



City of Portland Bureau of Development Services

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PERMANENT RULE

RELATING TO
Title 16 Vehicles and Traffic

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TOPIC: Motor Vehicle Fuels

AUTHORITY:

The City Council has charged the Bureau of Development Services (BDS) with responsibility for the administration and enforcement of the provisions of Portland City Code Chapter 16.60, Motor Vehicle Fuels. Under Section 16.60.070 A, the Director of BDS has the authority to adopt written policies and procedures for the enforcement of applicable Code provisions and laws. The purpose of this Administrative Rule is to adopt policies and procedures for enforcing and administering the renewable fuel standard regulations of Chapter 16.60 Motor Vehicle Fuels.

CITATION:

Additional Regulations.

The Director of the Bureau of Development Services is authorized to promulgate administrative rules and take other actions reasonable and necessary to enforce this code.

Enforcement and Notice of Violation.

The Director of the Bureau of Development Services, or designee, upon determining that a violation of this code or regulations duly adopted pursuant to this Chapter has occurred, shall issue a written notice of the violation by certified mail to affected party identifying the violation and applicable penalty.

EFFECTIVE DATE: These Administrative Rules shall be effective upon July 1, 2007.

__**[Paul Scarlett]**_____ this 22nd day of May, 2007
Paul L. Scarlett, Director

ADMINISTRATIVE RULE

Renewable Fuel Standard—Title 16

1. Authority.

- A.** Portland City Code Chapter 16.60 authorizes the Director of the Bureau of Development Services to adopt policies, forms and procedures for enforcing and administering the renewable fuel standards regulations.

2. Purpose and Scope.

- A.** The purpose of Portland City Code Chapter 16.60, as identified in Ordinances No. 180313, (passed by the City Council on July 12, 2006), and as subsequently amended by Ordinance No. 180671 (passed by the City Council on December 13, 2006), is to promote the use of biofuels, stimulate further development of the biofuels industry, and provide consumer protection in this emerging industry. These administrative rules are intended to provide further detail and specificity regarding the requirements of Portland City Code Chapter 16.60.
- B.** As provided under PCC Chapter 16.60.040. A, a fuel retailer who sells B20 or greater at one or more standard, fixed pumps, at the fuel retailer's location, may also offer for sale diesel on the same or contiguous retail location.
- C.**
 - 1)** These rules apply to fuel for on-road motor vehicles.
 - 2)** Fuels used for the following purposes are not covered by these rules:
 - a. Railroad locomotives, watercraft, and aircraft;
 - b. Dyed diesel for off-road vehicles;
 - c. Dyed diesel for furnaces, boilers, generators; and
 - d. Propane and liquefied natural gas for vehicles.
- D.** These rules do not apply to fuel sold in the City of Portland for subsequent delivery outside the City limits.
- E.** These rules are not intended to limit production, sale, or use of fuel for flex fueled vehicles using up to 85 percent ethanol blends.

3. Definitions.

- A.** Titles, captions and section headings used in these rules are for the convenience of the reader, and shall not be read to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of any of these administrative regulations. The following words and phrases

whenever used in these regulations shall be construed as defined in this Section unless from the context a different meaning is intended, or unless a different meaning is specifically defined and more particularly directed to the use of such words or phrases. Words and phrases used in these regulations and not specifically defined shall be construed according to the context and approved usage of the language. Words used in the singular include the plural and the plural includes the singular. Any gender includes other genders. Words used in one tense include any other tenses as the context may require.

- B.** In any references in these administrative rules to the Oregon Revised Statutes or to the Oregon Administrative Rules, that statute or administrative rule is incorporated in the form in which it exists at the time these administrative rules are adopted.
- C.** As used in these regulations, the following terms shall be defined as provided in this section:
- 1) "Accredited Laboratory" means a laboratory that is currently accredited by an independent laboratory accrediting body for analyzing motor fuels using American Society of Testing and Materials (ASTM) test procedures and specifications.
 - 2) "ASTM" means ASTM International, the national voluntary consensus standards organization formed for the development of standards on characteristics and performance of materials, products, systems, and services; and the promotion of related knowledge. ASTM when used in these rules shall mean the 2006 Annual Book of ASTM Standards, Section 5, Volumes 05.01 through 05.05.
 - 3) "Biodiesel" means a fuel comprised of monoalkyl esters of long chain fatty acids derived from vegetable oils or animal fats, not including palm oil, designated as B100 and meeting the standards and specifications established by the ASTM D 6751.
 - 4) "Biodiesel blend" means a fuel comprised of a blend of biodiesel fuel with petroleum based diesel fuel, designated BXX where XX represents the volume percentage of biodiesel fuel in the blend. (Example: A blend that is 5% biodiesel by volume is considered B5).
 - 5) "Biodiesel Producer" means the person responsible for the production of B100 meeting ASTM D 6751.
 - 6) "Biofuel" means Biodiesel and Ethanol.
 - 7) "Bulk Facility" means a facility, including pipeline terminals, refinery terminals, rail and barge terminals, and associated underground and above ground tanks connected or separate, from which motor vehicle fuels are withdrawn from bulk and delivered to retail, wholesale or non retail facilities or into a cargo tank or barge used to transport products used to comply with PCC Chapter 16.60 or these rules.
 - 8) "Certificate of Analysis" means a document verifying that the B100 biodiesel has been analyzed and complies with the following ASTM D

6751 biodiesel fuel test methods and specifications: Flash Point (ASTM D 93); Acid Number (ASTM D 664); Cloud Point (ASTM D 2500); Water and Sediment (ASTM D 2709); Free Glycerin (ASTM D 6584); and Total Glycerin (ASTM D 6584) and in addition, Visual Appearance (ASTM D 4176) and that the production lot or batch meets PCC Chapter 16.60 feedstock requirements.

- 9) "Director" means the Director of the Bureau of Development Services or a duly authorized representative of the Director.
- 10) "E10" means a fuel mixture of 10% by volume of ethanol and 90% by volume of gasoline meeting the ASTM D 4814 standard specification for gasoline base stock from which a gasoline-ethanol blend was produced.
- 11) "End User" means the person consuming fuel for the purpose of operating motor vehicles on public roadways.
- 12) "Ethanol" also known as "Denatured Fuel Ethanol", means nominally anhydrous ethyl alcohol meeting ASTM D 4806 standards. It is intended to be blended with gasoline for use as a fuel in a spark-ignition internal combustion engine. The denatured fuel ethanol is first made unfit for drinking by the addition of Alcohol and Tobacco Tax and Trade Bureau approved substances before blending with gasoline.
- 13) "Feedstock" means the plant or animal matter from which a biofuel is derived.
- 14) "Fuel or Motor Vehicle Fuel" means E10, biodiesel, biodiesel blends, or diesel, used or intended for use for the generation of power in an internal combustion engine.
- 15) "Fuel Vendor" is any retail dealer, nonretail dealer or wholesale purchaser consumer located in the City of Portland selling or dispensing fuel to an end user.
- 16) "Fuel Distributor" means a person that causes the transportation or storage of fuel at any point between a refinery or importer's facility and any retail outlet or wholesale purchaser consumer within the City of Portland.
- 17) "Independent Laboratory Accrediting Body" means an accrediting body that has a written mutual recognition agreement with the International Laboratory Accreditation Cooperation for analyzing motor fuels.
- 18) "Marketer" means any person engaged in the business of distributing or reselling fuel to a Fuel Vendor, including wholesale dealers and fuel distributors, used to comply with the requirements of PCC Chapter 16.60 or these rules.
- 19) "Nonretail Dealer" means any person who owns, operates, controls or supervises an establishment at which motor vehicles fuel is dispensed through a card or key-activated fuel dispensing device to non retail customers.
- 20) "Person" means a natural person, joint venture, joint-stock company, partnership, association, club, company, corporation, business trust, organization, and/or the manager, lessee, agent, servant, officer, or

employee of any of them.

- 21) "Portland City Code or PCC" means ordinances adopted by the City Council, as codified by the City Auditor.
- 22) "Qualifying Feedstock" means feedstock from Brassica (Canola), Camelina (Flax), Helianthus (Sunflower), Carthamus (Safflower) and used cooking oil.
- 23) "Reseller" means a person who purchases fuel and resells or transfers it to a retailer or wholesale purchaser-consumer within the City of Portland.
- 24) "Retail Dealer" means any person who owns, operates controls or supervises an establishment located within the City of Portland at which motor vehicle fuel is offered for sale to the public.
- 25) "Retail Outlet" means any establishment at which motor vehicle fuel is offered for sale to the public within the City of Portland.
- 26) "Wholesale Dealer" means any person who sells fuel if the seller knows or has reason to believe that the buyer intends to resell the fuel in the same or an altered form to a retail dealer, non retail dealer, or another wholesale dealer.
- 27) "Wholesale Purchaser-Consumer" means any organization within the City of Portland that is an ultimate consumer of fuel, and which purchases or obtains diesel or gasoline from a fuel distributor or reseller for use in motor vehicles, and receives delivery of that product into a storage tank or directly into a vehicle's tank.

4. Biofuel Requirements.

- A. B5 Requirement to comply with the PCC Chapter 16.60 or these rules.**
 - 1) On or after July 1, 2007, all diesel fuel sold by fuel marketers to fuel vendors in the City of Portland must be B5 or higher.
 - 2) On or after August 15, 2007, all diesel fuel dispensed by fuel vendors in the City of Portland shall be B5 or higher.

- B. B10 Requirement to comply with the PCC Chapter 16.60 or these rules.**
 - 1) On or after July 1, 2010, all diesel fuel sold by fuel marketers to fuel vendors in the City of Portland must be B10 or higher.
 - 2) On or after July 1, 2010, all diesel fuel dispensed by fuel vendors in the City of Portland shall be B10 or higher.

- C. E 10 Requirement to comply with the PCC Chapter 16.60 or these rules.**
 - 1) On or after September 16, 2007, all gasoline sold by fuel marketers to fuel vendors in the City of Portland must be E10.
 - 2) On or after November 1, 2007, all gasoline dispensed by fuel vendors in the City of Portland shall be E10.

5. Specification Standards.

- A. As standards adopted by ASTM are revised, the Director will revise these administrative rules in a manner consistent with the revisions unless the Director determines that those revised rules will significantly interfere with the Director's ability to carry out the provisions of PCC Chapter 16.60.
- B. Biodiesel blends and diesel fuels shall meet the following requirements:
 - 1) The base diesel fuel shall meet the requirements of ASTM D 975, Standard Specification for Diesel Fuel Oils; and
 - 2) The biodiesel blend stock shall meet the requirements of ASTM D 6751, Standard Specification for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels.
 - 3) Biodiesel blends of B99 or higher shall meet the requirements of ASTM D 6751, Standard Specification for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels.
- C. **Palm Oil.** Biodiesel produced from a feedstock of palm oil may not be used for the purposes of satisfying the requirements of PCC 16.60.020 or these rules.
- D. **Threshold Notification for Feedstock Requirements.** The Director shall study and monitor biodiesel production use and sales in Oregon and the City of Portland. When the production of biodiesel from Oregon grown feedstock and used cooking oil reaches a level of at least 2.5 million gallons on an annualized basis for at least three months, the Director shall notify all marketers and fuel vendors that:
 - 1) The production of biodiesel from Oregon grown feedstock and used cooking oil has reached the level described above; and
 - 2) That three months from the date of the notice, all biodiesel used for the purposes of satisfying the requirements of PCC 16.60 or these rules shall contain a minimum of 50% by volume of biodiesel produced from qualifying feedstock.
- E. **Qualifying Feedstock.** When the production threshold and notification requirements outlined in PCC 16.60.020 (F) have been met:
 - 1) Fuel Marketers shall ensure that at least 50% by volume of the biodiesel they sell or distribute to Fuel Vendors for the purpose of satisfying the requirements of PCC 16.69.020 and these rules is produced from qualifying feedstock.
 - 2) Fuel Retailers who offer a biodiesel blend of 20% (B20) or greater, per the exemption provided by PCC 16.60.030 A, shall ensure that at least 10% by volume of the biodiesel blend they dispense for the purposes of satisfying the requirements of PCC 16.60.020 and these rules is produced from qualifying feedstock.

6. Certification and Blending.

A. Biodiesel Certification.

- 1) Biodiesel produced within or imported into to the State of Oregon for the purposes of complying with PCC Chapter 16.60 and these rules, must be accompanied by a Certificate of Analysis for that specific production lot or batch of biodiesel.
- 2) A Certificate of Analysis shall accompany each delivery of B100 used to comply with PCC Chapter 16.60 and these rules.
- 3) Testing of biodiesel shall be performed by one of the following:
 - a. An accredited laboratory; or,
 - b. A non-accredited laboratory that meets all of the following requirements:
 - (i) The laboratory facilities must house and allow proper operation of all required equipment in accordance with the applicable test procedures;
 - (ii) The laboratory must use personnel trained to perform and analyze ASTM D 6751 biodiesel fuel tests and other required tests;
 - (iii) The laboratory must use testing equipment that has been calibrated or verified to meet the requirements of each ASTM test procedure;
 - (iv) The laboratory must participate in an ASTM proficiency program or similar national proficiency program at least three times a year with appropriate results; and,
 - (v) The laboratory must maintain current documentation of personnel qualifications, equipment verification, and proficiency results for at least one year. These records shall be available for inspection upon request by the Director.

B. Biofuel Blending. The blending of diesel fuel and biodiesel to form a biodiesel blend and the blending of gasoline and denatured ethanol to form a gasoline-ethanol blend shall be performed using only:

- 1) Liquid measuring devices that are suitable for the service in which they are used, licensed with and approved by the Oregon Department of Agriculture, Measurement Standards Division, or
- 2) A fixed-blend injection system or other automatic means. Other forms of blending diesel and biodiesel or gasoline and denatured ethanol such as by proportioned estimation are prohibited.

C. Contents of Bill of Lading. An invoice, bill of lading, shipping paper, or other documentation shall accompany each delivery, other than a sale by a retail or non-retail dealer, of:

- 1) B100 biodiesel or biodiesel blend declaring the volume percent of biodiesel; or
- 2) Gasoline and denatured ethanol declaring the volume percent of denatured ethanol to the nearest 0.5 volume percent. The invoice, bill of lading, shipping paper, or other documentation must comply with

OAR 603-027-0430 (1) (a) which includes identifying the quantity, the name of the product, the name and address of the seller and buyer, and the date and time of the sale.

- D. Biodiesel Blends.** For biodiesel blends, the invoice, bill of lading, shipping paper, or other documentation must denote the gallons of petroleum where the “yy” designation denotes the gallons of petroleum diesel fuel and where “xx” designation denotes the gallons of B100 blends stock. (Example: XX gallons of B100 blend stock. YY gallons of petroleum diesel).
- E. Inline Injection.**
- 1) If inline injection is used to blend the B100 blend stock and the diesel then the bill of lading will denote the gallons of biodiesel per gallons of diesel base-stock, or the BXX designation where “xx” designation denotes the volume percent of the biodiesel included in the blended product (Example: B5, B20).
 - 2) If inline injection is used to blend the gasoline and denatured ethanol then the bill of lading will denote the gallons of ethanol per gallons of gasoline base-stock, or the EXX designation where “xx” designation denotes the volume percent of the ethanol included in the blended product (Example: E10).

7. Testing and Inspections.

A. Testing of motor vehicle fuel.

- 1) The Director may test motor vehicle fuel for the purpose of inspecting the motor vehicle fuel supply of any service station, business or other establishment that sells or offers for sale, or distributes, transports, hauls, delivers or stores motor vehicle fuel that is subsequently sold or offered for sale, for compliance with PCC Chapter 16.60 or these rules.
- 2) The Director shall have access during normal business hours to all places where motor vehicle fuel is sold to or by a retail dealer, non-retail dealer or wholesale dealer for the purpose of examination, inspection and investigation of the establishment's motor vehicle fuel supply, shall collect or cause to be collected samples of the motor vehicle fuel and shall test or analyze the samples for compliance with motor vehicle fuel quality standards adopted pursuant to ORS 646.957.
- 3) Before taking any enforcement action under PCC 16.60.040 or these rules, the Director shall cause motor vehicle fuel samples to be tested in accordance with standards, reproducibility limits and procedures that are, in the director's judgment, consistent with ASTM standards and procedures.
- 4) The Director shall notify the owner or person in charge of the facility of the sample collection as soon as is practicable after a sample is taken. The volume of the sample taken for testing will be adequate for the tests to be performed and to allow for a portion of the sample to be

retained for subsequent testing, if the need arises. A sample with a test result that is outside the test reproducibility limits, when compared to the applicable limits shall be properly stored to preserve the sample for at least 90 days.

B. Official Sampling Procedures; Inspections and Record Keeping.

- 1) The Director will obtain official samples of motor vehicle fuel for testing from:
 - a. The same dispensing device used for sales to customers;
 - b. Any bulk facility;
 - c. Any transporter of motor vehicle fuels.
- 2) The official sample shall be obtained in the following manner:
 - a. The official sample shall be collected into a clear or brown glass bottle or a metal container approved for such use;
 - b. The container shall be sealed and identified immediately after the official sample has been obtained;
 - c. At the motor vehicle fuel dispenser, the official sample shall be collected after at least 2 litres (one-half gallon) has been dispensed. The official sample shall be considered representative of the product dispensed.
- 3) At the time the Director obtains samples, or requests to review copies of books, papers or records, the owner or operator may specify what, if any, information the owner or operator considers to be confidential business information or a trade secret. The Director shall keep any information so specified (including the results of any test) in a separate file marked "confidential." The disclosure of such information shall be governed by the Oregon Public Records Law, ORS 192.410 et. seq. Nothing in this rule shall be construed to limit the use of such information in any enforcement proceeding by the Director.

C. Inspections.

- 1) For all Biodiesel Producers, Bulk Facility Operators, and Marketers that are subject to the requirements of PCC Chapter 16.60 and these rules, the Director may:
 - a. Audit records for biodiesel;
 - b. Review Certificates of Analysis for each production lot or batch of biodiesel;
 - c. Verify qualifying feedstock;
 - d. Review bills of lading or other documentation identifying the percentage of biodiesel being blended;
 - e. Take sample of biodiesel for ASTM testing; and,
 - f. Verify blend ratios of gasoline-ethanol and biodiesel sold.
- 2) For all Fuel Vendors that are subject to the requirements of PCC Chapter 16.60 and these rules, the Director may:
 - a. Review bills of lading or other documentation for the last 3 deliveries of all motor vehicle fuels;

- b. Verify blend ratios of gasoline-ethanol and biodiesel blend;
- c. Check all storage tanks for water;
- d. Verify pump and storage tank labeling;
- e. Conduct octane screening of gasoline-ethanol products;
- f. Take official samples for products failing screenings;
- g. Transport failed gas-ethanol samples to an accredited laboratory;
- h. Transport/ship samples that fail laboratory screenings for ASTM testing;
- i. Take random samples of biodiesel blend products for ASTM testing; and
- j. Transport biodiesel blend samples to ASTM laboratory.

8. Record Keeping and Reporting.

A. Feedstock Documentation.

- 1) Biodiesel Producers will maintain at the person's registered place of business documentation for the prior 12 months detailing the feedstock from which the biodiesel used to satisfy the requirements of PCC 16.60.020 and these rules was produced from.
- 2) Marketers will maintain at the person's registered place of business documentation for the prior 12 months verifying that the biodiesel used to satisfy PCC Chapter 16.60 and these rules satisfies the feedstock requirements of PCC 16.60.020.

B. Fuel Vendor Documentation.

- 1) Fuel vendors shall keep at the person's registered place of business the last 3 invoices, bills of lading, shipping paper or other documentation for each product being sold to comply with PCC Chapter 16.60 or these rules.
- 2) Fuel vendors selling biodiesel shall keep at the person's registered place of business the last 3 Certificate of Analysis' for each blend ratio sold to comply with PCC Chapter 16.60 or these rules.

C. Documentation for Dispenser Labeling Purposes. The operator of the retail, non-retail and wholesale purchaser consumer dispensers shall be provided, at the time of delivery of the fuel, with a declaration of the volume percent biodiesel or ethanol on an invoice, bill of lading, shipping paper, or other document.

D. Documentation of Volume Sold. Each operator of a bulk facility and each person who sells motor vehicle fuels to fuel vendors in the City of Portland shall keep, for at least 12 months, at the person's registered place of business complete and accurate records of any motor vehicle fuels sold if sold or delivered in the City of Portland, for purposes of showing compliance with PCC Chapter 16.60 or these rules.

9. Dispenser Labeling and Signs.

- A. Ethanol Blends.** A fuel vendor that sells or dispenses gasoline shall place a label on each fuel pump, as follows:
- 1) Identification of Product.** Ethanol blends shall be identified by the capital letter E followed by the numerical value representing the volume percentage of ethanol fuel, ending with "Ethanol Blend". (Example: E10 Ethanol Blend).
 - 2) Dispenser Labeling.** All fuel vendor pumps dispensing gasoline containing 10% ethanol shall be labeled in type at least 12mm (1/2 inch) in height and 1.5mm (1/16 inch) stroke (width of type) with the capital letter E followed by the number 10 representing the volume percentage of ethanol ending with "Ethanol Blend." (Example: E10 Ethanol Blend).
- B. Biodiesel and Biodiesel Blends.**
- 1) Fuel Vendors** that sell or dispense diesel fuel for sale shall place a label on each fuel pump as follows:
 - a. Biodiesel and biodiesel blends** shall be identified by the capital letter B followed by the numerical value representing the volume percentage of biodiesel fuel, ending with "Biodiesel Blend". (Examples: B5 Biodiesel Blend; B20 Biodiesel Blend)
 - b. Fuel Dispenser Labeling.** All Fuel Dispensers dispensing biodiesel containing 5% or more of biodiesel shall be labeled in type at least 12mm (1/2 inch) in height and 1.5mm (1/16 inch) stroke (width of type) with the capital letter B followed by the numerical value representing the volume percentage of biodiesel fuel ending with either "Biodiesel" or "Biodiesel Blend." (Examples: B5 biodiesel blend; B100 Biodiesel).
- C. Location of Label.** The labels for ethanol blends and biodiesel blends must be located on each face and on the upper 50 percent of the dispenser pump front panels in a position that is clear and conspicuous from the position of the driver's seat.
- D. Storage Tanks**
- 1) Fill Connection Labeling.** A fill connection for any motor vehicle fuel storage tank for which fuels are dispensed directly into motor vehicle tanks shall be permanently, plainly, and visibly marked as to the grade of product contained therein.
 - 2) Declaration of Meaning of Color Code.** When the fill connection device is marked by means of a color code, the color code key shall be conspicuously displayed at the place of business.

10. Enforcement.

- A. Suspension Notification.** The Director may temporarily suspend or modify the minimum biofuel content requirements of PCC16.60 or these rules based on a determination that such requirements are temporarily

infeasible due to economic or technical circumstances. The Director's determination shall be made by filing a report with the City Council.

B. Violations.

- 1) The Director may determine that a violation of PCC Chapter 16.60 or these rules has occurred. Upon making the determination that a violation has occurred, the Director shall issue a written notice of the violation by certified mail to the fuel marketer or fuel vendor identifying the violation and applicable penalty
- 2) The fuel marketer or fuel vendor shall, upon receipt of a notice of violation, correct the violation and pay to the City the stated penalty or appeal the finding of a violation to the Code Hearings Officer within 10 days of receipt of the notice.
- 3) A determination issued pursuant to Chapter 16.60.040.A may be appealed to the Code Hearings Officer, as provided for in Chapter 22.10 of City Code.
- 4) In determining the penalty to be assessed against any person, the Director shall consider the following criteria:
 - a. The extent and nature of the person's involvement in the violation;
 - b. The benefits, economic, financial or otherwise, accruing or likely to accrue as a result of the violations;
 - c. Whether the violations were repeated and continuous, or isolated and temporary;
 - d. The magnitude and seriousness of the violation;
 - e. The City's costs of investigating the violation and correcting or attempting to correct the violation;
 - f. Whether any criminal charges have been issued against the person; and,
 - g. Any other factors the Director deems to be relevant.
- 5) Fuel Quality Complaints. Upon receipt of a complaint of fuel quality or identification by the Director, the City will forward the complaint to the responsible State regulatory agency.

C. Penalties. Violations of this Chapter may be punishable by fines as follows:

- 1) A fine of up to \$5,000 for the first violation;
- 2) A fine of up to \$10,000 for each subsequent violation.
- 3) It is a separate offense each and every day during any portion of which any violation of any provision of these administrative regulations is committed or continued by such person and may be punished accordingly.

11. Administration.

A. Adoption and Revision of Rules.

- 1) Except as provided below, the Director will adopt or revise these rules only after providing notice to the public. Not less than 10 days, nor

more than thirty days before beginning such a public review process, the Director will publish a notice in a newspaper of general circulation in the City of Portland. The notice will identify the place, time and purpose to the public review process and the location at which copies of the proposed rules may be obtained.

- 2) During the public review, the Director shall hear testimony or receive written comment concerning the proposed rules. The Director shall review the recommendations; taking into consideration the comments received during the public review process, and shall either adopt the proposal, modify or reject it.
- 3) If a substantial modification is made, additional public review shall be conducted, but no additional notice shall be required if such additional review is announced at the meeting at which the modification is made. Unless otherwise stated, all rules shall be effective upon adoption by the Director and shall be filed in the Office of the Director.
- 4) Notwithstanding paragraphs 1, 2, and 3 of this section, an interim rule may be adopted by the Director without prior notice upon a finding that failure to act promptly will result in serious prejudice to the public interest or the interest of the affected parties, including the specific reasons for such prejudice. Any rule adopted pursuant to this paragraph shall be effective for a period of not longer than one year (365 days).
- 5) Within five Business Days of the adoption of such interim rule, the Director shall send notice of the rule to all persons on the BDS list of parties interested in Portland RFS Administrative Rules, giving the language of the rule change, describing the purpose of the rule, and inviting comments to be sent to BDS.

- B. Binding Policy.** These rules are binding City policy with in the meaning of PCC Chapter 1.07 and will be on file with the City of Portland's Auditors Office.