Department of Environmental Quality

Memorandum

Date:

June 12, 2012

To:

Environmental Quality Commission

From:

Dick Pedersen, Director

Subject:

Agenda item L, Informational item: Director's dialogue

June 21-22, 2012, EQC meeting

Dock from Japan washed ashore on Agate Beach

On June 5, a large concrete and steel dock washed ashore on Agate Beach. The dock had an inscribed plate with Japanese writing, and U.S. and Japanese government officials confirmed that it was one of four docks from the Misawa prefecture of northern Japan that had been set adrift in the earthquake and tsunami last year. DEQ's emergency response team has provided support to the ongoing response to the dock, and Oregon Parks and Recreation is the lead agency for this type of debris that washes onto Oregon's beaches.

Many state agencies and some federal natural resource services are involved with the response to marine debris, and after the 2011 tsunami these agencies convened to discuss a way to coordinate resources and have clear authorities and roles for any debris that might wash ashore in Oregon. The agencies continue to coordinate communications and actions as part of the Japanese Tsunami Marine Debris workgroup. DEQ's role in the group is to assess and clean up any debris that is, or appears to be, hazardous waste. None of the material that washed up with the dock appears to be hazardous waste, so the DEQ cleanup team has not been identified for this project.

EPA disapproves Idaho Water Quality Human Health Criteria

EPA has disapproved Idaho's proposed water quality human health criteria. The primary reason appears to have been Idaho's reliance on a fish consumption rate of 17.5 grams per day. For Oregon this is good news, as EPA disapproved Oregon's earlier use of the 17.5 grams per day in its human health criteria. As a result, Oregon DEQ undertook a major effort to develop new human health criteria which is based on consuming 175 grams per day. The commission adopted the new standard in June 2011. EPA's action is significant in that if they would have approved Idaho's new standard, it would have undermined the action taken by EQC and the current work underway by Washington to update its human health criteria.

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Northwest and Northeast states urge Congress to restore air funding

In February 2012, EPA announced it will implement a plan to change its approach for distributing federal funding to state and local agencies that implement the Clean Air Act. Under this plan, Oregon and other Northwest states would receive reduced funding year after year until funding is cut by about 40 percent. The New England states will be similarly affected by the redistribution. The combined reductions to the Northwest and Northeast will amount to about \$1.5 million in the first year and increase to about \$9 million per year when fully phased in. EPA's announcement came despite a Jan. 3, 2012, letter from Oregon, Idaho, Washington and Alaska urging EPA to delay implementing the redistribution at least until more funding is available. EPA's announcement also included a plan to shift a large portion of the cost of operating federally-required air quality monitors from EPA to states, a change that will reduce federal funding for all states.

EPA confirmed its plans to move forward with the reallocation in an April 27 letter, prompting the four Northwest states and five New England states to turn to Congress for relief. In a letter mailed May 10, the states asked our combined Congressional delegation to prevent EPA from implementing the redistribution of federal air funds and the cut in monitoring funding. As noted in the letter, our states have been national leaders in air quality programs, pioneering emission controls for mercury from power plants, diesel exhaust from heavy-duty engines and particulate from wood stoves. While our states have lower populations than other parts of the country, the New England states are heavily impacted from air pollution transported from upwind states and the Northwest states must monitor and regulate air quality in a land area that accounts for over a fifth of the country. The proposed funding reductions would undermine DEQ's efforts to improve and maintain clean air. DEQ plans to work with Oregon's Congressional representatives on this matter.

Northeastern Regional Solutions Center establishes student internship program with Eastern Oregon University

The Northeast Regional Solutions Center, located in La Grande at Eastern Oregon University, has helped match eight university students with internships in northeastern Oregon communities. The students are involved in projects directly related to water, wastewater, municipal and public administration and economic restoration. This effort has been spearheaded by Randy Jones, a DEQ regional solutions liaison. The university has 16 of its own "regional centers" across the state, so there is direct overlap with the state's Regional Solutions Centers, and this model of support and extension could be successfully adapted in other regions of Oregon.

Opportunities are widespread throughout Oregon for both learning and adding capacity to local communities and businesses as we all work toward economic stabilization and growth. Many, if not most, smaller rural cities and towns have need for enhancement, repair or replacement of infrastructure, assistance in records management and municipal operations or updates to

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city/county management and planning systems. Likewise, small and emerging business significantly contributes to local economies and there is need for start-up and development assistance. By connecting student interns with these opportunities, and with the support of the state's Regional Solutions Centers, communities can add capacity and students can gain valuable experience and collect academic credit relevant to their degree programs.

Paint Product Stewardship Pilot Program

Oregon's Paint Product Stewardship Law, adopted as House Bill 3037 in 2009, established the nation's first statewide product stewardship program for managing leftover paint. This pilot program began July 2010 and is currently due to "sunset" in June 2014.

PaintCare, a non-profit organization created by a trade group for paint manufacturers, administers the Oregon program. PaintCare develops and implements a program plan that includes providing a series of depots statewide where people can drop off unused paint. Under the pilot program, consumers pay for the program by paying an assessment on paint containers at the point of sale. Fees range from \$0.35 to \$1.60, depending on paint container size.

DEQ must review and approve PaintCare's program plan and the assessment. Manufacturers and retailers are prohibited from selling paint unless they participate in an approved program. Retailers are required to provide consumers information on their options to recycle or safely dispose of leftover paint.

As required by the statute, PaintCare submitted its first annual report to DEQ in September. Year-one results include:

- Collection of over 450,000 gallons of leftover paint.
- Significantly more sites became available for Oregonians to drop off unwanted paint.
 Over 90 sites collected paint including 80 retail locations and 15 household hazardous waste depots.
- The pilot program shifted the cost of paint collection and recycling from local governments to those who purchase paint.

The law also required DEQ to submit a report to the Oregon Legislature describing results of the paint stewardship pilot program, recommending whether the program should be made permanent and explaining any modifications necessary to improve its functioning and efficiency. DEQ submitted the report with several recommendations, including the recommendation to make the program permanent, to the Legislature in November. That report is available on DEQ's website. On Nov. 16, 2011, DEQ staff presented an overview of the report and recommendations to the House Committee on Energy, Environment and Water and the Senate Committee on Environment and Natural Resources.

The industry-run product stewardship organization provided a response to the report to the House Committee on Energy, Environment and Water on May 23, 2012. During the question and

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answer period, legislators emphasized their desire for a transparent, accountable and cost-effective program. DEQ will continue working with the paint industry and product stewardship project stakeholders to design and implement an effective and efficient program.

Oregon E-Cycles Program

The Oregon E-Cycles program continued to increase collections during 2011, its third year of operations, recycling nearly 26 million pounds of computers, monitors and televisions. This was a seven percent increase over 2010 and exceeded the program's goal of 22.9 million pounds. 2011 collections equate to 6.7 pounds per person -- one of the highest electronics recycling rates in the country. An additional 36,700 computers, monitors and televisions returned through the program were reused. E-Cycles provides free electronics recycling through a convenient, statewide collection network of more than 250 collection and recycling facilities. DEQ oversees the program, which is funded by electronics manufacturers.

During its first three years of operations, Oregon E-Cycles has recycled 69 million pounds of computers, monitors and televisions. This recycling resulted in estimated energy savings equivalent to the energy content of eight million gallons of gasoline and greenhouse gas reductions of approximately 80,000 metric tons of carbon dioxide equivalent. This greenhouse gas benefit is equivalent to eliminating tailpipe emissions from 16,300 average passenger cars for three years.

EPA approves Upper Klamath River and Lost River Subbasin TMDLs

On May 30, U.S. EPA approved 12 individual Klamath and Lost River TMDLs for dissolved oxygen, pH, ammonia toxicity and chlorophyll a. These TMDLs were developed and issued by DEQ and submitted to EPA for consideration Dec. 21, 2010. EPA chose not to take action on a number of individual temperature TMDLs due to the uncertainties regarding the application of the natural conditions criteria for temperature raised by a recent ruling in *Northwest Environmental Advocates vs. EPA, U.S. National Marine Fisheries Services and U.S. Fish and Wildlife Service.* This deferral to take action on the temperature TMDLs had been expected.

EPA's approval action does not affect DEQ's completion of the reconsideration process with a number of local entities in the Klamath Basin. DEQ is completing work related to the reconsideration petitions and plans to have reconsideration portions of the TMDL out for public comment this summer. DEQ has been working closely with EPA on the reconsideration issues.

Oregon Clean Fuels Program

The fiscal advisory committee for the Oregon Clean Fuels Program convened in May to examine the fiscal impact of the first phase of the Oregon Clean Fuels Program. Advisory members, including those representing large distributers, discussed several aspects of reporting, and concurred generally with DEQ's fiscal assumptions. DEQ will consider the committee's input as

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it drafts the program rules. DEQ continues to work with interested stakeholders prior to putting out the proposed rules for formal public comment Aug. 1, 2012.

401 Water Quality Certification Fee rule revision project

DEQ is proposing a new fee structure to certify 401 water quality projects. The proposed fees, as directed by the 2009 Oregon Legislature through House Bill 2185, will be based on projected program costs rather than on volume of material removed or filled. The fees will apply to previously exempt projects such as sand and gravel operations, projects filling less than two acres of wetlands or removing fewer than 500 cubic yards of material. The proposed changes would not apply to hydroelectric projects.

DEQ has been working with an advisory committee since 2007. In 2011, DEQ led a Kaizen 404/401/removal-and-fill streamlining and process improvement project with 10 state and federal agencies. DEQ committed to implementing the outcome of the Kaizen recommendations and continuing the 401 fee rule revision project as needed. Over the past several months, DEQ has been finalizing the details of the proposal in conjunction with an advisory committee and has been briefing stakeholders.

Representatives of the 401 program will present an informational item at the August EQC meeting. The August EQC meeting will also include a public hearing related to the 401 fee rule revision. DEQ will be seeking public comment over the summer and plans to present the fee rule to the commission for action in October.