



NEIGHBORS
FOR
CLEAN
AIR

Oregon's Air Is Toxic.

Join Our Fight to Clean It Up.

March 30, 2023

TO: Ways and Means Subcommittee on Natural Resources

RE: HB 5018 - POP 110

FR: Mary Peveto, executive director of Neighbors for Clean Air. Thank you for the opportunity to testify today in support of **HB 5018, specifically POP 110 DEQ's air budget requesting a Title V fee increase.**

People exposed to toxic air pollutants at sufficient concentrations and durations have an increased chance of getting cancer or experiencing other serious health effects including damage to the immune system, as well as neurological, reproductive (e.g., reduced fertility), developmental, respiratory and other health problems. Title V air permits regulate major industrial sources of these hazardous air contaminants. This critical air quality program provides the information and safeguards for protecting communities from toxic air pollution. This is good for businesses as well, providing the regulatory certainty and predictability, as well as avoiding a crisis like we saw in the emissions associated with Bullseye Glass. We can not afford to move backward, to the years when, the 2018 Secretary of State audit concluded: "43% of DEQ's largest and most complex air quality permits are overdue for renewal. Some inspections are also overdue." The audit recommended among other things, more funding for the permitting program. The agency has completed the 10 recommendations from that report to improve its internal process, even as it has not significantly adjusted its fees in over a decade, despite the increase in complexity in federal regulations and oversight requirements for the program.

1. **Raising Title V fees is critical to Oregon meeting its federal Clean Air Act obligations to protect public health by monitoring and enforcing air quality standards.**
 - **The federal Clean Air Act and accompanying regulations require Oregon as the permitting authority to collect fees from subject sources sufficient to cover all reasonable direct and indirect costs required to develop and administer the Title V program. (CAA § 502(b) and 40 C.F.R. § 70.9.)**
 - **The EPA Office of Inspector General recently released a report concerning unsustainable Title V fee structures across the country, explaining that insufficient fees may lead to permit backlogs, staffing challenges, and reduced funds for Clean Air Act monitoring and Compliance that can "undermines a permitting authority's ability to conduct Title V activities and, thus, increases the risk of noncompliance with Title V regulations. Oregon's 2018 Secretary of State's Audit Report on the air permitting process recognized outdated permits and delays in renewal issuances can postpone facility implementation of enhanced monitoring procedures and slow emissions reductions that would result from improved**



monitoring. The Portland Moss and Air Quality study conducted by the U.S. Forest Service in 2016 uncovered high concentrations of toxic heavy metals like cadmium in the residential neighborhoods surrounding two glass manufacturers—one of those being Bullseye Glass. Monitoring near one of the sources showed cadmium levels 38 and 39 times the state's safe air goals, suggesting an increased risk of cancer illness for people routinely in that area. The study laid bare the gaps in Oregon's air monitoring program, as the sources of the unhealthy levels of these heavy metals went undetected for years by DEQ.

- As a result of the EPA Office of Inspector General report, the federal agency has been encouraged to take more decisive action to address inadequate fee structures because it may have direct, negative public health impacts, especially for communities that have historically borne the brunt of pollution.
 - **Suppose Oregon decides not to increase funding to support DEQ's work administering the Title V program. In that case, there is a real risk that EPA could issue a notice of deficiency, implement a "stringent" performance plan, engage in "increased" and EPA-led enforcement at the companies that emit pollutants, and even take over permitting responsibilities for some of those companies.** This year, Debra Shore, the Regional Administrator for EPA Region 5, issued a warning letter to the Indiana Department of Environmental Management about concerns about insufficient funding for the state's Title V program. In the letter, EPA warned that it would take action if Indiana failed to provide adequate funding to administer the Title V program. Oregon could face a similar fate if fees are not increased to ensure that the state meets its Clean Air Act obligations and protects public health.
2. **Compared to the other states within EPA region 10, Oregon's fees are relatively low, so an increase would bring them closer to those states. I have included in my written testimony links to comparisons in other states.**
- In Oregon, Title V fees are assessed annually based on a facility's potential to emit pollutants. The fees range from \$5,000 to \$24,500 annually, with an additional \$1,000 for late payments. <https://www.oregon.gov/deq/FilterDocs/titlevfeeschedule.pdf>
 - In Washington, Title V fees are also based on a facility's potential to emit pollutants but are assessed biennially. The fees range from \$4,000 to \$40,000 annually, with an additional \$1,000 for late payments. <https://ecology.wa.gov/Regulations-Permits/Permits-certifications/Air-permits-regulations/Air-Operating-Permit-program/Fees>.
 - In Alaska, Title V fees are also assessed annually based on a facility's actual emissions. The fees range from \$500 to \$35,000 per year, depending on the amount of pollutants emitted. <https://dec.alaska.gov/air/am/fees/>
 - In Idaho, Title V fees are assessed annually based on a facility's actual emissions. The fees range from \$600 to \$42,000 per year, depending on the amount of pollutants emitted. <https://www.deq.idaho.gov/permits/air-quality-permits-and-fees/>.



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- 3. Raising Title V fees could help address environmental injustices, as communities of color and people receiving low incomes are often disproportionately affected by air pollution. The increased funding could be directed toward monitoring and enforcement in these communities. It is a lack of monitoring and enforcement that for years allowed the Owens-Brockway Glass Recycling Plant to operate unchecked and emit hundreds to thousands of pounds of pollutants in the neighboring community of Cully—a rich and diverse community that has been overburdened by air pollution. An independent modeling report showed that the facility was likely causing or contributing to exceedances of federal air quality standards that protect human health and the environment.**

I strongly urge you to support HB 5018. Thank you for your time