Presiding Officer's Report

Date: April 10, 2006

To: Environmental Quality Commission

From: John Becker, Mark Fisher, Larry Calkins, and Loretta Pickerell, Presiding Officers

Prepared by: Rachel Sakata

Subject: Presiding Officer's Report for Rulemaking Hearing
Title of Proposal: Oregon Low Emission Vehicle Rules (Oregon LEV)

Hearing Date and Time: February 21, 2006, 7:00 PM
Hearing Location: Community Justice Center, 1101 W Main St., Suite 101, Medford, OR

Hearing Date and Time: February 22, 2006, 7:00 PM
Hearing Location: Central Oregon Association of Realtors, 2112 NE 4th St., Bend, OR

Hearing Date and Time: February 23, 2006, 7:00 PM
Hearing Location: Pendleton City Hall, Community Room, 500 SW Dorian Ave., Pendleton, OR

Hearing Date and Time: February 27, 2006, 7:00 PM
Hearing Location: DEQ Headquarters, Room 3A, 811 SW 6th Ave., Portland, OR

The Department conducted four public hearings on the proposed Oregon Low Emission Vehicle rules. At each hearing, the Presiding Officer asked attendees to sign an attendance sheet and also a registration forms if they wished to present comments. Before each hearing, Dave Nordberg, the Department’s project lead for this rulemaking, explained the proposed rules and responded to questions. The Presiding Officer convened the hearing following that presentation. People were also advised that the hearing was being recorded.
Before taking comments, the Presiding officers, John Becker (Medford), Mark Fisher (Bend), Larry Calkins (Pendleton), and Loretta Pickerell (Portland), briefly explained the rulemaking process and procedures for the hearing.

The following is a summary of written and oral comments received at the hearing. The Department has included these comments in the Summary of Comments and Agency Responses for this rulemaking.

**Medford Hearing**

The Department convened the rulemaking hearing on the proposal referenced above at 7:00 PM and closed it at 8:35 PM. 35 people attended the hearing; 26 people commented.

Representative Gordon Anderson  
District 3 Representative – Oregon Legislature  
Rep. Anderson commented on the rules saying they are ill-timed and not for Oregon. He wants to wait until legal issues regarding the federal and state lawsuits in California on the California rules are resolved before getting Oregon involved. Rep. Anderson is uncertain about the impacts of global warming, considering there is still considerable debate among scientists and non-scientists alike. He believes the Governor has gone too far with the proposed adoption of the rules and the rules are essentially a tailpipe tax. He questions the savings to consumers as estimated at only $50 a year where the actual cost of a new car will be around $3,000.

Stanley L. Snook  
Central Point resident  
Mr. Snook commented on developing alternative energy from non-fossil fuel sources. He says the zero emission technology should be made available to all and to not listen to the auto dealers who want to keep the older fossil fuel powered vehicles.

Polly Stirling  
Douglas Co. Global Warming Coalition members  
Stuart Liebowitz  
The commenters each commented in favor of adopting the OREGON LEV standards as it will help curb global warming. The also remarked on how global warming affects the economic, health, and environmental status in Oregon.

Bryan Platt  
Eagle Point resident  
Mr. Platt commented that the rule goes against the will of the Oregon Legislature and is in violation of House Bill 5135 which prohibits the DEQ from spending any money on adopting these rules.

Carter Rose  
Wolf Creek resident  
Mr. Rose commented Oregon should adopt standards that are stricter than those of California’s.
Bruce Bauer     Medford resident
Mr. Bauer commented on his support of the OREGON LEV rules. He also commented that the 7500 mile requirement be deleted, because people can buy cars in other states, bring them to Oregon, and they will be considered exempt.

Susan Reid     Oregon Environmental Counsel Board member
Ms. Reid commented on her support of the OREGON LEV rules and how it will help reduce global warming and fossil fuel consumption. She commented it is important to have clean air and to move forward with promoting biodiesel.

Representative Peter Buckley     State Representative – Southern Jackson Co.
Rep. Buckley commented in support of the OREGON LEV rules. He also commented it will help reduce air pollution. He also commented on his support for the Governor’s decision to veto House Bill 5135 prohibiting DEQ from adopting these standards.

The people listed above commented on their support of the OREGON LEV rules. They also mentioned it would reduce our dependency on fossil fuels, reduce emissions, reduce global warming pollution, provide cleaner air – particularly for children, increase hybrid sales, and increase consumer choice.
Bend Hearing

The Department convened the rulemaking hearing on the proposal referenced above at 7:27 PM and closed it at 7:58 PM. 24 people attended the hearing; 12 people commented.

Aleta Raphael-Brock    OSPIRG

Ms. Brock commented on her support of the OREGON LEV rules and noted how air pollution due to increased vehicle traffic is at risk, there is an unstable energy supply, and that global warming pollution is increasing. She commented on how global warming poses an economic and recreational threat, particularly in the Deschutes County region. The rules will help reduce air pollution, increase consumer choice, and provide gas savings for consumers.

Jill Current    Pandian
Marilyn Miller    Juniper Group – Sierra Club
Kevin Witt    Bend resident
Gretchen Valido    Juniper Group – Sierra Club
Donangelo    Bend resident
Ronald E. Foerster    Bend resident
Zach Mulholland    Bend resident
John Deleo    Student

The commentors voiced their support of the OREGON LEV rules. These rules will help reduce our dependence on foreign oil, combat the effects of global warming, and improve air quality – particularly for future generations. Additionally, some commenters stated Oregon should be doing more to achieve reductions, particularly with concern to global warming.

Matt Shinderman    3 E Strategies

Mr. Shinderman commented on his support for the OREGON LEV rules and how it will help address the global warming problem. He also commented that Oregon should take a leadership role in carbon reduction and addressing sustainability issues.

Jacob L. Rusby    Central Oregon Community College/Bend Biofuels

Mr. Rusby commented on his support of the OREGON LEV rules and that Oregon should be reducing global warming through the use of renewable energy, with biodiesel as a primary option.

Asante Riverwind    Oregon Chapter Sierra Club

Mr. Riverwind commented on his support of the OREGON LEV rules but that more should be done to help combat global warming. He encouraged the state to look at public transportation systems, alternative fuels, and tax credits for people who do not drive at all. He also commented on making subsidies available for the development of biodiesel and other types of fuel.
Pendleton Hearing

The Department convened the rulemaking hearing on the proposal referenced above at 7:00 PM and closed it at 7:40 PM. 17 people attended the hearing; 3 people commented.

Gloria Van Pelt    Pendleton citizen
    Ms. Van Pelt requested more time to review the rulemaking and provide comments. She voiced concerns over whether all the comments would be adequately addressed and that the rules should be determined by the vote of the people. She commented she is not in favor of the rules.

Bill Hampton    Pendleton citizen
    Mr. Hampton commented the rules should be up to a vote of the people and is not in favor of the rules. He does not see how the rules will make a difference, does not see any correlation between greenhouse gases and climate change, and thinks that with the initial price increase of OREGON LEV cars, it will cause people to hold onto their older, more polluting cars longer.

Darrel Lepiane    Milton-Freewater citizen
    Mr. Lepiane commented on his support of the OREGON LEV rules and that these rules will help reduce air pollution and global warming. He commented that while the initial cost of cars will rise it will be offset by fuel savings.

Portland Hearing

The Department convened the rulemaking hearing on the proposal referenced above at 7:25 PM and closed it at 9:17 PM. 85 people attended the hearing; 34 people commented.

Terry Parker    Portland citizen
    Mr. Parker commented on his opposition of the OREGON LEV rules because he thinks it is unconstitutional for DEQ to be adopting these rules. He also commented that it allows California regulators to control Oregon law. These rules increase transportation costs, and any increased vehicle costs should be backed up by tax credits to be used to reduce personal income taxes. These rules limit vehicle choice, such as for light duty diesel vehicles, since they currently cannot be sold in California.

Joye Willman    SEIU 503 OPEU
    Ms. Willman commented on the union’s support of the OREGON LEV rules as these regulations will provide cleaner air and Oregon’s ability to expand the economic and
transportation infrastructure. It also allows auto manufacturers to do their part to reduce emissions so that the burden does not fall as hard on local businesses and industry, thus potentially costing local jobs.

Kevin Downing    AFSCME Local 3336

Mr. Downing provided comments on behalf of the union in support of the OREGON LEV rules. He commented that the adoption of the rules will help ensure energy dollars stay in Oregon and will reduce toxic emissions, benefiting the health of Oregonians.

The people listed above commented in support of the OREGON LEV rules. They commented it is good for the economy, provides a healthier environment – especially for children and the economically disadvantaged, lowers health care costs, and helps combat global warming.

Jim Houser     Hawthorne Auto Clinic

Mr. Houser commented on his support of the OREGON LEV rules because vehicles will become more reliable due to the extended warranty requirements. He also commented the new low sulfur fuel and a commitment from auto diesel engine manufacturers to meet lower emission...
standards by 2009 will help put cleaner diesel vehicles on the road and boost the biodiesel market.

Todd Weedman  
Todd’s Import Automotive

Mr. Weedman commented on his support of the OREGON LEV rules. He objects to the super warranty provision because the independent auto shops will have to send the car owners to the dealer, under the conditions of the warranty. This creates a perception of incompetence for all repair facilities.

Douglas Krom  
Portland citizen

Mr. Krom commented that he hoped to buy a diesel motorcycle and to use biodiesel fuel but the law currently does not allow him to do so. He commented on a provision of the rules that allow no-tampering such as changing the emissions design or fuel intake on the vehicle. He says that certain alterations would be beneficial such as hydrogen injection to produce cleaner tailpipe emissions. He said Oregon needs to designate another class of vehicle, such as a commuter car that is either low or no emissions and could travel in the HOV lane.

Representative Greg Macpherson  
State Representative – House District 38

Rep. Macpherson commented in support of the OREGON LEV rules and on the EQC’s authority to adopt the rule. He stated the statutes clearly give the EQC authority to adopt the rules and cited a legislative finding stating an Oregon goal for air quality is one without a detectable adverse effect from motor vehicle air pollution on health, safety, and welfare. He also referenced the legislative attempt in a budget bill (HB 5135) to prevent DEQ from implementing the OREGON LEV rules. He commented this procedure should not be used to force policy changes.

Gary Graunke  
Oregon Electric Vehicle Association

Mr. Graunke commented on behalf of his association in favor of the OREGON LEV rules. He cited the efficiency of electric vehicles vs. heat engines and thought it was achievable for auto makers to make hybrids. He believes that investing in hydrogen fuel cells is premature right now because the development has taken some time to come to fruition and that grid-connected electric cars are currently available. He also believes the ZEV component is critical and should be included in the standards.

Senator Kate Brown  
State Senator – Senate District 21

Sen. Brown commented on her support of the OREGON LEV rules, noting Oregon’s effort to move towards energy independence, fight global warming, and preserve the environment. Adopting the standards would provide a “Clean Cars” corridor along the Pacific coast. Additionally the standards would provide an annual net savings of more than 8 million dollars when fully implemented, which in turn is money that can be spent locally and help Oregon’s economy.
Steven Douglas    Alliance of Automobile Manufacturers

Mr. Douglas commented on behalf of the Alliance in opposition to the OREGON LEV rules. He commented that the rules are very expensive, violate federal law, will make cars more expensive, and will have little effect on Oregon’s climate.

John Charles     Cascade Policy Institute

Mr. Charles commented in opposition to the OREGON LEV rules and noted that air pollution in Oregon cities is going down and is well below the Clean Air Act standards. He commented that the rule addresses carbon dioxide, which is not a federal criteria pollutant or included as part of DEQ’s emission inventory. Oregon’s rules will not affect climate change but the consumers will pay the price. Mr. Charles commented that DEQ should define global warming, even though other major organizations such as the United Nations have failed to issue an official definition. He also commented the rules are not legal because Oregon’s rules must be identical to California’s regulations and all regulatory authority would be ceded to the California Air Resources Board.