

# PGE Comments on the DEQ Budget

**Joint Ways and Means Subcommittee on Natural Resources  
March 30, 2023**

## **Title V Fee Increase**

The Department of Environmental Quality (DEQ) operates the Title V air permit program funded, as required by the US Clean Air Act, by fees from permit holders. Title V fees can only be used to support the Title V program. PGE holds Title V permits for our natural gas-powered generation plants.

PGE's path to decarbonization centers on our customers' needs as we plan for investments in new resources and enhancements to the grid that can deliver the affordable, clean electricity services our customers expect. Amid rising power costs and the need for ongoing investment in grid resilience and clean energy, we continue to focus on mitigating costs wherever possible. However, adequate DEQ staffing to issue Title V permits and avoid exacerbating existing permit backlogs is in the interest of PGE and its customers.

As a heavily regulated company at the local, state, and federal levels, PGE depends on our regulators to consider and resolve permits and policy matters in a timely fashion. Inadequate staffing levels that create delays and uncertainty introduce the same inefficiencies in our business. We also note that the program has not substantially increased fees since 2011, and that closure of PGE's Boardman coal plant, while positive for PGE customers and greenhouse gas emissions reduction, reduced Title V permit program revenues. For these reasons, PGE can accept the Title V permit fee increase proposed by the Department of Environmental Quality. We appreciate the 3 percent cap on annual increases after this year's permit increase, without which we understand the Department will lay off about one third of its permitting staff in the Title V program.

## **State Electric Vehicle Rebate**

Since 2018, Oregon's Clean Vehicle Rebate program has helped charge the transition to zero emission vehicles with more than 60,000 electric vehicles on Oregon's roads at the dawn of 2023. With strong rebate throughput, the program has now been suspended effective May 1 as it has run out of available funding. The program has prioritized an equitable and inclusive transition to EVs, with a greater rebate amount for income-qualified Oregonians, outreach to underserved communities, and the inclusion of used EVs as eligible for the rebate. Eliminating the state incentive may result in a less inclusive transition to EVs in Oregon as the up-front purchase price of EVs prevents more Oregonians from realizing the economic, air quality, and climate benefits of driving electric. The Clean Vehicle Rebate program helps put many EVs at cost parity with internal combustion vehicles, helping Oregon move faster toward the state's electrification goals. PGE urges the subcommittee to restore the rebate program in DEQ's budget for the 2023-2025 biennium as proposed in House Bill 2613.

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