningful, verifiable ways for the spending & results. And we need to find ways to pursue these goals without increasing the tax burden on individuals or business.

Thank you for considering my thoughts.

Sincerely,

Dave Kost

Aloha, OR

Virus-free.www.avg.com

Number of commenters: 1

Comment # 214

From: jillhunter5515@gmail.com

I urge DEQ not to further increase costs by imposing geographic limitations on renewable natural gas (RNG) because more opportunities for development will increase supply and drive costs down.

- Arbitrary geographic boundaries simply don't make sense and will increase costs for all Oregonians.
- Arbitrary geographic boundaries for RNG would be akin to excluding wind and solar resources from outside of Oregon, preventing us from meeting our clean electricity goals.
- Arbitrary geographic boundaries do not cut more carbon, and in fact, will limit carbon reduction opportunities.

Please confirm that DEQ will not include geographic limits for decarbonized fuels like renewable natural gas and will allow the use of book and claim accounting methodology under the Greenhouse Gas Reporting Rule.

Please keep costs down and focus this program on quantifiable solutions to address climate change.

Again, I urge DEQ not to further increase costs by imposing geographic limitations on renewable natural gas (RNG) because more opportunities for development will increase supply and drive costs down.

Jill Hunter

Sent from my iPhone

Number of commenters: 1

Comment # 215

From: ben.demilo@gmail.com

Chair George, Vice Chair Baraso, members of the Commission:

My name is Ben Stickney, I am a Portland resident, a father, and I am a volunteer with Families for Climate. I am writing this testimony as my most fundamental responsibility to protect my children from the harm of irreversible climate change that gravely threatens their future.

The Climate Protection Program is absolutely critical for Oregon to reduce our climate pollution on the urgent timeline dictated by current science. However, I am deeply concerned that the current proposed rules would undermine the effectiveness of the CPP, and put the necessary emissions reductions out of reach.

Specifically, I am worried that DEQ's current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane offsets, which will hinder the transition to non-emitting alternatives, while failing to deliver direct benefits to Oregonians. I am also worried that the rules as currently written will allow new industrial emitters to produce unrestricted climate pollution in Oregon.

I am asking DEQ to make the following important changes to the rulemaking:

1. Eliminate provisions permitting biomethane (aka renewable natural gas (RNG) used for CPP compliance. The stated goals of the CPP are to reduce greenhouse gas emissions and other air pollutants, maximize public health benefits, and minimize costs for consumers, and out-of-state offsets accomplish none of those goals.
2. Strengthen emissions reduction requirements for new or expanded large stationary source facilities in Oregon under the CPP's Best Available Emissions Reduction (BAER) program. As the only existing state regulation on major industrial emitters, it is vital that the CPP works to ensure science-based emissions reductions from existing stationary sources and deter development of new stationary sources in Oregon. Given Oregon's growing industrial sector, it is especially critical that DEQ use this rulemaking to strengthen the integrity of the BAER program. Large industrial emitters must be held accountable for their climate pollution. Unfortunately, since the adoption of the final CPP rules in 2021, increasing emissions from Oregon's industrial sector has become a reality. As one example, Amazon is seeking multiple permits to build or expand operations at several energy-intensive, fossil gas-powered data centers in Eastern Oregon; these data centers alone will result in an enormous increase in gas use and GHG emissions. Further, in the 2023 legislative session, lawmakers adopted the Oregon CHIPS Act,¹ which provides \$210 million in funding and creates land use exemptions to accelerate the development of semiconductor plants or other advanced manufacturing facilities. While the economic prospects of industrial innovation is a tantalizing opportunity for the state, expansion must be measured against environmental harm that may result from fast-tracking expanded operations.

Oregon families need the Climate Protection Program to live up to its name. Please strengthen the rules so they can protect our children's future, not corporate profits.

Thank you for the opportunity to comment on this rulemaking.

Number of commenters: 1

Comment # 216

From: dns@efn.org

Subject: Comment on new DEQ Climate 2023 Rulemaking

With all the greenwashing (deceptive claims of climate action), compliance with any new rules must be independently verifiable. False claims must be punished with non-negotiable fines. Public reporting must be provided for accountability. No cozy agreements, no loopholes for lawyers to exploit, no conflict of interest with investigators or enforcers. No unfair competition for businesses that comply. No corporate capture (rules made by those subject to the rules.)

Dave Stone

Springfield

Number of commenters: 1

Comment # 217

From: bbauer1942@yahoo.com

Subject: effects of climate change

The effects of climate change is happening every day. We must make major changes to our laws governing our environment. Please consider what is at state. Thank You

BruceBauer

Number of commenters: 1

Comment # 218

From: alanjournet@gmail.com

Subject: 2023 Climate Rulemaking

Colleagues:

Please find attached comments from the Consolidated Oregon Indivisible Network Climate,, Energy and Environment Team and the Indivisible Congressional District 2 Chapter.

Thanks,

Alan Journet

Co-facilitator

Southern Oregon Climate Action Now (SOCAN)

<https://socan.eco>

541-301-4107 Cell

541-500-2331 VOIP

7113 Griffin Lane

Jacksonville, OR 97530-9342

alanjournet@gmail.com or

alan@socan.eco

Number of commenters: 1

CLIMATE ENERGY & ENVIRONMENT TEAM



Alan R.P. Journet Ph.D.

Co-Chair

Climate Energy & Environment Team
Consolidated Oregon Indivisible Network

alanjournet@gmail.com

541-500-2331

September 7th 2023

Terrie Martin

Chair,

Ord2 Indivisible Steering Committee

PO Box 1242 Phoenix, OR 97535

Reference Proposed adjustments to the DEQ (EQC approved) Climate Protection Program

[Nicole Singh and Elizabeth Elbel](#)

Climate.2023@deq.oregon.gov

We write on behalf of the Consolidated Oregon Indivisible Network Climate Energy and Environment Team and the ORD2 Indivisible Chapter to express our grave concerns about threats posed to the Climate Protection Program (CPP) as a result of the contributions of the unfortunately biased Rulemaking Advisory Committee.

When proposed by the Department of Environmental Quality and approved by the Environmental Quality Commission, the CPP exhibited very positive signs, when actualized, of moving Oregon in the needed direction towards substantial greenhouse gas emissions. It is always the case, however, that the acid test for policies and programs is how the rulemaking turns them into reality.

It is, therefore, with great disappointment that we see what has been happening in the development of the actual rules that enable the program.

We are very disturbed that the result of this RAC's contributions seems to have been to weaken the program substantially. The main point in developing the CPP was to place our state on a trajectory of substantially reducing emissions as we approach the critical year of 2050. It was generally agreed among members of the climate conscious community that both industry and the fossil fuel distribution sector should be placed under a reducing cap. That industry was carved out to be placed under a Best Available Emissions Reduction regime was, and remains, a profound disappointment.

We now find that the same fossil fuel corporations that were a leading cause of the state's failure to lower its emissions under the voluntary program established by HB3543 in 2007 are trying to undermine the program that was established by DEQ as a result of a Rulemaking Advisory Committee in which they participated. Their efforts represent a two-pronged attack using both the courts and the ongoing rulemaking. In the former, they are trying to undermine the entire program, while in the latter, they are trying to weaken critical components.

The RNG Scam

An important component of the CPP is the Community Climate Investment fund through which covered entities are able to offset a small proportion of their emissions reduction requirements by investing in projects that reduce emissions and that are located in Oregon and benefit disadvantaged Oregonians. By attempting to bypass the limited offsets allowed through the CCI protocol these polluters seek to gain unlimited offsets by investing in offset projects out of state. Not only does this harm the very communities that the CCI was designed to benefit, but it also seeks offsets through the use of Renewable Natural Gas (Biomethane) knowing full well that because of the limitations in its authority, DEQ cannot accurately assess the full life cycle emissions resulting from the production and transmission of that gas. The claim that RNG is a clean alternative to fracked methane is almost certainly exaggerated.

Finally, we note that, to the extent that RNG is available, it absolutely should not be wasted by pumping it into the transmission lines. Rather, this fuel should be reserved for use by those industries that find electrifying difficult.

When these concerns are augmented by our understanding of the exaggerated claims that the gas utilities make for the potential for the limited supply of RNG to replace fracked gas in our domestic pipelines, the misinformation and deception that are essential to this gas utility effort become more offensive. We urge DEQ to reject this effort and simply return to the program as originally written whereby gas utilities need to seek offset credits through the CCI and thus benefit Oregonians.

Industry

The purpose of the BAER requirement is to require industry to adopt technologies that place them on an emissions reduction trajectory reasonably commensurate with the Cap and Reduce approach. Industry should not be permitted to weaken this goal by undertaking expansion that results in increased emissions even when BAER technology is in place. Similarly, industries that elect to develop activities in Oregon should be subjected to BAER technology at their inception.

We urge DEQ to establish rules that place all major climate polluters on a downward trajectory and not include loopholes that allow them to increase emissions.

Hydrogen

We acknowledge that when Hydrogen is combusted, the product is water, and that this physical reality seems to make Hydrogen a valuable route to take in the search for emissions reductions. However, just as full lifecycle assessment is necessary for us to determine the value of RNG, so is it necessary to undertake lifecycle assessment before we can determine the merits of Hydrogen. In short, the critical question concerns how that Hydrogen is produced and transmitted. The evidence indicates that only genuinely green Hydrogen, produced by electrolysis using renewable sources to provide the energy needed, achieves the goal that is sought. Since Hydrogen production is energy intensive, and other means of producing Hydrogen are inherently intensive emitters of greenhouse gases and largely negate the combustion benefits, it makes no sense to establish a greenhouse gas emissions reduction program that potentially results in procedures that result in increased emissions. Just as is the case with using RNG generated out-of-state and piped to Oregon, promoting Hydrogen while ignoring the production procedure will likely result simply in Oregon exporting its GHG emissions. The Oregon commitment to reducing its greenhouse gas emissions should not be a sleight-of-hand that reduces our in-boundary emissions while increasing emissions elsewhere. We urge DEQ to take steps to reverse the trend of weakening the CPP established by the Rulemaking process recently completed and endorsed by the EQC.

Respectfully Submitted

A handwritten signature in black ink that reads "Alan Journet". The signature is written in a cursive, slightly slanted style.

Alan Journet Ph.D.
7113 Griffin Lane
Jacksonville OR 97530-9342

A handwritten signature in black ink that reads "Terrie Martin". The signature is written in a cursive, slightly slanted style.

Terrie Martin
Chair, Ord2 Indivisible Steering Committee
PO Box 1242 Phoenix, OR 97535

Number of commenters: 1

Comment # 219

From: njackson@nwwa.org

Subject: 2023 Climate Rulemaking Comments

Greetings,

Please accept the attached comments from Double J Construction Inc. on the 2023 Climate Rulemaking.

Thank you,

<<https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fwww.nwwa.org%2F&data=05%7C01%7CClimate.2023%40stateoforegon.mail.onmicrosoft.com%7Cde2f122e62454c567ad308dbcaaa28f1%7Caa3f6932fa7c47b4a0cea598cad161cf%7C0%7C0%7C638326604412484461%7CUnknown%7CTWFpbGZsb3d8eyJWljojMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6Ikk1haWwiLCJXVCi6Mn0%3D%7C3000%7C%7C%7C&sdata=vy2qAOWm0X8IOERFJL7xKnhy131FLLTqhTwYcOt9soM%3D&reserved=0>>

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October 10, 2023

Oregon Department of Environmental Quality
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

RE: 2023 Climate Rulemaking Comments from Concerned Workers and Business Leaders

We – the organizations that represent highly skilled workers and diverse industries that make up Oregon’s economic engine – appreciate the opportunity to provide public comments on DEQ’s proposed changes to the Greenhouse Gas Reporting Program (Division 215) and the Climate Protection Program (Division 271).

Though our groups represent a wide range of industries and perspectives, we are unified in a common concern about cost impacts to our state’s workforce and families. We urge DEQ to help keep costs down by using the most effective and efficient ways to reduce emissions.

- We support decarbonized fuels – like renewable natural gas – as tools for reducing emissions, including from sources outside of Oregon.
- Decarbonized fuels provide tangible greenhouse gas savings by displacing the use of more carbon intensive fuels, regardless of the end use location or a pipeline connection to Oregon. Reducing emissions anywhere, within Oregon or otherwise, creates a climate benefit everywhere, including for Oregonians.
- Imposing arbitrary geographic limits on where environmental attributes can be procured harms rather than helps Oregonians. This would be akin to excluding wind and solar resources from outside of Oregon, which would prevent us from meeting our clean electricity goals.
- Limitations will increase compliance costs under the Climate Protection Program. As a business operating in Oregon, we are concerned with efficiency and cost. It is important that real carbon reductions are achieved by the Climate Protection Program in the most cost-effective manner.
- Proven and auditable carbon accounting methods are important. The standard book and claim accounting methodology for decarbonized fuel use from across North America provides a mechanism for proper greenhouse gas accounting under the Greenhouse Gas Reporting Rule while controlling costs.

Please control for costs.

Increasing decarbonized fuel supply decreases costs, which is why we urge DEQ to be consistent with other carbon markets and programs by not arbitrarily including geographic limitation on biomethane and renewable natural gas in the Climate Protection Program and Greenhouse Gas Reporting Rule.

Sincerely,

Shawnda Horn, Owner
Double J Construction Inc

638326604412484461%7CUnknown%7CTWFpbGZsb3d8eyJWljoiMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTi
I6lk1haWwiLCJXVCi6Mn0%3D%7C3000%7C%7C%7C&sdata=pGZbV6pPqvKyAWtGcfahuGpMStsICJsMHQ
qXxChBJ4o%3D&reserved=0> Natasha Jackson

Policy and Partnerships Manager

Office: 503-344-6637

Mobile: 208-446-8616

1914 Willamette Falls Drive, Suite 260

West Linn, OR 97068

Advocating for the role of the region's natural gas infrastructure in safely delivering a clean, dependable
and affordable energy future.

Number of commenters: 1

Comment # 220

From: cherice@350pdx.org

Subject: 2023 Climate Rulemaking

Greetings,

Please see our comment, attached. Thank you!

Cherice Bock (she/her)

Policy Manager

350PDX

*** 350PDX is 10 years old! Join us at our 10 Year Anniversary Party on Thursday, November 2!

More info and tickets here. ***

Number of commenters: 1



350PDX
3625 N. Mississippi Avenue
Portland, OR 97227
350pdx.org

October 13, 2023

Dear Department of Environmental Quality and Environmental Quality Commission,

Thank you for the opportunity to comment on the proposed rules for the Climate Protection Program (CPP). I write on behalf of 350PDX, a grassroots environmental nonprofit with thousands of members in the Portland Metro area that advocates for climate justice and works toward creating thriving, equitable, and resilient communities.

When the CPP was approved in 2021, we were excited about this ambitious plan to reduce emissions and invest in environmental justice communities. If implemented well, this program will help move us a long way toward our statewide goal of greenhouse gas emission reductions.

The current draft CPP rules, however, have watered down many of the most important aspects of the original program. We are very concerned that **the current rules would not meet the CPP goals** of 50% greenhouse gas emissions reductions from stationary sources by 2035 and 90% by 2050, nor would it meaningfully invest in local communities who have been harmed by air pollution and are most at risk from climate change.

We urge the DEQ and EQC to redraft CPP rules with a clearer focus on reducing greenhouse gas emissions and investing in our community in Oregon. We do not want to see sacrifice zones, where those who live there — often communities of color, low income folks, and the whole ecological community — are expected to bear the brunt of short-term public health hazards and long-term increased climate risk.

In particular, we are concerned about these aspects of the draft CPP rules:

1. **Biomethane and biogas:** The CPP draft rules allow biomass-derived fuels that still emit greenhouse gases. Renewable, synthetic, and biomass-derived “natural” gas is still mainly composed of methane (CH₄), a greenhouse gas that is 86 times more potent than carbon dioxide in its initial decades in the atmosphere, then degrades to CO₂. Although it is better to recover methane that is already being emitted from

Building the climate justice movement.



350PDX
3625 N. Mississippi Avenue
Portland, OR 97227
350pdx.org

animal waste, landfills, etc. than to use fracked “natural” methane gas, it would be even better to reduce the extant amount of animal waste and the size of landfills. Biomethane still has the same problems as fracked “natural” methane gas: leaking into the atmosphere throughout the collection, transportation, and storage process, as well as leaking in people’s homes and causing asthma and other public health concerns. Encouraging the development of biomethane and other biomass-derived fuels is **not** a healthy or climate-friendly alternative to fracked “natural” methane gas.

Cutting down trees to use as biomass-derived fuels should also not be allowed; trees will store carbon if left standing and will emit GHG when burned.

While it is understandable to want to capture and use methane that is already being created as a byproduct of other human actions, this has the unfortunate knock-on effect of incentivizing these operations, which are often harmful to the environment and public health. We are in support of capturing methane produced through human actions or from natural off-gassing, but operations that produce methane should be reduced over time, not incentivized.

Additionally, synthetic methane should not be included in the CPP, nor should biomethanes that are created for the purpose of fuel. Allowable biomethane in the CPP should only include byproducts of existing human operations (and naturally occurring off-gassing) that are otherwise going directly into the atmosphere.

- 2. Hydrogen:** The CPP should not allow hydrogen to qualify for compliance except in very specific circumstances. Any use of hydrogen must take the **full life cycle** into account, because it is often produced using fossil fuels, and can cause more emissions to produce than it saves. Since hydrogen has to be combined with 80%+ “natural” methane gas to utilize existing pipelines, the blend does not often reduce greenhouse gas emissions. Perhaps there will be a point in time where hydrogen will be more usable on its own, but it should not be encouraged at this time; this is simply a way for “natural” methane gas companies to continue building and expanding. Additionally, hydrogen is a safety hazard in that it is highly



350PDX
3625 N. Mississippi Avenue
Portland, OR 97227
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explosive. Only green electrolytic hydrogen should be allowed for CPP compliance.

3. **In-state only:** In addition to allowing biomass-derived fuels and hydrogen to count as emissions reductions even though the actual GHG reductions are questionable, the CPP allows Oregon polluters to invest in such projects in other places, taking any economic and environmental benefits elsewhere. The CPP was designed to bring emissions reductions, public health, and investments into Oregon's most impacted communities. Exporting benefits of the CPP should not qualify for compliance.

Additionally, allowing book-and-claim options for biomass-derived fuels and hydrogen produced in other states means these fuels may be produced in ways that emit more GHG than they save, which does not contribute to our emissions reduction targets. It is a way for industrial polluters to continue polluting while claiming to be meeting emissions reduction targets (greenwashing). Even if emissions reductions are happening elsewhere from genuinely less polluting fuels, it creates sacrifice zones in Oregon where stationary polluters are still allowed to emit contaminants into the air in Oregon neighborhoods.

4. **Strengthen BAER:** The draft CPP rules do not include strong enough requirements for new or expanding polluting facilities to reduce emissions under the Best Available Emission Reduction (BAER) program. (See the sign-on letter from dozens of organizations, which explains this in detail.)
5. **Incentivize the CCI:** The draft CPP rules do not include a strong enough incentives for stationary polluters to contribute to the Community Climate Investment plan in ways that will benefit Oregonians, particularly frontline and environmental justice communities. The CCI is designed to lead to better public health, greater climate resilience, and more economic opportunities such as clean energy jobs, job training, and incentives for Oregonians. Under current rules, polluters are more likely to use book-and-claim accounting in cheaper, out of state, and less GHG emissions reducing projects. The CPP should make it more appealing to invest in



350PDX
3625 N. Mississippi Avenue
Portland, OR 97227
350pdx.org

Oregon's communities than to skirt emissions reduction standards.

- 6. Include environmental justice stakeholders:** The CPP rulemaking RAC did not include environmental justice stakeholders. We appreciate that there was strong input from environmental justice and frontline communities leading up to the formation of the CPP. Voices from these groups should be given authority in rulemaking of this and future DEQ programs to at least the same level as polluting industries. Those who have spoken up during this public comment period in support of environmental justice should be listened to, and provisions should be reintroduced to the CPP to ensure equitable outcomes in social, racial justice, public health, and economic aspects.

In short, the current CPP rules provide too many loopholes and giveaways that allow current and future polluting facilities to continue emitting greenhouse gases, which lead to climate change regardless of whether they are biomass-derived or from fossil fuels.

The final CPP rules need to ensure real emissions reductions of 50% by 2035 and 90% by 2050 in this sector, and focus on adequately protecting and investing in Oregon communities, particularly communities that have been harmed by pollution and who are on the frontlines of climate impacts. We can and must do better than the current proposal. Our ability to continue to live and thrive on this planet is on the line. Industries cannot thrive in a world wracked by climate emergencies, so it is to their benefit to have strong GHG emission reduction targets and to adhere to them, rather than trying to find ways to continue polluting while pretending they are reducing emissions. We must create sufficient rules now so that the CPP can help us stay within planetary limits and transition toward a just and sustainable future.

Cherice Bock
Policy Manager
350PDX

Comment # 221

From: laura.tabor@TNC.ORG

Subject: 2023 Climate Rulemaking

Hello,

Please find attached comments on behalf of The Nature Conservancy for this rulemaking. We appreciate the extended deadline. Please let us know if you have any questions!

Best,

Laura

Laura Tabor

Climate Action Director | she/her

The Nature Conservancy in Oregon

999 SW Disk Drive, Suite 104 | Bend, OR 97702

laura.tabor@tnc.org | 541.241.1734

Number of commenters: 1



The Nature Conservancy in Oregon
821 SE 14th Avenue
Portland, OR 97214-2537

tel 503 802-8100

fax 503 802-8199

[nature.org/oregon](https://www.nature.org/oregon)

October 13, 2023

Oregon Department of Environmental Quality

Public Comment on 2023 Climate Rulemaking—Climate Protection Program

Submitted by Laura Tabor, Climate Action Director

Thank you for the opportunity to provide comments on the proposed rules for the Department of Environmental Quality (DEQ)'s Greenhouse Gas Reporting Program, Third Party Verification, and Climate Protection Program.

The Nature Conservancy in Oregon (TNC) is a science-based, non-partisan organization with 80,000 supporters and members in every county. Addressing the climate change crisis is a core component of TNC's work to create a world where people and nature can thrive, and we strongly believe that Oregonians have a responsibility to enact policies to reduce greenhouse gas emissions (GHG) and help our communities adapt to climate change. We support DEQ's efforts to cap and reduce GHG emissions from transportation fuels and natural gas used in Oregon and believe that the CPP is a crucial program for the state to achieve its climate goals.

Best Available Emissions Reduction (BAER) program

Within the Climate Protection Program (CPP), DEQ is proposing rule changes to the Best Available Emissions Reduction (BAER) program for site-specific covered stationary sources. **TNC supports strengthening emissions reductions requirements for new or expanded sources in Oregon.** The updated definition of "new source" defines that new sources would be subject to BAER review before a permit is issued, if their potential to emit covered emissions is at or above the 25,000 MT CO₂ threshold.

It is imperative that existing facilities or new facilities that have the potential to emit 25,000 MT or higher should be required to go through a BAER review prior to DEQ approval of modifications. This new proposed rule would ensure that facilities who are emitting at the threshold in the future will not be delayed in the BAER review process. Given the increasing inevitability of a growing industrial sector, the BAER is an essential piece of DEQ's climate goals to reduce GHG emissions within the state.

Gas Utility Regulation—Hydrogen

Hydrogen is an emergent fuel type with emissions reduction potential, however there are still questions regarding environmental attributes of GHG emissions reductions. Transparent and accurate reporting of hydrogen is necessary to ensure informed policy decisions around the optimal role of this fuel in the transportation, buildings, and energy sectors moving forward. **TNC supports DEQ's proposed added requirements for reporting lifecycle emissions of carbon intensity for hydrogen.**

Biomethane Reporting

The stated goals of the CPP are to reduce GHG emissions and other air pollutants, maximize public health benefits, and minimize costs for consumers in environmental justice and other communities in Oregon. Biomethane is an important component of a comprehensive strategy for reducing greenhouse gas emissions and does reduce lifecycle GHG emissions relative to fossil gas. However, actual lifecycle emissions reductions are highly dependent on the feedstock and pathways for producing and transporting the fuel. Public data on biomethane projects and renewable thermal credits procured by one Oregon gas utility indicate carbon intensity values between 21-45 gCO_{2e}/MJ.¹ While lower than typical fossil fuels – for reference, compressed natural gas and liquefied natural gas fuel pathways in California’s Low Carbon Fuel Standard database range from 78-91 gCO_{2e}/MJ²– biomethane GHG emissions are often non-zero.

Without mechanisms to encourage lower carbon intensity fuel production pathways – Oregon statute requires DEQ to assume biofuels are carbon neutral – there is risk that the GHG emissions benefits of biomethane used for CPP compliance will be overstated. Given this disconnect, it may be prudent to mitigate this risk by constraining biomethane sourcing in other ways.

¹ Electronic Filing from Northwest Natural with Oregon Public Utility Commission. RG 99 – Second Revised Annual Renewable Gas Compliance Report. September 19, 2023.

<https://edocs.puc.state.or.us/efdocs/HAQ/rg99haq132513.pdf>

² California Low Carbon Fuel Standard Pathway Certified Carbon Intensities. Current Fuel Pathways spreadsheet as of October 13, 2023.. <https://ww2.arb.ca.gov/resources/documents/lcfs-pathway-certified-carbon-intensities>.

Note that fuels in this database are intended for transportation use and do not reflect actual carbon intensity of natural gas delivered to utility customers in Oregon but are helpful as an indication of the relative carbon intensity of biofuels and fossil fuels.

Comment # 222

From: ashley@zerocoalitionoregon.org

Subject: 2023 Climate Rulemaking

Hello,

Please see the attached comments from the ZERO Coalition on DEQ's 2023 Climate Rulemaking. We appreciate the opportunity to provide comments.

Best regards,

Ashley Haight

--

Ashley Haight

ZERO Coalition Manager

Pronouns she/her

O 503.968.7160 x132 M 541.510.9620

E ashley@zerocoalitionoregon.org W zerocoalitionoregon.org

Number of commenters: 1



October 13, 2023

Oregon Department of Environmental Quality
Office of Greenhouse Gas Emissions
Via email to climate.2023@deq.oregon.gov

RE: 2023 Climate Rulemaking

On behalf of the 49 organizations that make up the ZERO Coalition, we appreciate the opportunity to provide comments and feedback related to the Department of Environmental Quality's (DEQ) proposed rules for the 2023 Climate Rulemaking. ZERO brings together the work and perspectives of architectural firms, energy efficiency organizations, construction businesses, policy advocates, manufacturers, government agencies, community organizations, environmental justice partners, and energy service providers. Together we collaborate to help Oregon meet its climate responsibilities by taking an equity-centered approach to decarbonizing buildings in Oregon. We work to ensure that the market conditions and regulatory frameworks are in place to advance sustainability in the built environment in a way that leaves no one behind.

We write today to urge DEQ to improve its draft rules for its 2023 Climate Rulemaking, as these rules will have far-reaching consequences. We hope DEQ's final rules will be designed to ensure our state stays on track to achieve our climate goals and to deliver public health, economic, and employment benefits for environmental justice communities across Oregon.

We're concerned that there could be very serious unintended consequences if the draft rules move forward without specific changes. As written, the draft rules appear to:

- Allow gas utilities to: rely on biomethane investments from as far out-of-state as New York.
- Not meaningfully account for out-of-state hydrogen investments.
- Enable the expansion of new large industrial emitters with the potential to emit unfettered climate pollution in Oregon.

As others have raised in this rulemaking, the stated goals of the CPP are to reduce greenhouse gas (GHG) emissions and other air pollutants, maximize public health benefits, and minimize costs for consumers in environmental justice and other communities in Oregon. Out-of-state purchases of renewable thermal credits deliver no direct benefits to Oregonians. Further, allowing covered fuel suppliers to rely on out-of-state biomethane risks the likelihood that investments will be diverted from the Community Climate Investment (CCI) program, which was



designed to provide direct economic, health and comfort benefits to the communities most in need here in Oregon.

We strongly urge DEQ to amend the proposed rules by:

- Restricting biomethane (aka renewable natural gas (RNG)) used for CPP compliance to those which produce direct benefits for Oregonians – projects that actually reduce pollution in Oregon.
- Disallowing hydrogen to be used for CPP compliance unless it is green electrolytic hydrogen (made from renewable energy sources like solar and wind). Why? Not all hydrogen is created equally. Where and how it is produced and used matters significantly when it comes to emissions reduction – if it's produced from fossil fuels out-of-state, it could be more polluting than the natural gas developers state it will replace.
- Strengthening emissions reduction requirements for new or expanded large industrial facilities in Oregon under the CPP's Best Available Emissions Reduction (BAER) program.

We also strongly support maintaining protective restrictions on biomethane accounting in the current rules where they exist, including notably, that synthetic methane derived from human-caused carbon sources does not comply with the CPP.

Making these changes to the draft rules will not only help ensure that Oregon stays on track to achieve our climate goals, but will also maximize the associated job creation, cost saving, public health, and economic development benefits– ensuring that they benefit Oregon communities, and are not exported out of state.

Thank you for the opportunity to provide comments.

Signed,

--

Ashley Haight
ZERO Coalition Manager

Pronouns she/her
O 503.968.7160 x132
M 541.510.9620
E ashley@zerocoalitionoregon.org
W zerocoalitionoregon.org

Comment # 223

From: tyazdani@beyondtoxics.org

Subject: 2023 Climate Rulemaking

Good afternoon,

Please accept these comments on behalf of Beyond Toxics regarding the 2023 Climate Rulemaking.

Please confirm receipt of this email at your earliest convenience.

Sincerely,

Teryn Yazdani

--

Teryn Yazdani - She/Her/Hers

Staff Attorney & Climate Policy Manager

Beyond Toxics

Tel: +1 541-543-2460

Email: tyazdani@beyondtoxics.org

Number of commenters: 1



October 13, 2023

Oregon Department of Environmental Quality
Attn: Elizabeth Elbel and Nicole Singh
700 NE Multnomah St., Room 600
Portland, OR 97232-4100

Submitted via email: Climate.2023@deq.oregon.gov

RE: DEQ Climate 2023 Rulemaking

Dear Department of Environmental Quality,

Please accept these comments on behalf of Beyond Toxics and its members to be included in the record for the Oregon Department of Environmental Quality's (DEQ) Climate 2023 Rulemaking. Beyond Toxics has been an active public interest participant in Oregon's legal processes and policy decisions related to air toxics and climate issues for over twenty years. We work to guarantee environmental protection and health for all communities and individual residents, regardless of their income, status, or background. Our organization emphasizes environmental justice and community engagement, and we sat on the Climate Protection Program (CPP or Program) Rulemaking Advisory Committee as an environmental justice organization. We are also one of the intervening parties in the current CPP litigation defending this landmark policy and have a strong interest in the Program's meaningful and equitable implementation.

Climate change is the most pressing issue of our time, and Oregon is already experiencing several adverse impacts, including drought and water insecurity, climate-fueled wildfires, and unprecedented heat domes. While these events impact all Oregon families and communities, they affect our frontline communities first and worst. The effects of climate change disproportionately fall on low-income, rural, and communities of color who lack vital access to climate-resiliency resources and those that are least able to prepare for and recover from climate-fueled disasters, limiting their ability to prepare for and recover from climate-field disasters. Oregon's frontline communities also bear the brunt of the climate crisis by shouldering higher costs for housing and utilities in addition to public health impacts from climate change.

As the DEQ knows, this rulemaking will have far-reaching consequences for our climate and Oregon's communities. If done correctly, this rulemaking will help ensure that our state stays on track to meet its climate goals equitably. This rulemaking must strengthen our state's climate

programs rather than undermining them. We urge you to prioritize emissions reductions, public health benefits, and economic benefits for Oregonians.

As written, the proposed rules may also have unintended consequences that will negatively impact our state's vulnerable communities and undermine the integrity of the CPP. **Namely, we are concerned that the current proposed rules would allow regulated gas utilities to rely on out-of-state biomethane or hydrogen investments,¹ thus undermining the integrity of the Community Climate Investments (CCI) program.** Allowing unlimited out-of-state “book-and-claim” accounting could enable the expansion of new large industrial emitters with the potential to emit unfettered climate pollution in Oregon while still technically complying with CPP requirements. This is a huge concern for the integrity of the CCI program under the CPP, which was designed to promote clean energy investments that benefit Oregon's frontline and environmental justice communities—the very communities that bear the brunt of the climate crisis and have been historically and presently disenfranchised by environmental harms, public health impacts, and economic disinvestment.

The CCI program's development was informed through months of engagement with environmental justice communities to support investments that maximize public health, jobs, and cost-saving benefits. Allowing covered fuel suppliers to rely on out-of-state accountings will likely encourage investments away from the CCI program, directly taking away benefits from Oregon's frontline communities. **Further, projects like these deliver no direct benefits to Oregonians, whereas CCIs will provide economic, health, and comfort benefits to communities most in need in addition to significant emissions reductions.** Diverting investments away from these communities and programs that would otherwise improve community climate resilience, reduce emissions and climate pollution, and promote economic growth only exacerbates the continued cycles of harm.

In conclusion, we strongly urge the DEQ to amend the proposed rules so that the rulemaking strengthens, rather than undermines, our vital climate programs, helps Oregon achieve its climate goals, prioritizes public health, promotes climate-resilient communities, and creates lasting jobs. We ask the DEQ to do this by:

- Restricting biomethane use for CPP compliance only to that which produces *direct benefits* to Oregonians (i.e., projects that reduce pollution in Oregon).
- Disallowing hydrogen to be used for CPP compliance unless it is *green electrolytic hydrogen* (i.e., made from renewable energy sources like solar and wind).

¹ The discussion of hydrogen's uses in our state and nationally is a complex topic; not all hydrogen is created equal. For example, there are serious concerns about the safety of blended hydrogen *and* concerns that if hydrogen is produced from fossil fuels, it could be more polluting than natural gas. Additionally, there are also concerns with the amount of water used in certain hydrogen processes and the impact that amount of water usage would have on our already water-scarce state.

- Strengthening emissions reduction requirements for new or expanded large industrial facilities in Oregon under the CPP's Best Available Emissions Reduction (BAER) program.

Thank you for this opportunity to comment. We sincerely hope that the DEQ takes this opportunity to build upon the hard work of climate advocates and upholds the integrity of Oregon's vital climate policies,

Sincerely,

Teryn Yazdani
Staff Attorney and Climate Policy Manager

Lisa Arkin
Executive Director

Comment # 224

From: pdelaquil@gmail.com

Subject: 2023 Climate Rulemaking

DEQ;

Please accept these comments regarding the proposed 2023 CPP Rules Update.

Best regards,

Pat

Number of commenters: 1

October 9, 2023

Environmental Quality Commission

Subject: DEQ's 2023 Climate Rulemaking

Chair George, Vice Chair Baraso, members of the Commission:

MCAT is a community of volunteers working to advance sound climate policy and ensure Oregon is a leader in addressing the climate crisis. Several of our members participated in the extensive 18-month rulemaking and stakeholder engagement process surrounding the development of the Climate Protection Plan (CPP), which was adopted with overwhelming public support.

The CPP was intentionally designed with both climate and equity goals, and DEQ should not allow regulated entities to comply with emission reduction goals without also simultaneously delivering public health, economic, and employment benefits for communities in Oregon. Ensuring that both goals of the CPP are met is critical because these direct economic benefits will strengthen public acceptance and support for the program and help to offset some of the negative impacts of likely fuel price increases.

We are greatly concerned that the proposed draft rules would dramatically undermine the CPP's public health, economic, and employment goals, by

- Allowing regulated gas utilities to rely on out-of-state purchases of biomethane-based Renewable Thermal Certificates, which provide no direct benefits to Oregon consumers, workers, local economies, and environmental justice communities across the state, and can be of questionable emission reduction value.
- Allowing the expansion of large industrial emitters by exempting existing BAER facilities that undergo a process expansion from filing for an updated BAER review, which theoretically would allow them to expand at a BAER approved emission rate without review for up to 5 years.

Given the far-reaching consequences this rulemaking will have for the climate and communities in Oregon, we strongly urge the EQC to direct staff to strengthen the final rules so as not to undermine the equity goals of the CPP by:

1. Restricting biomethane and hydrogen used for CPP compliance to that which produces direct benefits for Oregonians; and
2. Requiring that existing BAER facilities cannot expand beyond the 10,000 MT CO₂e /year limit without an updated BAER review *and* a reduction in their per-unit emissions level.

Our greatest concern is that out-of-state biomethane certificates will likely displace investments Community Climate Investment (CCI) credits, which are significantly less expensive than the biomethane credits¹, and will be designed to deliver direct benefits to Oregon consumers, workers, local economies, and environmental justice communities across the state.

We also support maintaining protective restrictions on biomethane accounting in the current rules, including notably, that synthetic methane derived from anthropogenic carbon sources does not comply with the CPP.

Thank you for the opportunity to provide comments on this important rulemaking.

A handwritten signature in black ink, reading "Pat DeLaquil". The signature is written in a cursive style with a large, stylized initial "P".

MCAT Steering Committee

Brett Baylor, Rick Brown, Linda Craig, Pat DeLaquil, Dan Frye, Debby Garman, KB Mercer, Michael Mitton, Rich Peppers, Rand Schenck, Jane Stackhouse, Joe Stenger and Catherine Thomasson

¹ Docket No. LC 79, In the Matter of NW Natural, 2022 Integrated Resource Plan, Staff Final Comments, Page 9.

Comment # 225

From: stephen.baxter@edstaub.com

Subject: 2023 Climate Rulemaking

To whom it may concern,

Please see my attached document regarding the 2023 Climate rulemaking.

Kind regards,

Stephen Baxter

Mechanic

Redmond

541-504-8265

stephen.baxter@edstaub.com

www.edstaub.com

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Number of commenters: 1

Dear DEQ Team,

I want to share my concerns and thoughts about the proposed changes to the Climate 2023 Rulemaking by DEQ. These changes involve Bio-Methane regulation, Book and Claim accounting, commercial Hydrogen, and the "Lookback" for Covered Entities.

First, it's essential to understand that petroleum-based energy, despite criticism, plays a vital role in Oregon's economy. It not only provides energy but also contributes to economic development and job creation. We should consider the benefits and potential costs of all energy choices, especially in terms of economic impact and human well-being.

During a recent DEQ climate Rulemaking Public Hearing on September 18th, it became clear that some groups have reservations about allowing covered entities in Oregon to use book and claim accounting for Bio-Methane from other states. However, these groups seem to support the use of electric vehicles made outside Oregon and the importation of out-of-state electricity, even without direct economic benefits to our citizens. This creates a difference in standards between Bio-Methane and out-of-state electricity.

We urge DEQ to maintain the current regulations for Bio-Methane without further changes. Book and claim accounting has worked well for using out-of-state Bio-Methane in Oregon's electricity generation. Changing these rules could lead to higher electricity costs, impacting consumers, including those in environmental justice communities. To minimize costs and achieve equity, DEQ should refrain from altering existing regulations. Technological advancements can help with CO2 levels, but economic distress from hasty rule changes cannot be easily reversed.

We believe Bio-Methane should not be subject to geographical constraints for book and claim reporting. There should be no requirements to inject Bio-Methane into an Oregon natural gas pipeline, no restrictions on vintage use for greenhouse gas reporting, and no time constraints. Bio-Methane should be allowed to be claimed and delivered to end-users in Oregon, even if it displaces natural gas used in a connected pipeline.

The book and claim regulations established by DEQ at the start of the Greenhouse Gas Reporting program should remain unchanged. They strike a balance between environmental concerns and our state's energy infrastructure needs.

Hydrogen, especially "Gray" and "Blue" Hydrogen, is a lower emissions alternative worth considering. Electric vehicles, while promoted as environmentally friendly, are not entirely carbon neutral, and their production outside Oregon doesn't benefit our state's economy. We must consider the entire lifecycle and make informed decisions.

Altering book and claim rules could lead to an energy crisis in Oregon, impacting citizens and energy stability. We believe a one-year lookback period should be incorporated into the regulations to benefit all covered entities.

Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,
Stephen Baxter

Comment # 226

From: tim.gelhardt@edstaub.com

Subject: DEQ Public Comment on 2023 Climate Rulemaking

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Tim Gelhardt

IS Technician

Ed Staub & Sons Petroleum

541-887-8934

tim.gelhardt@edstaub.com

www.edstaub.com

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Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,
Timothy Gelhardt

Comment # 227

From: jenifer.isais@edstaub.com

(no subject)

--

Jenifer Isais

Customer Service Representative

La Pine

541-536-7520

jenifer.isais@edstaub.com

www.edstaub.com

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Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

A handwritten signature in black ink that reads "STEVEN OSBORNE". The signature is written in a cursive, slightly slanted style.

Comment # 228

From: jenifer.isais@edstaub.com

(no subject)

--

Jenifer Isais

Customer Service Representative

La Pine

541-536-7520

jenifer.isais@edstaub.com

www.edstaub.com

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Number of commenters: 1

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Thank you for your commitment to responsible governance and reliable energy stewardship.

Sincerely,

A handwritten signature in black ink, appearing to read "Mary H. Hub". The signature is written in a cursive, flowing style.