



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

STAFF REPORT

PROPOSED AMENDMENTS TO BAAQMD REGULATION 3: FEES

APRIL 20, 2011

1. EXECUTIVE SUMMARY

District staff has prepared proposed amendments to District Regulation 3: Fees, for Fiscal Year Ending (FYE) 2012 (i.e., July 1, 2011 to June 30, 2012) that would increase revenue to enable the District to continue to effectively implement and enforce regulatory programs for stationary sources of air pollution. A recently completed 2011 Cost Recovery and Containment Study (a copy of which is available on request) indicates that a significant cost recovery gap exists. For the most recently completed fiscal year (FYE 2010), fee revenue recovered just 62 percent of program activity costs.

Reducing the cost recovery gap has become a particularly important part of the District's budgetary needs as County revenue derived from property taxes is projected to remain flat or decline over the next several years. The District will also continue to implement cost containment measures to address budgetary issues associated with the general economic downturn. Even with the proposed fee increases and cost containment measures, the District will likely need to make use of its reserves in FYE 2012 (as it has in FYE 2011). With no fee increases, much more significant use of reserves would be required and reserve funds would likely drop below minimum levels established by the District's Board of Directors as being appropriate (i.e., 15 percent of the General Fund budget, or approximately \$9 million).

District staff is proposing fee amendments that are expected to increase fee revenue in FYE 2012 by 5 percent from fee revenue projections included in the current FYE 2011 budget. Assuming that facility activity-based fees continue through FYE 2012 at the depressed levels observed to date in FYE 2011 (reflected in a drop off in permit applications for major new projects, and a decrease in reported production levels and emissions), the average fee rates in Regulation 3 will need to be increased by 10 percent in order to meet this fee revenue target.

The results of the 2011 Cost Recovery and Containment Study were used to establish proposed fee amendments for each fee schedule based on the degree to which existing fee revenue recovers the regulatory program activity costs associated with the schedule. Based on this approach, the fee rates in several fee schedules would not be increased, while other fee schedules would be increased by 10, 12, or 14 percent. Several fees that are administrative in nature (e.g., permit application filing fees and permit renewal processing fees) would be increased by 10 percent. The fees for equipment registrations, which have been established in recent years based on considerations of cost recovery, would be increased by a cost of living adjustment of 2 percent. Finally, a new one-time fee of \$129 would be set for each low-use agricultural engine that complies with emissions standards through an Alternative Compliance Plan.

The proposed fee amendments would increase annual permit renewal fees for most small businesses that require District permits by about \$50 or less, with the exception of gas stations which would increase by an average of about \$230. For larger facilities, increases in annual permit renewal fees would cover a considerable range due to differences in the facility's size, complexity, and type of emission sources. The annual

permit renewal fees for the five Bay Area refineries, the District's highest fee payers, would increase within an estimated range of 4.4 to 7.0 percent (\$64,000 to \$153,500), with the average increase being 5.7 percent (\$98,000). For facilities with Title V permits, not including the five refineries, annual permit fees would increase within an estimated range of 0.8 to 13.8 percent (\$190 to \$20,400), with the average increase being 8.9 percent (\$4,500). District permit fees would remain well below those of the South Coast AQMD, where fee revenue recovers a much higher percentage of associated program activity costs (i.e., about 90 percent) relative to the Bay Area AQMD.

The proposed fee amendments would increase overall District fee revenue in FYE 2012 to approximately \$32.3 million, representing an increase of \$1.5 million from budgeted fee revenue levels for FYE 2011. These revenue projections have been included in the proposed FYE 2012 budget prepared by District staff.

2. BACKGROUND

State law authorizes the District to assess fees to generate revenue to recover the reasonable cost of regulatory program activities for stationary sources of air pollution. The largest portion of District fees is collected under provisions that allow the District to impose permit fees sufficient to recover the costs of program activities related to permitted sources. The District is also authorized to assess fees for: (1) areawide or indirect sources of emissions which are regulated, but for which permits are not issued by the District, (2) sources subject to the requirements of the State Air Toxics Hot Spots Program (Assembly Bill 2588), and (3) activities related to the District's Hearing Board involving variances or appeals from District decisions on the issuance of permits. The District has established, and regularly updates, a fee regulation (District Regulation 3: Fees) under these authorities.

The District has analyzed whether fees result in the collection of a sufficient and appropriate amount of revenue in comparison to the costs of related program activities. In 1999, a comprehensive review of the District's fee structure and revenue was completed by the firm KPMG Peat Marwick LLP (*Bay Area Air Quality Management District Cost Recovery Study, Final Report: Phase One – Evaluation of Fee Revenues and Activity Costs*, KPMG Peat Marwick LLP, February 16, 1999). This 1999 Cost Recovery Study indicated that fee revenue did not nearly offset the full costs of program activities associated with sources subject to fees as authorized by State law. Property tax revenue (and in some years, reserve funds) had been used to close this cost recovery gap.

The District Board of Directors adopted an across-the-board fee increase of 15 percent, the maximum allowed by State law for permit fees, for FYE 2000 as a step toward more complete cost recovery. The District also implemented a detailed employee time accounting system to improve the ability to track costs by program activities moving forward. In each of the next five years, the District adjusted fees only to account for inflation (with the exception of FYE 2005, in which the District also approved further

increases in Title V permit fees and a new permit renewal processing fee).

In 2004, the District funded an updated Cost Recovery Study. The accounting firm Stonefield Josephson, Inc. completed this study in March 2005 (*Bay Area Air Quality Management District Cost Recovery Study, Final Report*, Stonefield Josephson, Inc., March 30, 2005). This 2005 Cost Recovery Study indicated that a significant cost recovery gap continued to exist. The study also provided cost recovery results at the level of each individual fee schedule based on detailed time accounting data. Finally, the contractor provided a model that could be used by District staff to update the analysis of cost recovery on an annual basis using a consistent methodology.

For the five years following the completion of the 2005 Cost Recovery Study (i.e., FYE 2006 through 2010), the District adopted fee amendments that increased overall projected fee revenue by an average of 8.9 percent per year. In order to address fee equity issues, the various fees were not all increased in a uniform manner. Rather, individual fee schedules were amended based on the magnitude of the cost recovery gap for that schedule, with the schedules with the more significant cost recovery gaps receiving more significant fee increases. In FYE 2009, the District's fee amendments also included a new greenhouse gas (GHG) fee schedule. The GHG fee schedule recovers costs from stationary source activities related to the District's Climate Protection Program. In FYE 2011, the District adopted an across-the-board 5 percent fee increase, except for the Title V fee schedule (Schedule P) which was increased by 10 percent (the District's 2010 Cost Recovery Study indicated that Fee Schedule P recovered only 46 percent of program activity costs).

In September 2010, the District contracted with the firm Matrix Consulting Group to complete an updated analysis of cost recovery that could be used in developing fee amendments for FYE 2012 and beyond. This study also included a review of the District's current cost containment strategies, and provided recommendations to improve the management of the District's costs and the quality of services provided to stakeholders. A four-member Stakeholder Advisory Group was assembled to help prepare the study and provided input on: (1) Development of a Request for Proposals, (2) contractor selection, (3) the quality of services provided by the District to stakeholders, and (4) review of the draft study. The study was completed in March 2011 (*Cost Recovery and Containment Study, Bay Area Air Quality Management District*, Final Report, Matrix Consulting Group, March 9, 2011).

The recently completed 2011 Cost Recovery and Containment Study concluded that, for the District's most recently completed FYE 2010, overall fee revenue recovered 62 percent of related program activity costs. The study also noted that the District has implemented a number of strategies over the past several years in order to contain its costs. In addition, the District's permit and enforcement programs were assessed against a series of performance measures known as Best Management Practices. Most of the Best Management Practices identified in the study are either already being applied at the District, or are being developed for future implementation.

The 2011 Cost Recovery and Containment Study provided cost recovery results at the level of each individual fee schedule for use in considering appropriate fee amendments. In addition, the contractor provided an updated model that could be used by District staff in subsequent years to update the analysis of cost recovery using a consistent methodology.

3. PROPOSED FEE AMENDMENTS FOR FYE 2012

3.1 SUMMARY OF METHODOLOGY

For FYE 2012, District staff has developed proposed amendments to Regulation 3 that would increase fee revenue by approximately 5 percent, or \$1.5 million, from budgeted fee revenue levels for the current FYE 2011. This represents an overall fee revenue target of approximately \$32.3 million. Projected fee revenue for FYE 2012 is provided in Table 1 in several categories. These figures are approximations, as actual fee revenue depends on a variety of factors, some of which are difficult to predict (e.g., year-to-year fluctuations in industrial activities).

Table 1. Projected Fee Revenue for FYE 2012

Permit Fees	
New & Modified Permit Fees, Permit to Operate Renewal Fees, Title V Fees	\$29,050,000
AB 2588 Fees (includes State pass-through)	\$724,000
Other Fees	
Asbestos and Soil Excavation Notification Fees	\$1,771,000
Registration Fees (includes an estimated \$350,000 in PERP fees from CARB)	\$780,000
Hearing Board Fees	\$20,000
Total	\$32,345,000

The \$32.3 million fee revenue target summarized in Table 1 was developed as a part of the District's FYE 2012 budget preparation process. The proposed FYE 2012 budget assumes that County revenue (the District's second largest revenue source, which is used to fill the cost recovery gap resulting from fee-based program activities) will not increase from FYE 2011, reflecting the continuing downturn in the economy. The proposed budget also includes a number of cost containment measures, including adding no new positions and maintaining the District's existing vacancy rate of over 10 percent. The total General Fund budget expenditures proposed for FYE 2012 represents a decrease of approximately 2 percent from the amended FYE 2011 budget.

The proposed FYE 2012 budget is balanced with the inclusion of a transfer of approximately \$0.9 million from the District's reserve funds. The proposed 5 percent increase in fee revenue is needed to keep the District's reserves from being reduced in FYE 2012 below the minimum level that the District's Board of Directors has established as being appropriate (i.e., 15 percent of the General Fund budget, or approximately \$9 million, representing about three months of operating expenditures).

In order to meet the \$32.3 million fee revenue target included in the proposed FYE 2012 budget, District staff estimates that the fee rates in Regulation 3 will need to be increased by an average of 10 percent. This assumes that facility activity level-based fees will continue through FYE 2012 at the depressed levels observed to date in FYE 2011. In FYE 2011, there has been a decrease in the number of permit applications submitted for projects involving major capital expenditures, as well as a decrease in reported facility throughput levels and emissions. District staff is projecting that actual fee revenue for FYE 2011 will be approximately 96 percent of budgeted levels, representing a shortfall of \$1.2 million.

District staff believes that it is appropriate for budgeting purposes to assume that fees related to facility activity levels will not significantly rebound in FYE 2012. There are several reasons for this including: (1) Even though the Bay Area is experiencing a cyclical economic rebound, there are downside risks that could slow the recovery (e.g., if energy and food prices remain elevated and/or job creation is slowed by layoffs in the public sector), (2) facility permit renewal fees are based on activity levels from the preceding year, so there is a time lag between when increased activity levels occur and when increased fee revenue is received, (3) some of the recent decreases in emissions-based fees are due to permanent decreases in emissions resulting from regulatory requirements, (4) permit applications for major new power plants have historically been a major contributor to permit application fee revenue, but no such applications are expected to be submitted in FYE 2012 as four new major power plants have been permitted (or are in the final stages of being permitting) in the Bay Area in the last year, and a permit application for a fifth proposed plant has already been submitted with permit fees paid. If facility activity-based fee revenue should rebound in FYE 2012 beyond current expectations, this can be taken into consideration in developing fee amendments for the FYE 2013 budget cycle.

The results of the 2011 Cost Recovery and Containment Study were used to establish proposed fee amendments for most fee schedules based on the degree to which existing fee revenue recovers the activity costs associated with the schedule. Based on this approach, the fee rates in several fee schedules would not be increased, while the fee rates in other fee schedules would be increased by 10, 12, or 14 percent. The specific basis for these proposed fee amendments is summarized in Table 2 as follows.

Table 2. Proposed Fee Changes Based on Cost Recovery by Fee Schedule

Revenue from Fee Schedule as a Percentage of Program Activity Costs (from 2011 Cost Recovery and Containment Study)	Change in Fees	Affected Fee Schedules
Revenue exceeds 89% of costs	No Change	C, G-4, T
Revenue is 70 to 89% of costs	10% increase	B, F, G-5, N
Revenue is 50 to 69% of costs	12% increase	G-1, L
Revenue is less than 50% of costs	14% increase	A, D, E, G-2, G-3, H, I, K, P, S

For several existing fee schedules not listed in Table 2 (i.e., Schedules M, R, Q, and U), the methodology of using recent cost recovery data for establishing fee amendments was considered inappropriate. The proposed amendments to these fee schedules are explained in the following section.

In addition to the proposed amendments to fee schedules, District staff is proposing to increase several add-on fees that appear in the Standards section of Regulation 3 by 10 percent. This includes permit application filing fees and permit renewal processing fees. Existing permit fees are well below the point of full cost recovery, and these fee increases are proposed to help the District reduce its cost recovery gap.

3.2 PROPOSED RULE AMENDMENTS

The complete text of the proposed changes to District Regulation 3: Fees, has been prepared in strikethrough (deletion of existing text) and underline (new text) format, and is included in Appendix A. A detailed description of the proposed amendments follows.

- Section 3-225: Minor Modification

The definition of “minor modification” would be amended to include reference to Schedule G-5, which was inadvertently omitted from this definition when Schedule G-5 was adopted in 2007. The term “minor modification” is used in subsection 3-302.5, and this subsection already specifies that minor modifications to permitted sources subject to Schedule G-5 shall pay fees under Schedule G-2.

- Section 3-302: Fees for New and Modified Sources

The proposed amendment for Section 3-302 is a 10 percent increase in the filing fee for permit applications for new/modified sources and abatement devices (subsection 3-302.3) (rounded to the nearest whole dollar), from \$354 to \$389.

- Section 3-311: Banking

The proposed amendment for Section 3-311 is a 10 percent increase in the filing fee for banking applications (rounded to the nearest whole dollar), from \$354 to \$389.

- Section 3-312: Emission Caps and Alternative Compliance Plans

No change in regulatory language is proposed for subsection 3-312.1, which requires an additional annual fee equal to 15 percent of the facility's Permit to Operate fee for facilities that elect to use an Alternative Compliance Plan (ACP) for compliance with Regulation 8, or Regulation 2, Rule 2. These ACP fees would change along with the proposed changes in Permit to Operate renewal fees listed in Table 2 for sources in Schedules B, C, D, E, F, G-1, G-2, G-3, G-4, G-5, H, I, and K.

The proposed amendment for subsection 3-312.2 is a 10 percent increase in the annual fee (rounded to the nearest whole dollar) for a facility that elects to use an ACP contained in Regulation 2, Rule 9: Interchangeable Emission Reduction Credits. The fee for each source included in the ACP would be increased from \$893 to \$982, and the maximum fee would be increased from \$8,934 to \$9,827.

- Section 3-320: Toxic Inventory Fees

The maximum toxic inventory fee for a small business specified in subsection 3-320.1 would be increased by 10 percent (rounded to the nearest whole dollar) from \$8,131 to \$8,944. This fee is related to Schedule N: Toxic Inventory Fees, which would be increased by 10 percent based on the cost recovery methodology listed in Table 2.

- Section 3-327: Permit to Operate, Renewal Fees

The processing fees for renewal of Permits to Operate specified in subsections 3-327.1 through 3-327.6 would be increased by 10 percent (rounded to the nearest whole dollar).

- Section 3-329: Fee for Risk Screening

No change in regulatory language is proposed for Section 3-329: Fee for Risk Screening. Increases in risk screening fees are instead specified in Schedules B, C, D, E, F, G-1, G-2, G-3, G-4, G-5, H, I, and K. For each applicable fee schedule, the base fee for each application that requires a Health Risk Screening Analysis would be increased by 10 percent from \$354 to \$389. The portion of the risk screening fee that is based on the type of source involved would be changed along with the proposed changes in Permit to Operate renewal fees listed in Table 2 for sources in Schedules B, C, D, E, F, G-1, G-2, G-3, G-4, G-5, H, I, and K.

- Fee Schedules

Schedule A: Hearing Board Fees

Based on the cost recovery methodology listed in Table 2, the fees in Schedule A would be increased by 14 percent (rounded to the nearest whole dollar). The schedules of fees for excess emissions (Schedule A: Table I) and visible emissions (Schedule A: Table II) would also be increased by 14 percent.

Based on a request from the District's Hearing Board, District staff is also proposing to amend an existing provision in Schedule A for excusing fees based on unreasonable hardship. Specifically, the footnote at the end of the table of fees would be amended to specify that a hardship fee waiver must be requested pursuant to Hearing Board Rules. The existing provision indicates that the Hearing Board may grant an order for a fee waiver based on hardship, without any reference to Hearing Board Rules. California Health and Safety Code section 42311(h) indicates that an air district's hearing board may waive all or part of its fees if it determines that the circumstances warrant a waiver.

Schedule B: Combustion of Fuel

Based on the cost recovery methodology listed in Table 2, the fees in Schedule B would be increased by 10 percent (rounded to the nearest whole dollar). The base fee for a health risk screening analysis for a source covered by Schedule B would also be increased by 10 percent, from \$354 to \$389.

Schedule C: Stationary Containers for the Storage of Organic Liquids

Based on the cost recovery methodology listed in Table 2, the fees in Schedule C would not be changed, except for the base fee for a health risk screening analysis for a source covered by Schedule C, which would be increased by 10 percent from \$354 to \$389.

Schedule D: Gasoline Transfer at Gasoline Dispensing Facilities, Bulk Plants and Terminals

Based on the cost recovery methodology listed in Table 2, the fees in Schedule D would be increased by 14 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule D, which would be increased by 10 percent from \$354 to \$389. For bulk plants, terminals or other facilities subject to Schedule D, Part B., the base fee for a health risk screening analysis is included in the Risk Screening Fee (RSF) for the first TAC source in the application.

Schedule E: Solvent Evaporating Sources

Based on the cost recovery methodology listed in Table 2, the fees in Schedule E would be increased by 14 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule E, which would be increased by 10 percent from \$354

to \$389.

Schedule F: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 2, the fees in Schedule F would be increased by 10 percent. The base fee for a health risk screening analysis for a source covered by Schedule F would also be increased by 10 percent, from \$354 to \$389. The base fee for a health risk screening analysis in Schedule F is included in the RSF for the first TAC source in the application.

Schedule G-1: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 2, the fees in Schedule G-1 would be increased by 12 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule G-1, which would be increased by 10 percent from \$354 to \$389. The base fee for a health risk screening analysis in Schedule G-1 is included in the RSF for the first TAC source in the application.

Schedule G-2: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 2, the fees in Schedule G-2 would be increased by 14 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule G-2, which would be increased by 10 percent from \$354 to \$389. The base fee for a health risk screening analysis in Schedule G-2 is included in the RSF for the first TAC source in the application.

Schedule G-3: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 2, the fees in Schedule G-3 would be increased by 14 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule G-3, which would be increased by 10 percent from \$354 to \$389. The base fee for a health risk screening analysis in Schedule G-3 is included in the RSF for the first TAC source in the application.

Schedule G-4: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 2, the fees in Schedule G-4 would not be changed, except for the base fee for a health risk screening analysis for a source covered by Schedule G-4, which would be increased by 10 percent from \$354 to \$389. The base fee for a health risk screening analysis in Schedule G-4 is included in the RSF for the first TAC source in the application.

Schedule G-5: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 2, the fees in Schedule G-5 would be increased by 10 percent. The base fee for a health risk screening analysis for

a source covered by Schedule G-5 (included in the RSF for the first TAC source in the application), would also be increased by 10 percent.

Schedule H: Semiconductor and Related Sources

Based on the cost recovery methodology listed in Table 2, the fees in Schedule H would be increased by 14 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule H, which would be increased by 10 percent from \$354 to \$389.

Schedule I: Dry Cleaners

Based on the cost recovery methodology listed in Table 2, the fees in Schedule I would be increased by 14 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule I, which would be increased by 10 percent from \$354 to \$389.

Schedule K: Solid Waste Disposal Sites

Based on the cost recovery methodology listed in Table 2, the fees in Schedule K would be increased by 14 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule K, which would be increased by 10 percent from \$354 to \$389.

District staff is also proposing to restructure the Initial and Permit to Operate fees in Schedule K to provide better characterization of the sources being regulated. First, the description of the source listed in existing subsections 1a, 2a, 3a, and 3b in Schedule K would be changed from “solid waste disposal site” to “landfill”. The sources at a landfill subject to fees would then be divided into three types: (1) the landfill decomposition process (revised subsections 1a and 3a), which applies to landfills that are active, inactive, or closed if District permits are required, (2) the waste and cover material dumping process (revised subsections 1b and 3b), which applies to active landfills, and (3) the excavation, bulldozing, and compacting process (new subsections 1c and 3c), which applies to active landfills. All of these processes at landfills are currently permitted by the District under a single source number (subject to a single fee, which is based on whether the landfill is active or inactive). Under the revised approach, active landfills will be assigned separate permit source numbers corresponding to each of the source types described above. These changes in the categorization of sources covered by Schedule K were designed to be “fee neutral”, so that the fees under Schedule K for both inactive and active landfills will remain unchanged by the restructuring itself (as was previously noted, however, the fees for Schedule K are proposed to be increased by 14 percent based on considerations of cost recovery).

District staff is also proposing some grammatical improvements to the descriptions of the reports and questionnaires that require fees under Schedule K Parts 5a, 5b, and 5c.

Schedule L: Asbestos Operations

Based on the cost recovery methodology listed in Table 2, the fees in Schedule L would be increased by 12 percent.

Schedule M: Major Stationary Source Fees

Schedule M is an emissions-based schedule that applies to various permitted facilities emitting 50 tons per year of organic compounds, sulfur oxides, nitrogen oxides, and/or PM₁₀. The District's time accounting system does not provide data to allow for direct analyses of cost recovery for this schedule. Rather, the fee revenue collected from Fee Schedule M is allocated to the other source category-based permit fee schedules (i.e., Fee Schedules B, C, D, E, F, H, I, and K) based on the specific sources that are subject to Schedule M fees and their level of emissions. In this manner, the cost recovery for Schedule M is indirectly accounted for in the cost recovery analyses completed for the source-category based fee schedules.

District staff is proposing no change for Fee Schedule M for FYE 2012. Schedule M is the second largest fee schedule in terms of fee revenue received by the District, and so the facilities that are subject to Schedule M will generally have increases in their annual permit renewal fees that are below the percentage increases listed in Table 2 for other fees schedules. For example, the five Bay Area petroleum refineries, which are subject to Schedule M and many other fee schedules, would have estimated permit renewal fee increases in FYE 2012 ranging from 4.4 to 7.0 percent.

Schedule N: Toxic Inventory Fees

Based on the cost recovery methodology listed in Table 2, the fees in Schedule N would be increased by 10 percent.

Fees for Schedule N are calculated by a formula that includes the fee revenue that is to be collected for District purposes, as well as the fee revenue that is to be passed through to the State to recover State agency costs related to the Air Toxics Hot Spots Program. The variable F_T , the total amount of fees to be collected, used to calculate fees for Schedule N is proposed to be increased to \$724,000, which represents an increase of approximately 10 percent from the current fiscal year. This change does not require any modifications to the language of Schedule N.

The flat fee in Schedule N for facilities with emissions of toxic air contaminants greater than 50 weighted pounds per year and less than 1000 weighted pounds per year would be increased by 10 percent (rounded to the nearest whole dollar) from \$75 to \$82. No change is proposed for the \$5 per nozzle fee in Schedule N for gasoline dispensing facilities.

Schedule P: Major Facility Review Fees

Based on the cost recovery methodology listed in Table 2, the fees in Schedule P would be increased by 14 percent.

Schedule Q: Excavation of Contaminated Soil and Removal of Underground Storage Tanks

The 2011 Cost Recovery and Containment Study did not provide a cost recovery analysis for Fee Schedule Q because no revenue was received by the District for this fee schedule in FYE 2010. This is due primarily to the exemption provided in Regulation 3-105, which indicates that this fee does not apply if a public authority has a program equivalent to the District program (which is the case throughout the Bay Area). District staff is proposing a “cost-of-living” increase of 2 percent for Schedule Q (the increase in the Consumer Price Index from 2009 to 2010 in the Bay Area for urban wage earners and clerical workers was approximately 2 percent).

Schedule R: Equipment Registration Fees

The 2011 Cost Recovery and Containment Study was deemed to be inadequate for establishing proposed fee amendments for Fee Schedule R. The Study indicated that, for FYE 2010, registration fee revenue recovered only 15 percent of related program activity costs with total revenue received of approximately \$34,000. The District’s equipment registration requirements are relatively new, however, and some were not yet in effect in FYE 2010 (e.g., for existing under-fired char broilers and small boilers). The District also had not begun assessing a renewal fee for dry cleaner registrations in FYE 2010 due to the lack of an automated system for doing so. All of the fees in Schedule R were established in the 2007 to 2010 timeframe, and were based on “bottom-up” estimates of regulatory program activity costs for each source category. District staff therefore believes that a “cost-of-living” increase of 2 percent is appropriate for Schedule R.

District staff is proposing a new fee that would be created in Schedule R for low-use agricultural diesel engines that elect to comply under an Alternative Compliance Plan (ACP). Staff is in the process of developing a new rule (Regulation 11, Rule 17: Limited Use Stationary Compression Ignition (Diesel) Engines in Agricultural Use) that would provide an ACP option for certain agricultural facilities to comply with the California Air Resources Board’s Airborne Toxic Control Measure (ATCM) for Stationary Compression Ignition Engines. Under this proposed rule, if specified criteria are met and the District approves an ACP, Tier 0 and Tier 1 engines may continue to operate for up to 100 hours per year until December 31, 2020, and Tier 2 engines may continue to operate for up to 100 hours for up to 100 hours per year until December 31, 2025. Each engine covered by an ACP must be replaced with the highest tier (lowest emissions) engine available for purchase at the time of replacement. The ACP deadlines are designed to enable replacement of existing engines with Tier 4 engines. The owner or

operator of each engine covered by an ACP must record its usage and report it to the District each year.

The State ATCM requires that stationary agricultural diesel engines greater than 50 horsepower in size be permitted or registered with the local air district. In the Bay Area, agricultural facilities are generally exempt from permit requirements, and so the District has a registration system for affected sources that requires an equipment registration fee be paid under Schedule R. Under the staff's fee proposal for FYE 2012, a new fee would be required for each ACP submitted, and this ACP fee would be the same as the fee for initial equipment registration (i.e., \$129). This ACP fee would be used to recover some of the District's costs of setting up and maintaining the online system that will be used to manage the ACP information, and the staff time that will be needed to check compliance with the terms of the ACP.

Schedule S: Naturally Occurring Asbestos Operations

Based on the cost recovery methodology listed in Table 2, the fees in Schedule S would be increased by 14 percent.

Schedule T: Greenhouse Gas Fees

Based on the cost recovery methodology listed in Table 2, the fees in Schedule T would not be changed.

A typographical error found in the table of Global Warming Potentials given in Schedule T is proposed to be corrected. Specifically, "HFC-43-1-mee" would be corrected to be "HFC-43-10-mee".

Schedule U: Indirect Source Review Fees

District staff is proposing no changes in Schedule U: Indirect Source Review Fees. Schedule U was adopted in 2009 to establish fees for an upcoming District Indirect Source Review (ISR) rule. The ISR rule has been included as a Land Use and Local Impact Measure in the Bay Area 2010 Clean Air Plan, and the fees in Schedule U will be considered for amendment concurrent with development of this new rule.

4. PROJECTED FEE REVENUE AND COSTS OF PROGRAM ACTIVITIES

On an overall basis, the 2011 Cost Recovery and Containment study concluded that, for FYE 2010, fee revenue recovered 62 percent of regulatory program activity costs, with revenue of \$27,361,802 and costs of \$44,186,894. For permitted sources, fees recovered 63 percent of costs, with revenue of \$25,640,521 and costs of \$40,807,031 (this excludes revenue and costs for non-permitted sources associated with Fee Schedules L, R, and S). For non-permitted sources (covered by Fee Schedules L, R, and S), fees recovered 51 percent of costs, with revenue of \$1,721,281 and costs of \$3,379,863.

The cost recovery figures are not expected to change significantly from FYE 2010 to the current FYE 2011. For FYE 2011, overall fee revenue was initially projected to increase by 5.5 percent relative to FYE 2010 (based on a 5 percent increase in all fees, except for Fee Schedule P which was increased by 10 percent). As was previously noted, however, actual fee revenue for FYE 2011 is expected to fall short of budget projections by about \$1.2 million, resulting in a revised fee revenue increase of less than 1 percent from FYE 2010 to FYE 2011. Regulatory program costs are expected to be relatively flat from FYE 2010 to FYE 2011.

With the proposed fee amendments for FYE 2012, the District's projected fee revenue for permitted sources is \$29.774 million. Fee revenue for non-permitted sources for FYE 2012 is projected to be \$2.571 million. With the implementation of cost containment measures, regulatory program costs are expected to decrease slightly in FYE 2012. Clearly, fee revenue in FYE 2012 will remain well below the District's regulatory program costs for both permitted and non-permitted sources.

5. STATUTORY AUTHORITY FOR PROPOSED FEE INCREASES

The District is a regional regulatory agency, and its fees are used to recover the costs of issuing permits, performing inspections, and other associated regulatory activities. The District's fees fall into the category specified in Section 1(e) of Article XIII C of the California Constitution which specifies that these type of charges assessed to regulated entities to recover regulatory program activity costs are not taxes. The amount of fee revenue collected by the District has been clearly shown to be much less than the costs of the District's regulatory program activities both for permitted and non-permitted sources.

The District's fee regulation, with its various fee schedules, is used to allocate regulatory program costs to fee payers in a manner which bears a fair or reasonable relationship to the payer's burden on, or benefits received from, regulatory activities. Permit fees are based on the type and size of the source being regulated, with minimum and maximum fees being set in recognition of the practical limits to regulatory costs that exist based on source size. Add-on fees are used to allocate costs of specific regulatory requirements that apply to some sources but not others (e.g., health risk screening fees, public notification fees, alternative compliance plan fees). Emissions-based fees are used to allocate costs of regulatory activities not reasonably identifiable with specific fee payers.

Since 2006, the District has used annual analyses of cost recovery performed at the fee-schedule level, which is based on data collected from a labor-tracking system, to adjust fees. These adjustments are needed as the District's regulatory program activities change over time based on changes in statutes, rules and regulations, enforcement priorities, and other factors.

State law authorizes air districts to adopt fee schedules to cover the costs of various air pollution programs. California Health and Safety Code (H&S Code) section 42311(a)

provides authority for an air district to collect permit fees to cover the costs of air district programs related to permitted stationary sources. H&S Code section 42311(f) further authorizes the District to assess additional permit fees to cover the costs of programs related to toxic air contaminants. H&S Code section 41512.7 limits the allowable percentage increase in fees for authorities to construct and permits to operate to 15 percent per year.

H&S Code section 44380(a) authorizes air districts to adopt a fee schedule that recovers the costs to the air district and State agencies of the Air Toxics Hot Spots Program (AB 2588). The section provides the authority for the District to collect toxic inventory fees under Schedule N.

H&S Code section 42311(h) authorizes air districts to adopt a schedule of fees to cover the reasonable costs of the Hearing Board incurred as a result of appeals from air district decisions on the issuance of permits. Section 42364(a) provides similar authority to collect fees for the filing of applications for variances or to revoke or modify variances. These sections provide the authority for the District to collect Hearing Board fees under Schedule A.

H&S Code section 42311(g) authorizes air districts to adopt a schedule of fees to be assessed on areawide or indirect sources of emissions, which are regulated but for which permits are not issued by the air district, to recover the costs of air district programs related to these sources. This section provides the authority for the District to collect asbestos fees (including fees for Naturally Occurring Asbestos operations), soil excavation reporting fees, registration fees for various types of regulated equipment, and fees for Indirect Source Review.

The proposed fee amendments are in accordance with all applicable authorities. Based on the results of the 2011 Cost Recovery and Containment Study (a copy of which is available on request), the District fees subject to this rulemaking are in amounts no more than necessary to cover the reasonable costs of the District's regulatory activities and the manner in which the District fees allocate those costs to a payor bear a fair and reasonable relationship to the payor's burdens on the District regulatory activities and benefits received from those activities. Permit fee revenue (after adoption of the proposed amendments) would still be well below the District's regulatory program activity costs associated with permitted sources. Similarly, fee revenue for non-permitted areawide sources would be below the District's costs of regulatory programs related to these sources. Toxic inventory fee revenue would be below the District's costs of implementing the AB 2588 program. Hearing Board fee revenue would be below the District's costs associated with Hearing Board activities related to variances and permit appeals. Fee increases for authorities to construct and permits to operate would be less than 15 percent per year.

6. ASSOCIATED IMPACTS AND OTHER RULE DEVELOPMENT REQUIREMENTS

6.1 EMISSIONS IMPACTS

There will be no direct change in air emissions as a result of the proposed amendments.

6.2 ECONOMIC IMPACTS

The District must, in some cases, consider the socioeconomic impacts and incremental costs of proposed rules or amendments. Section 40728.5(a) of the California H&S Code requires that socioeconomic impacts be analyzed whenever a district proposes the adoption, amendment, or repeal of a rule or regulation that will significantly affect air quality or emissions limitations. The proposed fee amendments will not significantly affect air quality or emissions limitations, and so a socioeconomic impact analysis is not required.

Section 40920.6 of the H&S Code specifies that an air district is required to perform an incremental cost analysis for a proposed rule, if the purpose of the rule is to meet the requirement for best available retrofit control technology or for a feasible measure. The proposed fee amendments are not best available retrofit control technology requirements, nor are they a feasible measure required under the California Clean Air Act. Therefore, an incremental cost analysis is not required.

The financial impact of the proposed fee amendments on small businesses is expected to be minor. Many small businesses operate only one or two permitted sources, and generally pay only the minimum permit renewal fees. Increases in annual permit renewal fees for most small businesses (e.g., dry cleaners, auto body shops, and office buildings with a backup generator) would about \$50 or less, with the exception of gas stations, which would increase by an average of about \$230.

For reference, District permit fees are generally well below that of the South Coast AQMD, the other major metropolitan air district in the state with a cost of living similar to that of the Bay Area. South Coast AQMD staff have indicated that their fee revenue recovers a much higher percentage of associated program activity costs (i.e., about 90 percent) relative to the Bay Area AQMD. A comparison of permit renewal fees recently completed by District staff for 12 different categories of small and medium-sized sources indicated that South Coast AQMD fees are approximately 2.5 times higher than District fees, on average. These fee comparisons are provided in Figures 1 and 2 as follows.

Figure 1. Comparison of Bay Area AQMD and South Coast AQMD Permit Renewal Fees for Various Small Sources

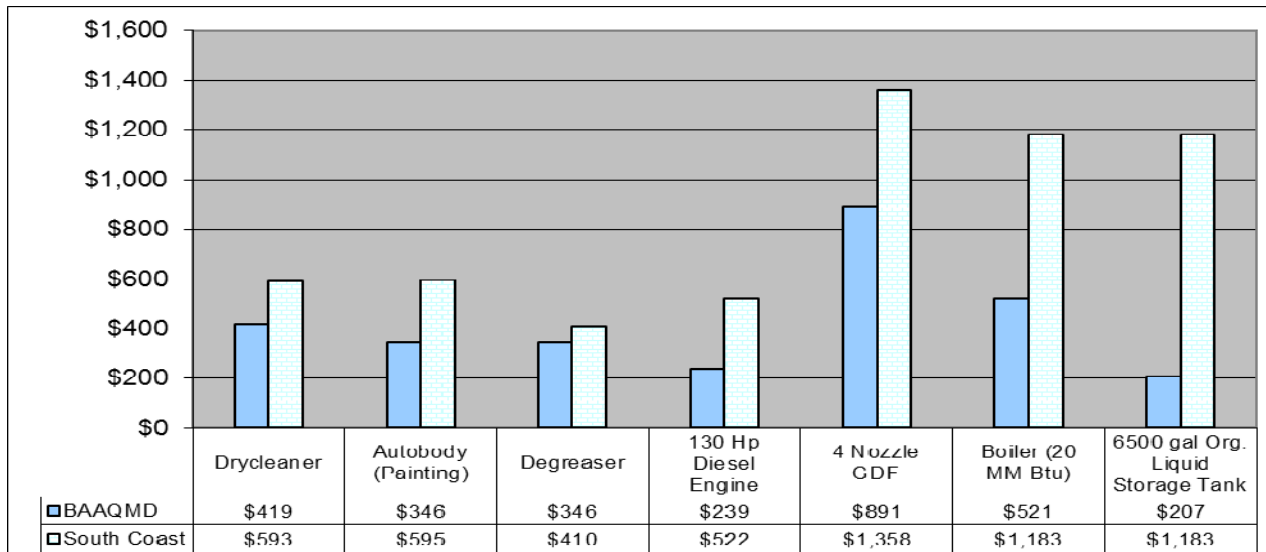
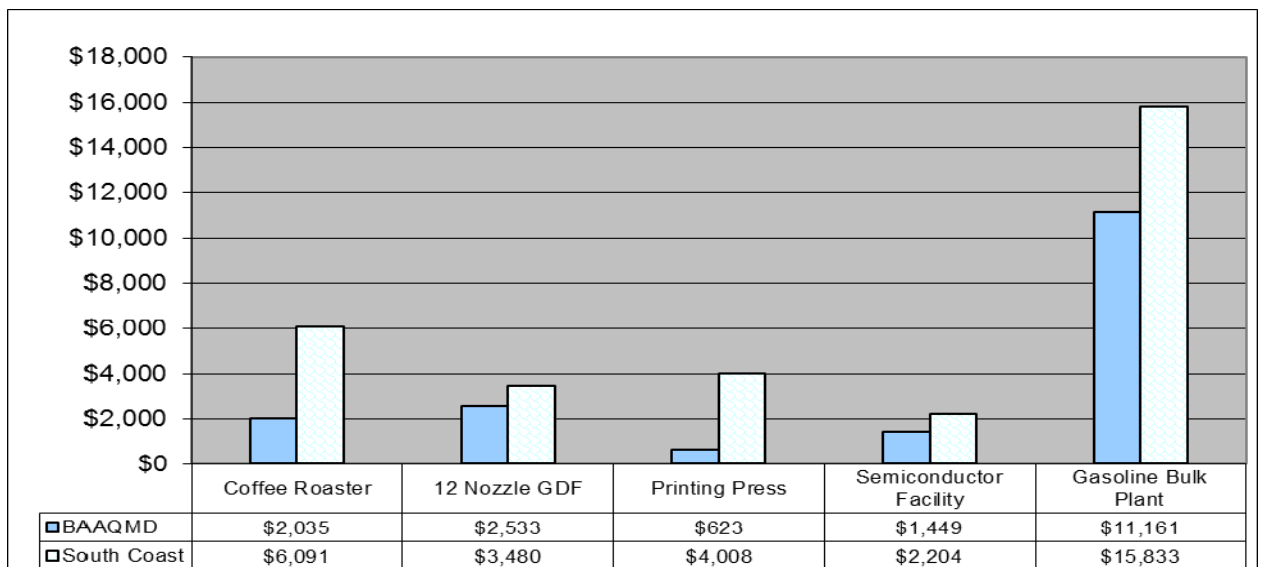


Figure 2. Comparison of Bay Area AQMD and South Coast AQMD Permit Renewal Fees for Various Medium-sized Sources



For larger facilities, increases in annual permit renewal fees would cover a considerable range due to differences in the facility's size, complexity, and type of emission sources. The annual permit renewal fees for the five Bay Area refineries, the District's highest fee payers, would increase within an estimated range of 4.4 to 7.0 percent (\$64,000 to \$153,500), with the average increase being 5.7 percent (\$98,000). For facilities with Title V permits, not including the five refineries, annual permit fees would increase within an estimated range of 0.8 to 13.8 percent (\$190 to \$20,400), with the average increase being 8.9 percent (\$4,500).

District staff is sympathetic to businesses that are impacted by the prolonged economic downturn, but feel that additional revenue is needed to continue the District's core regulatory programs and other air quality initiatives. Even with these fee increases, and various cost containment measures, the District will likely need to draw on its reserve funds in FYE 2012 to cover expenses. In general, District fee increases are expected to have a minor financial impact on businesses relative to other factors (e.g., the costs of property and labor).

6.3 ENVIRONMENTAL IMPACTS

The California Environmental Quality Act (CEQA), Public Resources Code section 21000 et seq., and the CEQA Guidelines, 14 CCR 15000 et seq., require a government agency that undertakes or approves a discretionary project to prepare documentation addressing the potential impacts of that project on all environmental media. Certain types of agency actions are, however, exempt from CEQA requirements. The proposed fee amendments are exempt from the requirements of the CEQA under Section 15273 of the CEQA Guidelines, which state: "CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies...." (See also Public Resources Code Section 21080(b)(8)).

Section 40727.2 of the H&S Code imposes requirements on the adoption, amendment, or repeal of air district regulations. It requires an air district to identify existing federal and air district air pollution control requirements for the equipment or source type affected by the proposed change in air district rules. The air district must then note any differences between these existing requirements and the requirements imposed by the proposed change. This fee proposal does not impose a new standard, make an existing standard more stringent, or impose new or more stringent administrative requirements. Therefore, section 40727.2 of the H&S Code does not apply.

6.4 STATUTORY FINDINGS

Pursuant to H&S Code section 40727, regulatory amendments must meet findings of necessity, authority, clarity, consistency, non-duplication, and reference. The proposed amendments to Regulation 3:

- Are necessary to fund the District's efforts to attain and maintain federal and state air quality standards, and to reduce public exposure to toxic air contaminants;
- Are authorized by H&S Code sections 42311, 42311.2, 41512.7, 42364, 44380 and 40 CFR Part 70.9;
- Are clear, in that the amendments are written so that the meaning can be understood by the affected parties;
- Are consistent with other District rules, and not in conflict with any state or federal law;
- Are not duplicative of other statutes, rules or regulations; and
- Reference H&S Code sections 42311, 42311.2, 41512.7, 42364, 44380 and 40 CFR Part 70.9.

7. RULE DEVELOPMENT PROCESS

On February 18, 2011, the District issued a notice for a public workshop to discuss with interested parties an initial proposal to increase District fees. Distribution of this notice included all District-permitted and registered facilities, asbestos contractors, and a number of other potentially interested stakeholders. The notice was also posted on the District website.

A public workshop was held on March 14, 2011 to discuss the initial proposal. Seven members of the public attended the workshop. On March 23, 2011, District staff provided a briefing on the proposed amendments to the District Board of Directors' Budget and Finance Committee, and an updated briefing for this committee is scheduled for April 28, 2011.

A Public Hearing Notice for the proposed Regulation 3 amendments was issued on April 4, 2011. A public hearing to consider adoption of the portions of the proposed fee amendments that apply to permitted sources is scheduled for May 4, 2011. Under H&S Code section 41512.5, the adoption or revision of fees for non-permitted sources require two public hearings that are held at least 30 days apart from one another. This provision applies to Schedule L: Asbestos Operations, Schedule Q: Excavation of Contaminated Soil and Removal of Underground Storage Tanks, Schedule R: Equipment Registration Fees, and Schedule S: Naturally Occurring Asbestos Operations. A second public hearing has been scheduled for June 15, 2011, to consider adoption of the proposed fee amendments for these fee schedules for non-permitted sources. If adopted, all of the amendments would be made effective on July 1, 2011, which is the beginning of FYE 2012.

8. PUBLIC COMMENTS

As of the date of this report, eight sets of written comments have been received by the District on the fee proposal as follows: (1) William J. Quinn of California Council for Environmental and Economic Balance (CCEEB), (2) Tim Hostettler of A&A Concrete Supply, (3) Guy Greenwood (no affiliation identified), (4) John Soderling (no affiliation identified), (5) Catherine Rode (no affiliation identified), and (6) three identical letters from gasoline dispensing facility (GDF) owners/operators (with signatures from a total of nine individuals). In addition, verbal comments were provided (either at the workshop or by telephone call) by six individuals, including the owners/operators of two auto body shops, three GDFs, and one engineering maintenance company. A summary of the comments received, and District staff responses to these comments, follows.

CCEEB Comments: Four comments were provided as follows.

1. Our primary concern is the proposed double-digit increase in most schedules. This follows a ten percent increase many of our members faced last year. Large and small businesses, local governments, and the State are facing enormous economic

challenges. To increase fees by these levels during this economic downturn is very difficult to accept.

Response: No facility faced an increase in fees as high as 10 percent as a result of the fee amendments adopted last year. Most facilities were subject to 5 percent fee increases. Less than 100 facilities that are subject to the federal Title V permit program faced annual fee increases of 5.3 to 8.0 percent, with the average increase being 6.4 percent. The fees actually paid by some Title V facilities decreased in FYE 2011 relative to the prior year due to decreases in reported activity levels and emissions.

Based on the current FYE 2012 fee proposal, annual permit fees for the five Bay Area refineries, the District's highest fee payers, would increase within an estimated range of 4.4 to 7.0 percent (\$64,000 to \$153,500), with the average increase being 5.7 percent (\$98,000). For facilities with Title V permits, not including the five refineries, annual permit fees would increase within an estimated range of 0.8 to 13.8 percent (\$190 to \$20,400), with the average increase being 8.9 percent (\$4,500).

District staff acknowledges the difficulties that many businesses are having in the economic downturn, but believe that the proposed fee increases are needed to maintain core regulatory programs and to keep District reserve funds from dropping too low.

2. CCEEB was a member of the steering committee of the recently completed Cost Recovery and Containment Study. The consultant made several recommendations to improve cost containment. We strongly encourage the District to establish a process to review these recommendations and to implement those that are appropriate.

Response: District staff agrees with CCEEB, and is interested in getting input from CCEEB on the recommendations for improvement identified in the 2011 Cost Recovery and Containment Study. Many of the specific Best Management Processes identified in the study are either already in place, or are being developed.

3. Many of the activities the District performs are discretionary. Given the difficult economic times, we encourage the District to review the value of each discretionary program to ensure that each is adding sufficient value to the goals of the District and maximizing emissions reductions.

Response: Staff has been discussing prioritization of activities at the Board of Directors committee level, including discussion of those programs that will be curtailed because of budget constraints. The discussion will continue with the District's Board of Directors later this year. Staff invites CCEEB and other interested stakeholders to provide their opinions on this topic.

4. Last year's voter approval of Proposition 26 established new requirements for local government, including special districts, to show that fees are justified. The concluding line in Section 3(e) states: "The local government bears the burden of

proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity." CCEEB suggests that you clarify conformance with this requirement as part of the rule adoption.

Response: This issue is addressed in Section 5 of this report. The District's regulatory fees clearly are not taxes under the definition established in the California Constitution (art. XIII C, § 1). As demonstrated in the 2011 Cost Recovery and Containment Study, the District fees subject to this rulemaking are in amounts no more than necessary to cover the reasonable costs of the District's regulatory activities — Indeed, they are clearly much less than the full costs of carrying out the activities — and the manner in which the District fees allocate those costs to a payor bear a fair and reasonable relationship to the payor's burdens on the District regulatory activities and benefits received from those activities. None of the District's fees pay for services that benefit the public broadly. Rather, fees are used only to recover the District's costs of issuing permits, conducting inspections, and associated activities involved in directly regulating the entities that are subject to fees.

A&A Concrete Supply Comments: The commenter indicates his opposition to the proposed fee increases. He indicates that the industrial sector is struggling as never before with no real end in sight, and regulatory fees are a big part of the equation. He indicates that his business production is down 80 percent from the high of 2005, and that the owners are trying to figure out what more can be cut to help survive into next year. He indicates that businesses cannot afford to continue funding government inefficiency, and that regulatory agencies should manage their costs and make cuts and reductions where necessary.

Response: District staff acknowledges the difficulties that the commenter and other businesses are having in the economic downturn, but believe that the proposed fee increases are needed to maintain core regulatory programs and keep District reserve funds from dropping too low. The commenter's Bay Area facility, a concrete batch plant that has seven District-permitted sources and six abatement devices, would have an estimated permit renewal fee increase of about 12 percent, or \$386 if the fee proposal is adopted.

The District has implemented a number of measures to contain costs including reducing expenditures on services and supplies and maintaining vacant staff positions. Even with these cost containment measures and proposed fee increases, the District will likely need to draw on its reserve accounts in FYE 2012 to cover expenses. With no fee increases, much more significant use of reserves would be required, and reserve funds would likely drop below minimum levels established by the District's Board of Directors as being appropriate.

Guy Greenwood Comments: The commenter (evidently a GDF owner/operator)

indicates his opposition to the proposed fee increases. He cites the high costs of complying with CARB Enhanced Vapor Recovery (EVR) requirements. He indicates that the District should do with what it's got until the economy recovers and facilities can afford it.

Response: The EVR program was adopted by CARB because of significant emissions of volatile organic compounds, including the toxic air contaminant benzene, from GDFs in California. Emissions from GDFs have been reduced by an estimated 50 percent due to EVR. GDFs are a source category with very significant emissions. Bay Area GDFs account for an estimated 6 tons per day of volatile organic compound emissions. Because of the importance of minimizing emissions from GDFs, the District maintains a rigorous GDF enforcement program, including 10 full-time dedicated inspectors.

District staff acknowledges the significant costs that GDFs have had in complying with CARB's EVR requirements. The EVR program has also increased the District's regulatory program costs, due to significant increases in the number and complexity of regulatory requirements. The 2011 Cost Recovery and Containment Study concluded that Fee Schedule D, which GDFs are subject to, recovered only 43 percent of regulatory program costs.

As was previously indicated, the District has implemented a number of measures to contain costs including reducing expenditures on services and supplies and maintaining vacant staff positions. Even with these cost containment measures and proposed fee increases, the District will likely need to draw on its reserve accounts in FYE 2012 to cover expenses.

John Soderling Comments: The commenter indicates his opposition to the proposed fee increases. He cites the bad economy, and suggests that the District should instead cut operating costs by reducing staff or cutting salaries and benefits.

Response: District staff acknowledges the difficulties that many businesses are having in the economic downturn, but believe that the proposed fee increases are needed to maintain core regulatory programs and keep District reserve funds from dropping too low. District staff has included feasible cost containment measures in its proposed FYE 2012 budget.

Christine Rode Comments: The commenter indicates her opposition to the proposed fee increases. She cites the bad economy, and indicates that a 10 to 14 percent fee increase is a bit exorbitant.

Response: See previous response to John Soderling's comment.

Gas Station Owners/Operators Comments: Three written comments were provided in three identical letters received from owners/operators of GDFs as follows. (Similar comments were made verbally by three GDF owner/operators in attendance at the workshop).

1. At the workshop on March 14, 2011, it seemed that the fees were pre-decided, and yet the notice emphasized that the effective date would be July 1, 2011.

Response: A presentation of the draft staff proposal was provided at the March 14, 2011 workshop. The presentation summarized the process that would be followed for consideration of adoption of fee amendments by the District's Board of Directors. As the commenter indicates, staff is recommending that the effective date of any amendments adopted would be July 1, 2011.

2. During this difficult economy, new fees should not be imposed as unemployment is very high and this would not help the economy.

Response: See previous response to John Soderling's comment.

3. The District has, during the few years, required all gas stations to spend between \$70,000 and \$120,000 for some changes, so there is no more room for extra fees.

Response: See previous response to Guy Greenwood's comment.

Auto Body Shop Owner/Operators: Two auto body shop owners/operators provided verbal comments indicating their opposition to the proposed fee increases due to the economic downturn and indicated that their business activity levels were at all-time lows.

Response: See previous response to John Soderling's comment.

Additional Comment: A representative of an engineering maintenance company indicated that the District should increase enforcement efforts because some businesses are operating without required District permits, and this is not fair to businesses that comply with these requirements and pay their fees.

Response: One of the reasons that District staff is proposing to increase fees is to maintain an adequate inspection staff. District inspectors routinely check to see if Bay Area businesses have the necessary permits for their equipment. Facilities that are found to be out of compliance with permit requirements are required to come into compliance, and must also pay appropriate back fees and penalties. The District also conducts outreach to city and county planning and building departments regarding District permit requirements.

9. CONCLUSIONS

District staff finds that the proposed fee amendments meet the findings of necessity, authority, clarity, consistency, non-duplication and reference specified in H&S Code section 40727. The proposed amendments:

- Are necessary to fund the District's efforts to attain and maintain federal and

state air quality standards, and to reduce public exposure to toxic air contaminants;

- Are authorized by H&S Code sections 42311, 42311.2, 41512.7, 42364, 44380 and 40 CFR Part 70.9;
- Are clear, in that the amendments are written so that the meaning can be understood by the affected parties;
- Are consistent with other District rules, and not in conflict with any state or federal law;
- Are not duplicative of other statutes, rules or regulations; and
- Reference H&S Code sections 42311, 42311.2, 41512.7, 42364, 44380 and 40 CFR Part 70.9.

The proposed fee amendments will be used by the District to recover the costs of issuing permits, performing inspections, and other associated regulatory activities. Based on the results of the 2011 Cost Recovery and Containment Study, the District fees subject to this rulemaking are in amounts no more than necessary to cover the reasonable costs of the District's regulatory activities, and the manner in which the District fees allocate those costs to a payor bear a fair and reasonable relationship to the payor's burdens on the District regulatory activities and benefits received from those activities. Permit fee revenue (after adoption of the proposed amendments) would still be well below the District's regulatory program activity costs associated with permitted sources. Similarly, fee revenue for non-permitted sources would be below the District's costs of regulatory programs related to these sources. Fee increases for authorities to construct and permits to operate would not exceed 15 percent per year as required under H&S Code section 41512.7.

The proposed amendments to Regulation 3 are exempt from the requirements of the CEQA under Section 15273 of the CEQA Guidelines.

District staff recommends that the Board of Directors adopt the proposed amendments to Regulation 3: Fees, with an effective date of July 1, 2011, and approve the filing of CEQA Notices of Exemption (one for adoption of fee amendments that apply to permitted sources, and a second for the adoption of fee amendments that apply to non-permitted sources).



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

STAFF REPORT

PROPOSED AMENDMENTS TO BAAQMD REGULATION 3: FEES

APRIL 20, 2011

APPENDIX A PROPOSED REGULATORY LANGUAGE

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FEES
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REGULATION 3 FEES

(Adopted June 18, 1980)

3-100 GENERAL

3-101 Description: This regulation establishes fees to be charged for Hearing Board filings, for permits, banking, renewal of permits, costs of environmental documentation, asbestos operations, air toxics inventories, equipment registrations, soil excavation and underground tank removals, and indirect source review.

(Amended 7/6/83; 11/2/83; 2/21/90; 12/16/92; 8/2/95; 12/2/98; 5/21/03; 5/21/08; 5/20/09)

3-102 Deleted July 12, 1989

3-103 Exemption, Abatement Devices: Installation, modification, or replacement of abatement devices on existing sources are subject to fees pursuant to Section 3-302.3. All abatement devices are exempt from annual permit renewal fees. However, emissions from abatement devices, including any secondary emissions, shall be included in facility-wide emissions calculations when determining the applicability of and the fees associated with Schedules M, N, P, and T.

(Amended 6/4/86; 7/1/98; 6/7/00; 5/21/08)

3-104 Deleted August 2, 1995

3-105 Exemption, Excavation of Contaminated Soil and Removal of Underground Storage Tank Operation Fees: Fees shall not be required, pursuant to Section 3-322, for operations associated with the excavation of contaminated soil and the removal of underground storage tanks if one of the following is met:

105.1 The tank removal operation is being conducted within a jurisdiction where the APCO has determined that a public authority has a program equivalent to the District program and persons conducting the operations have met all the requirements of the public authority.

105.2 Persons submitting a written notification for a given site have obtained an Authority to Construct or Permit to Operate in accordance with Regulation 2, Rule 1, Section 301 or 302. Evidence of the Authority to Construct or the Permit to Operate must be provided with any notification required by Regulation 8, Rule 40.

(Adopted 1/5/94; Amended 5/21/03)

3-106 Deleted December 2, 1998

3-107 Exemption, Sources Exempt from Permit Requirements: Any source that is exempt from permit requirements pursuant to Regulation 2, Rule 1, Sections 103 through 128 is exempt from permit fees. However, emissions from exempt sources shall be included in facility-wide emissions calculations when determining the applicability of and the fees associated with Schedules M, N, and P.

(Adopted June 7, 2000)

3-200 DEFINITIONS

3-201 Cancelled Application: Any application which has been withdrawn by the applicant or cancelled by the APCO for failure to pay fees or to provide the information requested to make an application complete.

(Amended 6/4/86; 4/6/88)

3-202 Gasoline Dispensing Facility: Any stationary facility which dispenses gasoline directly into the fuel tanks of vehicles, such as motor vehicles, aircraft or boats. The facility shall be treated as a single source which includes all necessary equipment for the exclusive use of the facility, such as nozzles, dispensers, pumps, vapor return lines, plumbing and storage tanks.

(Amended February 20, 1985)

3-203 Filing Fee: A fixed fee for each source in an authority to construct.

- (Amended June 4, 1986)
- 3-204 Initial Fee:** The fee required for each new or modified source based on the type and size of the source. The fee is applicable to new and modified sources seeking to obtain an authority to construct. Operation of a new or modified source is not allowed until the permit to operate fee is paid.
- (Amended June 4, 1986)
- 3-205 Authority to Construct:** Written authorization from the APCO, pursuant to Section 2-1-301, for a source to be constructed or modified or for a source whose emissions will be reduced by the construction or modification of an abatement device.
- (Amended June 4, 1986)
- 3-206 Modification:** See Section 1-217 of Regulation 1.
- 3-207 Permit to Operate Fee:** The fee required for the annual renewal of a permit to operate or for the first year of operation (or prorated portion thereof) of a new or modified source which received an authority to construct.
- (Amended 6/4/86; 7/15/87; 12/2/98; 6/7/00)
- 3-208 Deleted June 4, 1986**
- 3-209 Small Business:** A business with no more than 10 employees and gross annual income of no more than \$750,000 that is not an affiliate of a non-small business.
- (Amended 6/4/86; 6/6/90; 6/7/00; 6/15/05; 6/16/10)
- 3-210 Solvent Evaporating Source:** Any source utilizing organic solvent, as part of a process in which evaporation of the solvent is a necessary step. Such processes include, but are not limited to, solvent cleaning operations, painting and surface coating, rotogravure coating and printing, flexographic printing, adhesive laminating, etc. Manufacture or mixing of solvents or surface coatings is not included.
- (Amended July 3, 1991)
- 3-211 Source:** See Section 1-227 of Regulation 1.
- 3-212 Deleted August 2, 1995**
- 3-213 Major Stationary Source:** For the purpose of Schedule M, a major stationary source shall be any District permitted plant, building, structure, stationary facility or group of facilities under the same ownership, leasehold, or operator which, in the base calendar year, emitted to the atmosphere organic compounds, oxides of nitrogen (expressed as nitrogen dioxide), oxides of sulfur (expressed as sulfur dioxide), or PM₁₀ in an amount calculated by the APCO equal to or exceeding 50 tons per year.
- (Adopted 11/2/83; Amended 2/21/90; 6/6/90; 8/2/95; 6/7/00)
- 3-214 Deleted October 20, 1999, effective March 1, 2000**
- 3-215 Deleted October 20, 1999, effective March 1, 2000**
- 3-216 Deleted October 20, 1999, effective March 1, 2000**
- 3-217 Deleted October 20, 1999, effective March 1, 2000**
- 3-218 Deleted October 20, 1999, effective March 1, 2000**
- 3-219 Deleted October 20, 1999, effective March 1, 2000**
- 3-220 Deleted October 20, 1999, effective March 1, 2000**
- 3-221 Deleted October 20, 1999, effective March 1, 2000**
- 3-222 Deleted October 20, 1999, effective March 1, 2000**
- 3-223 Start-up Date:** Date when new or modified equipment under an authority to construct begins operating. The holder of an authority to construct is required to notify the APCO of this date at least 3 days in advance. For new sources, or modified sources whose authorities to construct have expired, operating fees are charged from the startup date.
- (Adopted 6/4/86; Amended 6/6/90)
- 3-224 Permit to Operate:** Written authorization from the APCO pursuant to Section 2-1-302.
- (Adopted 6/4/86; Amended 6/7/00)
- 3-225 Minor Modification:** Any physical change or alteration to a source listed on Schedules G-3, or G-4, or G-5 that will not increase emissions of any air contaminant. Such modifications may include alterations to improve energy and operational efficiency and those that reduce emissions. Alterations to increase actual or maximum production capacity shall not be

considered minor modifications. Final determination of the applicability of this section shall be made by the APCO.

(Adopted June 6, 1990)

3-226 Air Toxics "Hot Spots" Information and Assessment Act of 1987: The Air Toxics "Hot Spots" Information and Assessment Act of 1987 directs the California Air Resources Board and the Air Quality Management Districts to collect information from industry on emissions of potentially toxic air contaminants and to inform the public about such emissions and their impact on public health. It also directs the Air Quality Management District to collect fees sufficient to cover the necessary state and District costs of implementing the program.

(Adopted 10/21/92; Amended 6/15/05)

3-227 Toxic Air Contaminant, or TAC: An air pollutant that may cause or contribute to an increase in mortality or in serious illness or that may pose a present or potential hazard to human health. For the purposes of this rule, TACs consist of the substances listed in Table 2-5-1 of Regulation 2, Rule 5.

(Adopted 10/21/92; Amended 6/15/05)

3-228 Deleted December 2, 1998

3-229 Deleted December 2, 1998

3-230 Deleted December 2, 1998

3-231 Deleted December 2, 1998

3-232 Deleted December 2, 1998

3-233 Deleted December 2, 1998

3-234 Deleted December 2, 1998

3-235 Deleted December 2, 1998

3-236 Deleted December 2, 1998

3-237 PM₁₀: See Section 2-1-229 of Regulation 2, Rule 1.

(Adopted June 7, 2000)

3-238 Risk Screening Fee: Fee for a new or modified source of toxic air contaminants for which a health risk screening analysis (HRSA) is required under Regulation 2-5-401, or for an HRSA prepared for other purposes (e.g., for determination of permit exemption in accordance with Regulations 2-1-316, 2-5-301 and 2-5-302; or for determination of exemption from emission control requirements pursuant to Regulation 8-47-113 and 8-47-402).

(Adopted June 15, 2005)

3-239 Toxic Surcharge: Fee paid in addition to the permit to operate fee for a source that emits one or more toxic air contaminants at a rate which exceeds a chronic trigger level listed in Table 2-5-1.

(Adopted June 15, 2005)

3-240 Biogenic Carbon Dioxide: Carbon dioxide emissions resulting from materials that are derived from living cells, excluding fossil fuels, limestone and other materials that have been transformed by geological processes. Biogenic carbon dioxide originates from carbon (released in the form of emissions) that is present in materials that include, but are not limited to, wood, paper, vegetable oils, animal fat, and food, animal and yard waste.

(Adopted May 21, 2008)

3-241 Green Business: A business or government agency that has been certified under the Bay Area Green Business Program coordinated by the Association of Bay Area Governments and implemented by participating counties.

(Adopted June 16, 2010)

3-300 STANDARDS

3-301 Hearing Board Fees: Applicants for variances or appeals or those seeking to revoke or modify variances or abatement orders or to rehear a Hearing Board decision shall pay the applicable fees, including excess emission fees, set forth in Schedule A.

(Amended June 7, 2000)

3-302 Fees for New and Modified Sources: Applicants for authorities to construct and permits to

operate new sources shall pay for each new source: a filing fee of ~~\$354~~~~\$389~~, the initial fee, the risk screening fee, the permit to operate fee, and toxic surcharge (given in Schedules B, C, D, E, F, H, I or K). Applicants for authorities to construct and permits to operate modified sources shall pay for each modified source, a filing fee of ~~\$354~~~~\$389~~, the initial fee, the risk screening fee, and any incremental increase in permit to operate and toxic surcharge fees. Where more than one of the schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules. Except for gasoline dispensing facilities (Schedule D) and semiconductor facilities (Schedule H), the size to be used for a source when applying the schedules shall be the maximum size the source will have after the construction or modification. Where applicable, fees for new or modified sources shall be based on maximum permitted usage levels or maximum potential to emit including any secondary emissions from abatement equipment. The APCO may reduce the fees for new and modified sources by an amount deemed appropriate if the owner or operator of the source attends an Industry Compliance School sponsored by the District.

302.1 Small Business Discount: If an applicant qualifies as a small business and the source falls under schedules B, C, D (excluding gasoline dispensing facilities), E, F, H, I or K, the filing fee, initial fee, and risk screening fee shall be reduced by 50%. All other applicable fees shall be paid in full.

302.2 Deleted July 3, 1991

302.3 Fees for Abatement Devices: Applicants for an authority to construct and permit to operate abatement devices where there is no other modification to the source shall pay a ~~\$354~~~~\$389~~ filing fee and initial and risk screening fees that are equivalent to 50% of the initial and risk screening fees for the source being abated. For abatement devices abating more than one source, the initial fee shall be 50% of the initial fee for the source having the highest initial fee.

302.4 Fees for Reactivated Sources: Applicants for a Permit to Operate reactivated, previously permitted equipment shall pay the full filing, initial, risk screening, permit, and toxic surcharge fees.

302.5 Schedule G Fees: Applicants for minor modifications to permitted sources subject to Schedules G-3, G-4, or G-5 shall pay filing, initial, risk screening, permit to operate, and toxic surcharge fees specified under Schedule G-2. Permit renewal fees will continue to be charged under Schedules G-3, G-4, and G-5.

302.6 Green Business Discount: If an applicant qualifies as a green business, the filing fee, initial fee, and risk screening fee shall be reduced by 10%. All other applicable fees shall be paid in full.

(Amended 5/19/82; 7/6/83; 6/4/86; 7/15/87; 6/6/90; 7/3/91; 6/15/94; 10/8/97; 7/1/98; 5/19/99; 6/7/00; 6/6/01, 5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

3-303 Back Fees: An applicant required to obtain a permit to operate existing equipment in accordance with District regulations shall pay back fees equal to the permit to operate fees and toxic surcharges given in the appropriate Schedule (B, C, D, E, F, H, I or K) prorated from the effective date of permit requirements. Where more than one of these schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules. The applicant shall also pay back fees equal to toxic inventory fees pursuant to Section 3-320 and Schedule N. The maximum back fee shall not exceed a total of five years' permit, toxic surcharge, and toxic inventory fees. An owner/operator required to register existing equipment in accordance with District regulations shall pay back fees equal to the annual renewal fee given in Schedule R prorated from the effective date of registration requirements, up to a maximum of five years.

(Amended 5/19/82; 7/6/83; 6/4/86; 7/15/87, 6/6/90; 7/3/91; 10/8/97; 6/15/05; 5/20/09)

3-304 Alteration: An applicant to alter an existing permitted source shall pay only the filing fee, provided that the alteration does not result in an increase in emissions of any regulated air pollutant.

(Amended 6/4/86; 11/15/00; 6/2/04)

3-305 Cancellation or Withdrawal: There will be no refund of initial, risk screening, and filing fees if an application is cancelled or withdrawn. However, if an application for identical equipment

is submitted within six months of the date of cancellation or withdrawal, the initial fee will be credited in full against the fee for the new application.

(Amended 7/6/83; 4/6/88; 10/8/97; 6/15/05)

3-306 Change in Conditions: If an applicant applies to change the conditions on an existing authority to construct or permit to operate, the applicant will pay the following fees. There will be no change in anniversary date.

306.1 Administrative Condition Changes: An applicant applying for an administrative change in permit conditions shall pay a fee equal to the filing fee for a single source, provided the following criteria are met:

1.1 The condition change applies to a single source or a group of sources with shared permit conditions.

1.2 The condition change does not subject the source(s) to any District Regulations or requirements that were not previously applicable.

1.3 The condition change does not result in any increase in emissions of POC, NPOC, NO_x, CO, SO₂, or PM₁₀ at any source or the emission of a toxic air contaminant above the trigger levels identified in Table 2-5-1

1.4 The condition change does not require a public notice.

306.2 Other Condition Changes: Applicant shall pay the filing, initial, and risk screening fees required for new and modified equipment under Section 3-302. If the condition change will result in higher permit to operate fees, the applicant shall also pay any incremental increases in permit to operate fees and toxic surcharges.

(Amended 7/6/83; 6/4/86; 6/6/90; 10/8/97; 6/7/00; 6/15/05)

3-307 Transfers: The owner/operator of record is the person to whom a permit is issued or, if no permit has yet been issued to a facility, the person who applied for a permit. Permits are valid only for the owner/operator of record. Permits are re-issued to the new owner/operator of record with no change in expiration dates.

(Amended 2/20/85; 6/4/86; 11/5/86; 4/6/88; 10/8/97; 5/1/02; 5/21/03; 6/02/04)

3-308 Change of Location: An applicant who wishes to move an existing source, which has a permit to operate, shall pay no fee if the move is on the same facility. If the move is not on the same facility, the source shall be considered a new source and subject to Section 3-302. This section does not apply to portable permits meeting the requirements of Regulation 2-1-220 and 413.

(Amended 7/6/83; 6/4/86; 6/15/05)

3-309 Duplicate Permit: An applicant for a duplicate permit to operate shall pay a fee of \$72 per permit.

(Amended 5/19/99, 5/1/02; 5/21/03; 6/02/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

3-310 Fee for Constructing Without a Permit: An applicant for an authority to construct and a permit to operate a source, which has been constructed or modified without an authority to construct, shall pay the following fees:

310.1 Sources subject to permit requirements on the date of initial operation shall pay fees for new construction pursuant to Section 3-302, any back fees pursuant to Section 3-303, a late fee equal to 100% of the initial fee, plus the risk screening fee. A modified gasoline dispensing facility subject to Schedule D that is not required to pay an initial fee shall pay back fees, a late fee equal to 100% of the filing fee, plus the risk screening fee.

310.2 Sources previously exempt from permit requirements that lose their exemption due to changes in District, state, or federal regulations shall pay a permit to operate fee and toxic surcharge for the coming year and any back fees pursuant to Section 3-303.

310.3 Sources previously exempt from permit requirements that lose their exemption due to a change in the manner or mode of operation, such as an increased throughput, shall pay fees for new construction pursuant to Section 3-302. In addition, sources applying for permits after commencing operation in a non-exempt mode shall also pay a late fee equal to 100% of the initial fee plus the risk screening fee and any back fees pursuant to Section 3-303.

310.4 Sources modified without a required authority to construct shall pay fees for

modification pursuant to Section 3-302 and a late fee equal to 100% of the initial fee.
(Amended 7/6/83; 4/18/84; 6/4/86; 6/6/90; 7/3/91; 8/2/95; 10/8/97; 6/02/04; 6/15/05)

3-311 Banking: Any applicant who wishes to bank emissions for future use, or convert an ERC into an IERC, shall pay a filing fee of ~~\$354~~~~\$389~~ per source plus the initial fee given in Schedules B, C, D, E, F, H, I or K. Where more than one of these schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules. Any applicant for the withdrawal of banked emissions shall pay a fee of ~~\$354~~~~\$389~~.

(Amended 7/6/83; 6/4/86; 7/15/87; 7/3/91; 6/15/94; 7/1/98; 5/19/99; 6/7/00; 6/6/01, 5/1/02; 5/21/03; 6/02/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

3-312 Emission Caps and Alternative Compliance Plans: Any facility which elects to use an alternative compliance plan contained in:

312.1 Regulation 8 ("bubble") to comply with a District emission limitation or to use an annual or monthly emission limit to acquire a permit in accordance with the provisions of Regulation 2, Rule 2, shall pay an additional annual fee equal to fifteen percent of the total plant permit to operate fee.

312.2 Regulation 2, Rule 9 shall pay an annual fee of ~~\$893~~~~\$982~~ for each source included in the alternative compliance plan, not to exceed ~~\$8,934~~~~\$9,827~~.

(Adopted 5/19/82; Amended 6/4/86; 5/19/99; 6/7/00; 6/6/01; 5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

3-313 Deleted May 19, 1999

3-314 Deleted August 2, 1995

3-315 Costs of Environmental Documentation: An applicant for an Authority to Construct a project which is subject to review under the California Environmental Quality Act (Public Resources Code, Section 21000, et seq.) shall pay, in addition to the fees required under Section 3-302 and in any applicable schedule, the District's costs of performing all environmental evaluation required pursuant to the California Environmental Quality Act, the District's costs in preparing any environmental study or Environmental Impact Report (including the costs of any outside consulting assistance which the District may employ in connection with the preparation of any such study or report), as well as the District's reasonable internal costs (including overhead) of processing and reviewing the required environmental documentation.

(Adopted 12/18/85; Amended 5/1/02)

3-316 Deleted June 6, 1990

3-317 Asbestos Operation Fees: After July 1, 1988, persons submitting a written plan, as required by Regulation 11, Rule 2, Section 401, to conduct an asbestos operation shall pay the fee given in Schedule L.

(Adopted 7/6/88; Renumbered 9/7/88; Amended 8/2/95)

3-318 Public Notice Fee, Schools: Pursuant to Section 42301.6(b) of the Health and Safety Code, an applicant for an authority to construct or permit to operate subject to the public notice requirements of Regulation 2-1-412 shall pay, in addition to the fees required under Section 3-302 and in any applicable schedule, a fee to cover the expense of preparing and distributing the public notices to the affected persons specified in Regulation 2-1-412 as follows:

318.1 A fee of \$2100 per application, and

318.2 The District's cost exceeding \$2100 of preparing and distributing the public notice.

318.3 The District shall refund to the applicant the portion of any fee paid under this Section that exceeds the District's cost of preparing and distributing the public notice.

(Adopted 11/1/89; Amended 10/8/97; 7/1/98; 5/19/99; 6/7/00; 5/21/03; 6/2/04; 6/16/10)

3-319 Major Stationary Source Fees: Any major stationary source emitting 50 tons per year of organic compounds, sulfur oxides, nitrogen oxides, or PM₁₀ shall pay a fee based on Schedule M. This fee is in addition to permit and other fees otherwise authorized to be collected from such facilities and shall be included as part of the annual permit renewal fees.

(Adopted 6/6/90; Amended 8/2/95; 6/7/00)

3-320 Toxic Inventory Fees: Any facility that emits one or more toxic air contaminants in

quantities above a minimum threshold level shall pay an annual fee based on Schedule N. This fee will be in addition to permit to operate, toxic surcharge, and other fees otherwise authorized to be collected from such facilities.

320.1 An applicant who qualifies as a small business under Regulation 3-209 shall pay a Toxic Inventory Fee as set out in Schedule N up to a maximum fee of ~~\$8,131~~\$8,944 per year.

(Adopted 10/21/92; Amended 5/19/99; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/20/09; 6/16/10)

3-321 Deleted December 2, 1998

3-322 Excavation of Contaminated Soil and Removal of Underground Storage Tank Operation Fees: Persons submitting a written notification for a given site to conduct either excavation of contaminated soil or removal of underground storage tanks as required by Regulation 8, Rule 40, Section 401, 402, 403 or 405 shall pay a fee based on Schedule Q.

(Adopted 1/5/94; Amended 8/2/95; 5/21/03)

3-323 Pre-Certification Fees: An applicant seeking to pre-certify a source, in accordance with Regulation 2, Rule 1, Section 415, shall pay the filing fee, initial fee and permit to operate fee given in the appropriate schedule.

(Adopted June 7, 1995)

3-324 Deleted June 7, 2000

3-325 Deleted December 2, 1998

3-326 Deleted December 2, 1998

3-327 Permit to Operate, Renewal Fees: After the expiration of the initial permit to operate, the permit to operate shall be renewed on an annual basis or other time period as approved by the APCO. The fee required for the renewal of a permit to operate is the permit to operate fee and toxic surcharge listed in Schedules B, C, D, E, F, H, I, and K, prorated for the period of coverage. When more than one of the schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules. This renewal fee is applicable to all sources required to obtain permits to operate in accordance with District regulations. The permit renewal invoice shall also specify any applicable major stationary source fees based on Schedule M, toxic inventory fees based on Schedule N, major facility review fees based on Schedule P, and greenhouse gas fees based on Schedule T. Where applicable, renewal fees shall be based on actual usage or emission levels that have been reported to or calculated by the District. In addition to these renewal fees for the sources at a facility, the facility shall also pay a processing fee at the time of renewal as follows:

- 327.1 ~~\$70~~\$77 for facilities with one permitted source, including gasoline dispensing facilities,
- 327.2 ~~\$137~~\$151 for facilities with 2 to 5 permitted sources,
- 327.3 ~~\$274~~\$301 for facilities with 6 to 10 permitted sources,
- 327.4 ~~\$411~~\$452 for facilities with 11 to 15 permitted sources,
- 327.5 ~~\$546~~\$601 for facilities with 16 to 20 permitted sources,
- 327.6 ~~\$684~~\$752 for facilities with more than 20 permitted sources.

(Adopted 6/7/00; Amended 6/2/04; 6/16/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

3-328 Fee for OEHHA Risk Assessment Reviews: Any facility that submits a health risk assessment to the District in accordance with Section 44361 of the California Health and Safety Code shall pay any fee requested by the State Office of Environmental Health Hazard Assessment (OEHHA) for reimbursement of that agency's costs incurred in reviewing the risk assessment.

(Adopted June 7, 2000)

3-329 Fee for Risk Screening: A health risk screening analysis (HRSA) required pursuant to Regulation 2, Rule 5 shall be subject to an appropriate Risk Screening Fee pursuant to Regulation 3-302 and Schedules B, C, D, E, F, H, I or K. In addition, any person that requests that the District prepare or review an HRSA (e.g., for determination of permit exemption in accordance with Regulations 2-1-316, 2-5-301 and 2-5-302; or for determination of exemption from emission control requirements pursuant to Regulation 8-47-113 and 8-47-402) shall pay a Risk Screening Fee.

(Adopted June 15, 2005)

3-330 Fee for Renewing an Authority to Construct: An applicant seeking to renew an authority to construct in accordance with Regulation 2-1-407 shall pay a fee of 50% of the initial fee in effect at the time of the renewal. If the District determines that an authority to construct cannot be renewed, any fees paid under this section shall be credited in full against the fee for a new authority to construct for functionally equivalent equipment submitted within six months of the date the original authority to construct expires.

(Adopted June 15, 2005)

3-331 Registration Fees: Any person who is required to register equipment under District rules shall submit a registration fee, and any annual fee thereafter, as set out in Schedule R. The APCO may reduce registration fees by an amount deemed appropriate if the owner or operator of the equipment attends an Industry Compliance School sponsored by the District.

(Adopted June 6, 2007; Amended 6/16/10)

3-332 Naturally Occurring Asbestos Fees: After July 1, 2007, any person required to submit an Asbestos Dust Mitigation Plan (ADMP) pursuant to Title 17 of the California Code of Regulations, Section 93105, Asbestos Air Toxic Control Measure for Construction, Grading, Quarrying, and Surface Mining Operations shall pay the fee(s) set out in Schedule S.

(Adopted June 6, 2007)

3-333 Major Facility Review (MFR) and Synthetic Minor Application Fees: Any facility that applies for, or is required to undergo, an initial MFR permit, an amendment to an MFR permit, a minor or significant revision to an MFR permit, a reopening of an MFR permit, a renewal of an MFR permit, an initial synthetic minor operating permit, or a revision to a synthetic minor operating permit, shall pay the applicable fees set forth in Schedule P.

(Adopted May 21, 2008)

3-334 Greenhouse Gas Fees: Any permitted facility with greenhouse gas emissions shall pay a fee based on Schedule T. This fee is in addition to permit and other fees otherwise authorized to be collected from such facilities, and shall be included as part of the annual permit renewal fees.

(Adopted May 21, 2008)

3-335 Indirect Source Review Fees: Applicants that must file an Air Quality Impact Assessment pursuant to District rules for a project that is deemed to be an indirect source shall pay a fee based on Schedule U.

(Adopted May 20, 2009)

3-400 ADMINISTRATIVE REQUIREMENTS

3-401 Permits: Definitions, standards, and conditions contained in Regulation 2, Permits, are applicable to this regulation.

3-402 Single Anniversary Date: The APCO may assign a single anniversary date to a facility on which all its renewable permits to operate expire and will require renewal. Fees will be prorated to compensate for different time periods resulting from change in anniversary date.

3-403 Change in Operating Parameters: See Section 2-1-404 of Regulation 2, Rule 1.

3-404 Deleted June 7, 2000

3-405 Fees Not Paid: If an applicant or owner/operator fails to pay the fees specified on the invoice by the due date, the following procedure(s) shall apply:

405.1 Authority to Construct: The application will be cancelled, but can be reactivated upon payment of fees.

405.2 New Permit to Operate: The Permit to Operate shall not be issued, and the facility will be notified that operation, including startup, is not authorized.

2.1 Fees received during the first 30 days following the due date must include an additional late fee equal to 10 percent of all fees specified on the invoice.

2.2 Fees received more than 30 days after the due date must include an additional late fee equal to 50 percent of all fees specified on the invoice.

405.3 Renewal of Permit to Operate: The facility will be notified that the permit has lapsed and that further operation is no longer authorized. Reinstatement of lapsed Permits to Operate will require the payment of reinstatement fees in addition to all fees

specified on the invoice. Fees shall be calculated using fee schedules in effect at either the time of reinstatement or at the time additional fees are assessed under subsection 3-405.2.

3.1 Fees received during the first 30 days following the due date must include all fees specified on the invoice plus a reinstatement fee equal to 10 percent of all fees specified on the invoice.

3.2 Fees received more than 30 days after the due date, but less than one year after the due date, must include all fees specified on the invoice plus a reinstatement fee equal to 50 percent of all fees specified on the invoice.

405.4 Other Fees: Persons who have not paid the fee by the invoice due date, shall pay a late fee in addition to the original invoiced fee. Fees shall be calculated using fee schedules in effect at the time of the fees' original determination.

4.1 Fees received more than 30 days after the invoice due date must include a late fee of 10 percent of the original invoiced fee.

(Amended 7/6/83; 6/4/86; 11/5/86; 2/15/89; 6/6/90; 7/3/91; 8/2/95; 12/2/98; 6/15/05; 6/7/06)

3-406 Deleted June 4, 1986

3-407 Deleted August 2, 1995

3-408 Permit to Operate Valid for 12 Months: A Permit to Operate is valid for 12 months from the date of issuance or other time period as approved by the APCO.

(Amended 6/4/86; Amended 6/7/00)

3-409 Deleted June 7, 2000

3-410 Deleted August 2, 1995

3-411 Advance Deposit of Funds: The APCO may require that at the time of the filing of an application for an Authority to Construct for a project for which the District is a lead agency under the California Environmental Quality Act (Public Resources Code, Section 21000, et seq.), the applicant shall make an advance deposit of funds, in an amount to be specified by the APCO, to cover the costs which the District estimates to incur in connection with the District's performance of its environmental evaluation and the preparation of any required environmental documentation. In the event the APCO requires such an estimated advance payment to be made, the applicant will be provided with a full accounting of the costs actually incurred by the District in connection with the District's performance of its environmental evaluation and the preparation of any required environmental documentation.

(Adopted 12/18/85; Amended 8/2/95)

3-412 Deleted December 2, 1998

3-413 Toxic "Hot Spots" Information and Assessment Act Revenues: No later than 120 days after the adoption of this regulation, the APCO shall transmit to the California Air Resources Board, for deposit into the Air Toxics "Hot Spots" Information and Assessment Fund, the revenues determined by the ARB to be the District's share of statewide Air Toxics "Hot Spot" Information and Assessment Act expenses.

(Adopted October 21, 1992)

3-414 Deleted December 2, 1998

3-415 Failure to Pay - Further Actions: When an applicant or owner/operator fails to pay the fees specified on the invoice by the due date, the APCO may take the following actions against the applicant or owner/operator:

415.1 Issuance of a Notice to Comply.

415.2 Issuance of a Notice of Violation.

415.3 Revocation of an existing Permit to Operate. The APCO shall initiate proceedings to revoke permits to operate for any person who is delinquent for more than one month. The revocation process shall continue until payment in full is made or until permits are revoked.

415.4 The withholding of any other District services as deemed appropriate until payment in full is made.

(Adopted 8/2/95; Amended 12/2/98; 6/15/05)

3-416 Adjustment of Fees: The APCO or designees may, upon finding administrative error by District staff in the calculation, imposition, noticing, invoicing, and/or collection of any fee set

forth in this rule, rescind, reduce, increase, or modify the fee. A request for such relief from an administrative error, accompanied by a statement of why such relief should be granted, must be received within two years from the date of payment.

(Adopted October 8, 1997)

3-417 Temporary Amnesty for Unpermitted and Unregistered Sources: The APCO has the authority to declare an amnesty period, during which the District may waive all or part of the back fees and/or late fees for sources that are currently operating without valid Permits to Operate and/or equipment registrations.

(Adopted June 16, 2010)

**SCHEDULE A
HEARING BOARD FEES¹**

Established by the Board of Directors December 7, 1977 Resolution No. 1046
(Code section references are to the California Health & Safety Code, unless otherwise indicated)

		Large Companies	Small Business	Third Party
1.	For each application for variance exceeding 90 days, in accordance with §42350, including applications on behalf of a class of applicants, which meet the requirements of the Hearing Board Rules for a valid and proper class action for variance..... Plus, for each hearing in addition to the first hearing necessary to dispose of said variance application in accordance with §42350, the additional sum of.....	<u>\$2407</u> <u>\$2744</u> <u>\$1204</u> <u>\$1373</u>	<u>\$360</u> <u>\$410</u> <u>\$121</u> <u>\$138</u>	
2.	For each application for variance not exceeding 90 days, in accordance with §42350, including applications on behalf of a class of applicants, which meet the requirements of the Hearing Board Rules for a valid and proper class action for variance..... Plus, for each hearing in addition to the first hearing necessary to dispose of said variance application, in accordance with §42350, the additional sum of.....	<u>\$1446</u> <u>\$1648</u> <u>\$721</u> <u>\$822</u>	<u>\$360</u> <u>\$410</u> <u>\$121</u> <u>\$138</u>	
3.	For each application to modify a variance in accordance with §42356 Plus, for each hearing in addition to the first hearing on said application to modify a variance, in accordance with §42345, necessary to dispose of the application, the additional sum of	<u>\$960</u> <u>\$1094</u> <u>\$721</u> <u>\$822</u>	<u>\$121</u> <u>\$138</u> <u>\$121</u> <u>\$138</u>	
4.	For each application to extend a variance, in accordance with §42357... Plus, for each hearing in addition to the first hearing on an application to extend a variance, in accordance with §42357, necessary to dispose of the application, the additional sum of	<u>\$960</u> <u>\$1094</u> <u>\$721</u> <u>\$822</u>	<u>\$121</u> <u>\$138</u> <u>\$121</u> <u>\$138</u>	
5.	For each application to revoke a variance	<u>\$1446</u> <u>\$1648</u>	<u>\$121</u> <u>\$138</u>	
6.	For each application for approval of a Schedule of Increments of Progress in accordance with §41703.....	<u>\$960</u> <u>\$1094</u>	<u>\$121</u> <u>\$138</u>	
7.	For each application for variance in accordance with §41703, which exceeds 90 days Plus, for each hearing in addition to the first hearing on said application for variance in accordance with §41703, the additional sum of.....	<u>\$2407</u> <u>\$2744</u> <u>\$1204</u> <u>\$1373</u>	<u>\$360</u> <u>\$410</u> <u>\$121</u> <u>\$138</u>	
8.	For each application for variance in accordance with §41703, not to exceed 90 days..... Plus, for each hearing in addition to the hearing on said application for a variance in accordance with §41703, the additional sum of	<u>\$1446</u> <u>\$1648</u> <u>\$721</u> <u>\$822</u>	<u>\$360</u> <u>\$410</u> <u>\$121</u> <u>\$138</u>	

		Large Companies	Small Business	Third Party
9.	For each Appeal (Permit, Banking, Title V)	\$2407 <u>\$2744</u> per hearing day	\$1204 <u>\$1373</u> per hearing day	\$1204 <u>\$1373</u> for entire appeal period
10.	For each application for intervention in accordance with Hearing Board Rules §§2.3, 3.6 & 4.6	\$1204 <u>\$1373</u>	\$242 <u>\$276</u>	
11.	For each application to Modify or Terminate an abatement order.....	\$2407 <u>\$2744</u> per hearing day	\$1204 <u>\$1373</u> per hearing day	
12.	For each application for an interim variance in accordance with §42351.	\$1204 <u>\$1373</u>	\$242 <u>\$276</u>	
13.	For each application for an emergency variance in accordance with §42359.5	\$601 <u>\$685</u>	\$121 <u>\$138</u>	
14.	For each application to rehear a Hearing Board decision in accordance with §40861.....	100% of previous fee charged	100% of previous fee charged	
15.	Excess emission fees	See Attachment I	See Attachment I	
16.	Miscellaneous filing fee for any hearing not covered above	\$1204 <u>\$1373</u>	\$360 <u>\$410</u>	\$360 <u>\$410</u>
17.	For each published Notice of Public Hearing	Cost of Publication	\$0	\$0
18.	Court Reporter Fee (to be paid only if Court Reporter required for hearing)	Actual Appearance and Transcript costs per hearing solely dedicated to one Docket	\$0	Actual Appearance and Transcript costs per hearing solely dedicated to one Docket

NOTE 1 ~~Any person who certifies under penalty of perjury that applicant who believes they have a hardship for payment of the foregoing fees will cause an unreasonable hardship, may be excused from the payment of fees by order of request a fee waiver from the Hearing Board on that account pursuant to Hearing Board Rules.~~

(Amended 10/8/97; 5/19/99; 6/7/00; 6/6/01, 5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

**SCHEDULE A
ATTACHMENT I
EXCESS EMISSION FEE**

A. General

- (1) Each applicant or petitioner for a variance from these Rules and Regulations shall pay to the Clerk or Deputy Clerk of the Hearing Board, in addition to the other filing fees required in Schedule A, an emission fee based on the total weight of emissions discharged, per source or product, other than those described in division (B) below, during the variance period in excess of that allowed by these rules in accordance with the schedule set forth in Table I.
- (2) Where the total weight of emission discharged cannot be easily calculated, the petitioner shall work in concert with District staff to establish the amount of excess emissions to be paid.
- (3) In the event that more than one rule limiting the discharge of the same contaminant is violated, the excess emission fee shall consist of the fee for violation which will result in the payment of the greatest sum. For the purposes of this subdivision, opacity rules and particulate mass emissions shall not be considered rules limiting the discharge of the same contaminant.

B. Excess Visible Emission Fee

Each applicant or petitioner for a variance from Regulation 6 or Health and Safety Code Section 41701 shall pay to the Clerk or Deputy Clerk of the Hearing Board, in addition to the filing fees required in Schedule A and the excess emission fees required in (A) above (if any), an emission fee based on the difference between the percent opacity allowed by Regulation 6 and the percent opacity of the emissions allowed from the source or sources operating under the variance, in accordance with the schedule set forth in Table II.

In the event that an applicant or petitioner is exempt from the provisions of Regulation 6, the applicant or petitioner shall pay a fee calculated as described herein above, but such fee shall be calculated based upon the difference between the opacity allowed under the variance and the opacity allowed under the provisions of Health and Safety Code Section 41701, in accordance with the schedule set forth in Table II.

C. Applicability

The provisions of subdivision (A) shall apply to all variances that generate excess emissions.

D. Fee Determination

- (1) The excess emission fees shall be calculated by the petitioner based upon the requested number of days of operation under variance multiplied by the expected excess emissions as set forth in subdivisions (A) and (B) above. The calculations and proposed fees shall be set forth in the petition.
- (2) The Hearing Board may adjust the excess emission fee required by subdivisions (A) and (B) of this rule based on evidence regarding emissions presented at the time of the hearing.

E. Small Businesses

- (1) A small business shall be assessed twenty percent (20%) of the fees required by subdivisions (A) and (B), whichever is applicable. "Small business" is defined in the Fee Regulation.
- (2) Request for exception as a small business shall be made by the petitioner under penalty of perjury on a declaration form provided by the Executive Officer which shall be submitted to the Clerk or Deputy Clerk of the Hearing Board at the time of filing a petition for variance.

F. Group, Class and Product Variance Fees

Each petitioner included in a petition for a group, class or product variance shall pay the filing fee specified in Schedule A, and the excess emission fees specified in subdivisions (A) and (B), whichever is applicable.

G. Adjustment of Fees

If after the term of a variance for which emission fees have been paid, petitioner can establish, to the satisfaction of the Executive Officer/APCO, that emissions were actually less than those upon which the fee was based, a pro rata refund shall be made.

H. Fee Payment/Variance Invalidation

- (1) Excess emission fees required by subdivisions (A) and (B), based on an estimate provided during the variance Hearing, are due and payable within fifteen (15) days of the granting of the variance. The petitioner shall be notified in writing of any adjustment to the amount of excess emission fees due, following District staff's verification of the estimated emissions. Fee payments to be made as a result of an adjustment are due and payable within fifteen (15) days of notification of the amount due.
- (2) Failure to pay the excess emission fees required by subdivisions (A) and (B) within fifteen (15) days of notification that a fee is due shall automatically invalidate the variance. Such notification may be given by personal service or by deposit, postpaid, in the United States mail and shall be due fifteen (15) days from the date of personal service or mailing. For the purpose of this rule, the fee payment shall be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or the state holiday with the same effect as if it had been postmarked on the expiration date.

**TABLE I
SCHEDULE OF EXCESS EMISSIONS FEES**

Air Contaminants	All at \$2.34 <u>\$2.63</u> Per Pound
Organic gases, except methane and those containing sulfur Carbon Monoxide Oxides of nitrogen (expressed as nitrogen dioxide) Gaseous sulfur compounds (expressed as sulfur dioxide) Particulate matter	
Toxic Air Contaminants	All at \$11.47 <u>\$13.08</u> Per Pound
Asbestos Benzene Cadmium Carbon tetrachloride Chlorinated dioxins and dibenzofurans (15 species) Ethylene dibromide Ethylene dichloride Ethylene oxide Formaldehyde Hexavalent chromium Methylene chloride Nickel Perchloroethylene 1,3-Butadiene Inorganic arsenic Beryllium Polynuclear aromatic hydrocarbons (PAH) Vinyl chloride Lead 1,4-Dioxane Trichloroethylene	

**TABLE II
SCHEDULE OF EXCESS VISIBLE EMISSION FEE**

For each source with opacity emissions in excess of twenty percent (20%), but less than forty percent (40%) (where the source is in violation of Regulation 6, the fee is calculated as follows:

$$\text{Fee} = (\text{Opacity}^* \text{ equivalent} - 20) \times \text{number of days allowed in variance} \times \text{~~\$2.57~~ \$2.93}$$

For each source with opacity emissions in excess of forty percent (40%) (where the source is in violation of Regulation 6 and California Health and Safety Code Section 41701), the fee is calculated as follows:

$$\text{Fee} = (\text{Opacity}^* \text{ equivalent} - 40) \times \text{number of days allowed by variance} \times \text{~~\$2.57~~ \$2.93}$$

* Where "Opacity" equals maximum opacity of emissions in percent (not decimal equivalent) allowed by the variance. Where the emissions are darker than the degree of darkness equivalent to the allowed Ringelmann number, the percentage equivalent of the excess degree of darkness shall be used as "opacity."

(Adopted 6/7/00; Amended 5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

SCHEDULE B COMBUSTION OF FUEL

(Adopted June 18, 1980)

For each source that burns fuel, which is not a flare and not exempted by Regulation 2, Rule 1, the fee shall be computed based on the maximum gross combustion capacity (expressed as higher heating value, HHV) of the source.

1. INITIAL FEE: ~~\$44.46~~\$48.91 per MM BTU/HOUR
 - a. The minimum fee per source is: ~~\$237~~\$261
 - b. The maximum fee per source is: ~~\$82,969~~\$91,266

2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
 - a. RSF for first TAC source in application: ~~\$354~~\$389 plus ~~\$44.46~~\$48.91 per MM BTU/hr
 - b. Minimum RSF for first TAC source: ~~\$591~~\$650
 - c. RSF for each additional TAC source: ~~\$44.46~~\$48.91 per MM BTU/Hr *
 - d. Minimum RSF per additional TAC source: ~~\$237~~\$261 *
 - e. Maximum RSF per source is: ~~\$82,969~~\$91,266

* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1

3. PERMIT TO OPERATE FEE: ~~\$22.23~~\$24.45 per MM BTU/HOUR
 - a. The minimum fee per source is: ~~\$169~~\$186
 - b. The maximum fee per source is: ~~\$41,483~~\$45,631

4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

5. ROUNDING: Fees for each source will be rounded to the nearest dollar. The fee for sources will be rounded up to the nearest dollar for 51 cents and above, and amounts 50 cents and lower will be rounded down to the nearest dollar.

6. Applicants for an authority to construct and permit to operate a project, which burns municipal waste or refuse-derived fuel, shall pay in addition to all required fees, an additional fee to cover the costs incurred by the State Department of Health Services, and/or a qualified contractor designated by the State Department of Health Services, in reviewing a risk assessment as required under H&S Code Section 42315. The fee shall be transmitted by the District to the Department of Health Services and/or the qualified contractor upon completion of the review and submission of comments in writing to the District.

7. A surcharge equal to 100% of all required initial and permit to operate fees shall be charged for sources permitted to burn one or more of the following fuels: coke, coal, wood, tires, black liquor, and municipal solid waste.

NOTE: MM BTU is million BTU of higher heat value
One MM BTU/HR = 1.06 gigajoules/HR

(Amended 6/5/85; 6/4/86; 3/4/87; 6/6/90; 7/3/91; 6/15/94; 10/8/97; 7/1/98; 7/1/98; 5/19/99; 6/7/00; 6/6/01, 5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

SCHEDULE C
STATIONARY CONTAINERS FOR THE STORAGE OF ORGANIC LIQUIDS
 (Adopted June 18, 1980)

For each stationary container of organic liquids which is not exempted from permits by Regulation 2 and which is not part of a gasoline dispensing facility, the fee shall be computed based on the container volume, as follows:

1. INITIAL FEE: 0.173 cents per gallon
 - a. The minimum fee per source is: \$191
 - b. The maximum fee per source is: \$26,046

2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
 - a. RSF for first TAC source in application: ~~\$354~~\$389 plus 0.173 cents per gallon
 - b. Minimum RSF for first TAC source: \$545
 - c. RSF for each additional TAC source: 0.173 cents per gallon *
 - d. Minimum RSF per additional TAC source: \$191 *
 - e. Maximum RSF per source is: \$26,046

* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1

3. PERMIT TO OPERATE FEE: 0.087 cents per gallon
 - a. The minimum fee per source is: \$137
 - b. The maximum fee per source is: \$13,023

4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

5. ROUNDING: Fees for each source will be rounded to the nearest dollar. The fee for sources will be rounded up to the nearest dollar for 51 cents and above, and amounts 50 cents and lower will be rounded down to the nearest dollar.

(Amended 2/20/85; 6/5/85; 6/4/86; 7/3/91; 6/15/94; 7/1/98; 5/19/99; 6/7/00;
 6/6/01, 5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/20/09; 6/16/10)

SCHEDULE D
GASOLINE TRANSFER AT GASOLINE DISPENSING FACILITIES,
BULK PLANTS AND TERMINALS
 (Adopted June 18, 1980)

A. All gasoline dispensing facilities shall pay the following fees:

1. INITIAL FEE: ~~\$174.25~~\$198.64 per single product nozzle (spn)
~~\$174.25~~\$198.64 per product for each multi-product nozzle (mpn)
2. PERMIT TO OPERATE FEE: ~~\$66.74~~\$76.08 per single product nozzle (spn)
~~\$66.74~~\$76.08 per product for each multi-product nozzle (mpn)
3. Initial fees and permit to operate fees for hardware modifications at a currently permitted gasoline dispensing facility shall be consolidated into a single fee calculated according to the following formula:

$$\frac{\$240.99}{\$274.72} \times \left\{ \left[\frac{mpn_{\text{proposed}}(\text{products per nozzle}) + spn_{\text{proposed}}}{mpn_{\text{existing}}(\text{products per nozzle}) + spn_{\text{existing}}} \right] - 1 \right\}$$

mpn = multi-product nozzles
spn = single product nozzles

The above formula includes a toxic surcharge.

If the above formula yields zero or negative results, no initial fees or permit to operate fees shall be charged.

For the purposes of calculating the above fees, a fuel blended from two or more different grades shall be considered a separate product.

Other modifications to facilities' equipment, including but not limited to tank addition/replacement/conversion, vapor recovery piping replacement, moving or extending pump islands, will not be subject to initial fees or permit to operate fees.

4. RISK SCREENING FEE (RSF) of ~~\$354~~\$389 per application is only applicable to projects for which a health risk screening analysis is required under Regulation 2-5-401 [including increases in permitted throughput for which a health risk screening analysis is required.]
5. Nozzles used exclusively for the delivery of diesel fuel or other fuels exempt from permits shall pay no fee. Multi-product nozzles used to deliver both exempt and non-exempt fuels shall pay fees for the non-exempt products only.

B. All bulk plants, terminals or other facilities using loading racks to transfer gasoline or gasohol into trucks, railcars or ships shall pay the following fees:

1. INITIAL FEE: ~~\$2,289~~\$2,609 per single product loading arm
~~\$2,289~~\$2,609 per product for multi-product arms
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
 - a. RSF for first TAC source in application: ~~\$2,643~~\$2,998
 - b. RSF for each additional TAC source: ~~\$2,289~~\$2,609 *

* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: ~~\$638~~\$727 per single product loading arm
~~\$638~~\$727 per product for multi-product arms

4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.
- C. Fees in (A) above are in lieu of tank fees. Fees in (B) above are in addition to tank fees.
- D. Fees for each source will be rounded to the nearest dollar. The fee for sources will be rounded up to the nearest dollar for 51 cents and above, and amounts 50 cents and lower will be rounded down to the nearest dollar.

(Amended 2/20/85; 6/5/85; 6/4/86; 7/3/91; 6/15/94; 10/8/97; 7/1/98; 5/19/99; 6/7/00;
6/6/01, 5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

SCHEDULE E
SOLVENT EVAPORATING SOURCES
(Adopted June 18, 1980)

For each solvent evaporating source, as defined in Section 3-210 except for dry cleaners, the fee shall be computed based on the net amount of organic solvent processed through the sources on an annual basis (or anticipated to be processed, for new sources) including solvent used for the cleaning of the sources.

1. INITIAL FEE:
 - a. The minimum fee per source is: ~~\$383~~\$437
 - b. If usage is not more than 1,000 gallons/year: ~~\$383~~\$437
 - c. If usage is more than 1,000 gallons/year: ~~\$771~~\$879 per 1,000 gallons
 - d. The maximum fee per source is: ~~\$30,645~~\$34,935

2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
 - a. RSF for first TAC source in application: ~~\$354~~\$389 plus initial fee
 - b. Minimum RSF for first TAC source: ~~\$737~~\$826
 - c. RSF for each additional TAC source: equal to initial fee *
 - d. Minimum RSF per additional TAC source: ~~\$383~~\$437 *
 - e. Maximum RSF per source is: ~~\$30,645~~\$34,935

* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1

3. PERMIT TO OPERATE FEE:
 - a. The minimum fee per source is: ~~\$276~~\$315
 - b. If usage is not more than 1,000 gallons/year: ~~\$276~~\$315
 - c. If usage is more than 1,000 gallons/year: ~~\$383~~\$437 per 1,000 gallons
 - d. The maximum fee per source is: ~~\$15,321~~\$17,466

4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

5. Fees for each source will be rounded to the nearest dollar. The fee for sources will be rounded up to the nearest dollar for 51 cents and above, and amounts 50 cents and lower will be rounded down to the nearest dollar.

(Amended 5/19/82; 10/17/84; 6/5/85; 6/4/86; 10/8/87; 7/3/91; 6/15/94; 7/1/98; 5/19/99; 6/7/00; 6/6/01,
5/1/02, 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

**SCHEDULE F
MISCELLANEOUS SOURCES**
(Adopted June 18, 1980)

For each source not governed by Schedules B, C, D, E, H or I, (except for those sources in the special classification lists, G-1 - G-5) the fees are:

1. INITIAL FEE: ~~\$344~~\$378
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
 - a. RSF for first TAC source in application: ~~\$698~~\$767
 - b. RSF for each additional TAC source: ~~\$344~~\$378 *
 - * RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: ~~\$249~~\$274
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1. List of special classifications requiring graduated fees is shown in Schedules G-1, G-2, G-3, G-4, and G-5.

G-1. FEES FOR SCHEDULE G-1, For each source in a G-1 classification, fees are:

1. INITIAL FEE: ~~\$2,120~~\$2,374
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
 - a. RSF for first TAC source in application: ~~\$2,474~~\$2,763
 - b. RSF for each additional TAC source: ~~\$2,120~~\$2,374 *
 - * RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: ~~\$1,058~~\$1,185
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

G-2. FEES FOR SCHEDULE G-2, For each source in a G-2 classification, fees are:

1. INITIAL FEE: ~~\$2,997~~\$3,417
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
 - a. RSF for first TAC source in application: ~~\$3,351~~\$3,806
 - b. RSF for each additional TAC source: ~~\$2,997~~\$3,417 *
 - * RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: ~~\$1,497~~\$1,707
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be

raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

G-3. FEES FOR SCHEDULE G-3, For each source in a G-3 classification, fees are:

1. INITIAL FEE: ~~\$17,393~~\$19,828
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
 - a. RSF for first TAC source in application: ~~\$17,747~~\$20,217
 - b. RSF for each additional TAC source: ~~\$17,393~~\$19,828 *
 - * RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: ~~\$8,696~~\$9,913
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

G-4. FEES FOR SCHEDULE G-4, For each source in a G-4 classification, fees are:

1. INITIAL FEE: \$49,702
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
 - a. RSF for first TAC source in application: ~~\$50,056~~\$50,091
 - b. RSF for each additional TAC source: \$49,702 *
 - * RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: \$24,850
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

G-5. FEES FOR SCHEDULE G-5, For each source in a G-5 classification, fees are:

1. INITIAL FEE: ~~\$39,136~~\$43,050
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
 - a. RSF for first TAC source in application: ~~\$39,489~~\$43,439
 - b. RSF for each additional TAC source: ~~\$39,136~~\$43,050 *
 - * RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: ~~\$19,567~~\$21,524
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

(Amended 5/19/82; 6/5/85; 6/4/86; 6/6/90; 7/3/91; 6/15/94; 10/8/97; 7/1/98; 5/19/99; 6/7/00
6/6/01, 5/1/02, 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

SCHEDULE G-1
(Adopted June 18, 1980)

Equipment or Process Description	Materials Processed or Produced
Asphalt Roofing Manufacturing – Asphalt Dipping	Asphalt Roofing or Related Materials
Calcining Kilns, excluding those processing cement, lime, or coke (see G-4 for cement, lime, or coke Calcining Kilns)	Any Materials except cement, lime, or coke
Chemical Manufacturing, Inorganic – Processing Units with a Capacity of 1000 Gallons/Hour or more	Any Inorganic Materials
Chemical Manufacturing, Inorganic – Processing Units with a Capacity of 5 Tons/Hour or more	Any Inorganic Materials
Chemical Manufacturing, Inorganic – Reactors with a Capacity of 1000 Gallons or more	Any Inorganic Materials
Chemical Manufacturing, Organic – Latex Dipping	Any latex materials
Chemical Manufacturing, Organic – Processing Units with a Capacity of 1000 Gallons/Hour or more	Any Organic Materials
Chemical Manufacturing, Organic – Processing Units with a Capacity of 5 Tons/Hour or more	Any Organic Materials
Chemical Manufacturing, Organic – Reactors with a Capacity of 1000 Gallons or more	Any Organic Materials
Compost Operations – Windrows, Static Piles, Aerated Static Piles, In-Vessel, or similar methods	Any waste materials such as yard waste, food waste, agricultural waste, mixed green waste, bio-solids, animal manures, etc.
Crushers	Any minerals or mineral products such as rock, aggregate, cement, concrete, or glass; waste products such as building or road construction debris; and any wood, wood waste, green waste; or similar materials
Electroplating Equipment	Hexavalent Decorative Chrome with permitted capacity greater than 500,000 amp-hours per year or Hard Chrome

Equipment or Process Description	Materials Processed or Produced
Foil Manufacturing – Any Converting or Rolling Lines	Any Metal or Alloy Foils
Galvanizing Equipment	Any
Glass Manufacturing – Batching Processes including storage and weigh hoppers or bins, conveyors, and elevators	Any Dry Materials
Glass Manufacturing – Mixers	Any Dry Materials
Glass Manufacturing – Molten Glass Holding Tanks	Any molten glass
Grinders	Any minerals or mineral products such as rock, aggregate, cement, concrete, or glass; waste products such as building or road construction debris; and any wood, wood waste, green waste; or similar materials
Incinerators – Crematory	Human and/or animal remains
Incinerators – Flares	Any waste gases
Incinerators – Other (see G-2 for hazardous or municipal solid waste incinerators, see G-3 for medical or infectious waste incinerators)	Any Materials except hazardous wastes, municipal solid waste, medical or infectious waste
Incinerators – Pathological Waste (see G-3 for medical or infectious waste incinerators)	Pathological waste only
Loading and/or Unloading Operations – Bulk Plants and Bulk Terminals, excluding those loading gasoline or gasohol (see Schedule D for Bulk Plants and Terminals loading gasoline or gasohol)	Any Organic Materials except gasoline or gasohol
Petroleum Refining – Alkylation Units	Any Hydrocarbons
Petroleum Refining – Asphalt Oxidizers	Any Hydrocarbons
Petroleum Refining – Benzene Saturation Units/Plants	Any Hydrocarbons
Petroleum Refining – Catalytic Reforming Units	Any Hydrocarbons
Petroleum Refining – Chemical Treating Units including alkane, naphthenic acid, and naptha merox treating, or similar processes	Any Hydrocarbons
Petroleum Refining – Converting Units including Dimersol Plants, Hydrocarbon Splitters, or similar processes	Any Hydrocarbons

Equipment or Process Description	Materials Processed or Produced
Petroleum Refining – Distillation Units, excluding crude oil units with capacity > 1000 barrels/hour (see G-3 for > 1000 barrels/hour crude distillation units)	Any Hydrocarbons
Petroleum Refining – Hydrogen Manufacturing	Hydrogen or Any Hydrocarbons
Petroleum Refining – Hydrotreating or Hydrofining	Any Hydrocarbons
Petroleum Refining – Isomerization	Any Hydrocarbons
Petroleum Refining – MTBE Process Units/Plants	Any Hydrocarbons
Petroleum Refining – Sludge Converter	Any Petroleum Waste Materials
Petroleum Refining – Solvent Extraction	Any Hydrocarbons
Petroleum Refining – Sour Water Stripping	Any Petroleum Process or Waste Water
Petroleum Refining – Storage (enclosed)	Petroleum Coke or Coke Products
Petroleum Refining – Waste Gas Flares (not subject to Regulation 12, Rule 11)	Any Petroleum Refining Gases
Petroleum Refining – Miscellaneous Other Process Units	Any Hydrocarbons
Remediation Operations, Groundwater – Strippers	Contaminated Groundwater
Remediation Operations, Soil – Any Equipment	Contaminated Soil
Spray Dryers	Any Materials
Sterilization Equipment	Ethylene Oxide
Wastewater Treatment, Industrial – Oil-Water Separators, excluding oil-water separators at petroleum refineries (see G-2 for Petroleum Refining - Oil-Water Separators)	Wastewater from any industrial facilities except petroleum refineries
Wastewater Treatment, Industrial – Strippers including air strippers, nitrogen strippers, dissolved air flotation units, or similar equipment and excluding strippers at petroleum refineries (see G-2 for Petroleum Refining – Strippers)	Wastewater from any industrial facilities except petroleum refineries
Wastewater Treatment, Industrial - Storage Ponds, excluding storage ponds at petroleum refineries (see G-2 for Petroleum Refining – Storage Ponds)	Wastewater from any industrial facilities except petroleum refineries
Wastewater Treatment, Municipal – Preliminary Treatment	Municipal Wastewater
Wastewater Treatment, Municipal – Primary Treatment	Municipal Wastewater
Wastewater Treatment, Municipal –	Municipal Wastewater

Equipment or Process Description	Materials Processed or Produced
Digesters	
Wastewater Treatment, Municipal – Sludge Handling Processes, excluding sludge incinerators (see G-2 for sludge incinerators)	Sewage Sludge

(Amended 6/4/86; 6/6/90; 5/19/99; 6/7/00; 6/2/04; 6/15/05)

SCHEDULE G-2
(Adopted June 6, 1990)

Equipment or Process Description	Materials Processed or Produced
Asphalt Roofing Manufacturing – Asphalt Blowing	Asphalt Roofing or Related Materials
Asphaltic Concrete Manufacturing – Aggregate Dryers	Any Dry Materials
Asphaltic Concrete Manufacturing – Batch Mixers	Any Asphaltic Concrete Products
Asphaltic Concrete Manufacturing – Drum Mixers	Any Asphaltic Concrete Products
Asphaltic Concrete Manufacturing – Other Mixers and/or Dryers	Any Dry Materials or Asphaltic Concrete Products
Concrete or Cement Batching Operations – Mixers	Any cement, concrete, or stone products or similar materials
Furnaces – Electric	Any Mineral or Mineral Product
Furnaces – Electric Induction	Any Mineral or Mineral Product
Furnaces – Glass Manufacturing	Soda Lime only
Furnaces – Reverberatory	Any Ores, Minerals, Metals, Alloys, or Related Materials
Incinerators – Hazardous Waste including any unit required to have a RCRA permit	Any Liquid or Solid Hazardous Wastes
Incinerators – Solid Waste, excluding units burning human/animal remains or pathological waste exclusively (see G-1 for Crematory and Pathological Waste Incinerators)	Any Solid Waste including Sewage Sludge (except human/animal remains or pathological waste)
Metal Rolling Lines, excluding foil rolling lines (see G-1 for Foil Rolling Lines)	Any Metals or Alloys
Petroleum Refining – Stockpiles (open)	Petroleum Coke or coke products only
Petroleum Refining, Wastewater Treatment – Oil-Water Separators	Wastewater from petroleum refineries only
Petroleum Refining, Wastewater Treatment – Strippers including air strippers, nitrogen strippers, dissolved air flotation units, or similar equipment	Wastewater from petroleum refineries only
Petroleum Refining, Wastewater Treatment – Storage Ponds	Wastewater from petroleum refineries only
Pickling Lines or Tanks	Any Metals or Alloys
Sulfate Pulping Operations – All Units	Any
Sulfite Pulping Operations – All Units	Any

(Amended June 7, 2000)

SCHEDULE G-3
(Adopted June 18, 1980)

Equipment or Process Description	Materials Processed or Produced
Furnaces – Electric Arc	Any Metals or Alloys
Furnaces – Electric Induction	Any Metals or Alloys
Incinerators – Medical Waste, excluding units burning pathological waste exclusively (see G-1 for Pathological Waste Incinerators)	Any Medical or Infectious Wastes
Loading and/or Unloading Operations – Marine Berths	Any Organic Materials
Petroleum Refining – Cracking Units including hydrocrackers and excluding thermal or fluid catalytic crackers (see G-4 for Thermal Crackers and Catalytic Crackers)	Any Hydrocarbons
Petroleum Refining – Distillation Units (crude oils) including any unit with a capacity greater than 1000 barrels/hour (see G-1 for other distillation units)	Any Petroleum Crude Oils
Phosphoric Acid Manufacturing – All Units (by any process)	Phosphoric Acid

(Amended 5/19/82; Amended and renumbered 6/6/90; Amended 6/7/00; 6/15/05; 5/2/07)

SCHEDULE G-4
(Adopted June 6, 1990)

Equipment or Process Description	Materials Processed or Produced
Acid Regeneration Units	Sulfuric or Hydrochloric Acid only
Annealing Lines (continuous only)	Metals and Alloys
Calcining Kilns (see G-1 for Calcining Kilns processing other materials)	Cement, Lime, or Coke only
Fluidized Bed Combustors	Solid Fuels only
Nitric Acid Manufacturing – Any Ammonia Oxidation Processes	Ammonia or Ammonia Compounds
Petroleum Refining - Coking Units including fluid cokers, delayed cokers, flexicokers, and coke kilns	Petroleum Coke and Coke Products
Petroleum Refining - Cracking Units including fluid catalytic crackers and thermal crackers and excluding hydrocrackers (see G-3 for Hydrocracking Units)	Any Hydrocarbons
Petroleum Refining - Sulfur Removal including any Claus process or any other process requiring caustic reactants	Any Petroleum Refining Gas
Sulfuric Acid Manufacturing – Any Chamber or Contact Process	Any Solid, Liquid or Gaseous Fuels Containing Sulfur

(Amended June 7, 2000)

SCHEDULE G-5

Equipment or Process Description	Materials Processed or Produced
Petroleum Refinery Flares (subject to Regulation 12, Rule 11)	Any Petroleum Vent Gas (as defined in section 12-11-210 and section 12-12-213)

(Adopted May 2, 2007)

SCHEDULE H
SEMICONDUCTOR AND RELATED OPERATIONS
(Adopted May 19, 1982)

All of the equipment within a semiconductor fabrication area will be grouped together and considered one source. The fee shall be as indicated:

1. INITIAL FEE:
 - a. The minimum fee per source is: ~~\$335~~\$382
 - b. The maximum fee per source is: ~~\$26,774~~\$30,522

The initial fee shall include the fees for each type of operation listed below, which is performed at the fabrication area:

 - c. SOLVENT CLEANING OPERATIONS, such as usage of:
 - Solvent Sinks (as defined in Regulation 8-30-214);
 - Solvent Spray Stations (as defined in Regulation 8-30-221);
 - Solvent Vapor Stations (as defined in Regulation 8-30-222); and
 - Wipe Cleaning Operation (as defined in Regulation 8-30-225).

The fee is based on the gross throughput of organic solvent processed through the solvent cleaning operations on an annual basis (or anticipated to be processed, for new sources):

 - i. If gross throughput is not more than 3,000 gal/yr: ~~\$335~~\$382
 - ii. If gross throughput is more than 3,000 gallons/year: ~~\$226~~\$258 per 1,000 gallon
 - d. COATING OPERATIONS, such as application of:
 - Photoresist (as defined in Regulation 8-30-215); other wafer coating;
 - Solvent-Based Photoresist Developer (as defined in Regulation 8-30-219); and other miscellaneous solvent usage.

The fee is based on the gross throughput of organic solvent processed through the coating operations on an annual basis (or anticipated to be processed, for new sources):

 - i. If gross throughput is not more than 1,000 gal/yr: ~~\$335~~\$382
 - ii. If gross throughput is more than 1,000 gallons/year: ~~\$673~~\$767 per 1,000 gallon
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
 - a. RSF for first TAC source in application: ~~\$354~~\$389 plus initial fee
 - b. Minimum RSF for first TAC source: ~~\$689~~\$771
 - c. RSF for each additional TAC source: equal to initial fee *
 - d. Minimum RSF per additional TAC source: ~~\$335~~\$382 *
 - e. Maximum RSF per source is: ~~\$26,774~~\$30,522

* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE:
 - a. The minimum fee per source is: ~~\$242~~\$276
 - b. The maximum fee per source is: ~~\$13,385~~\$15,259

The permit to operate fee shall include the fees for each type of operation listed below, which is performed at the fabrication area:

 - c. SOLVENT CLEANING OPERATIONS, such as usage of:
 - Solvent Sinks (as defined in Regulation 8-30-214);
 - Solvent Spray Stations (as defined in Regulation 8-30-221);

Solvent Vapor Stations (as defined in Regulation 8-30-222); and
Wipe Cleaning Operation (as defined in Regulation 8-30-225).

The fee is based on the gross throughput of organic solvent processed through the solvent cleaning operations on an annual basis (or anticipated to be processed, for new sources):

- i. If gross throughput is not more than 3,000 gal/yr: ~~\$242~~\$276
- ii. If gross throughput is more than 3,000 gallons/year: ~~\$113~~\$129 per 1,000 gallon

d. COATING OPERATIONS, such as application of:

Photoresist (as defined in Regulation 8-30-215); other wafer coating;
Solvent-Based Photoresist Developer (as defined in Regulation 8-30-219); and other miscellaneous solvent usage.

The fee is based on the gross throughput of organic solvent processed through the coating operations on an annual basis (or anticipated to be processed, for new sources):

- i. If gross throughput is not more than 1,000 gal/yr: ~~\$242~~\$276
- ii. If gross throughput is more than 1,000 gallons/year: ~~\$335~~\$382 per 1,000 gallon

- 4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.
- 5. The fee for each source will be rounded to the whole dollar. Fees for sources will be rounded up to the nearest dollar for 51 cents and above, and amounts 50 cents and lower will be rounded down to the nearest dollar.

(Amended 1/9/85; 6/5/85; 6/4/86; 7/3/91; 6/15/94; 10/8/97; 7/1/98; 5/19/99; 10/20/99; 6/7/00; 6/6/01, 5/1/02, 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

**SCHEDULE I
 DRY CLEANERS**
 (Adopted July 6, 1983)

For dry cleaners, the fee shall be computed based on each cleaning machine, except that machines with more than one drum shall be charged based on each drum, regardless of the type or quantity of solvent, as follows:

1. INITIAL FEE FOR A DRY CLEANING MACHINE (per drum):
 - a. If the washing or drying capacity is no more than 100 pounds: ~~\$344~~\$392
 - b. If the washing or drying capacity exceeds 100 pounds: ~~\$344~~\$392 plus
 For that portion of the capacity exceeding 100 pounds: ~~\$10.27~~\$11.71 per pound

2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
 - a. RSF for first TAC source in application: ~~\$354~~\$389 plus initial fee
 - b. Minimum RSF for first TAC source: ~~\$698~~\$781
 - c. RSF for each additional TAC source: equal to initial fee *
 - d. Minimum RSF per additional TAC source: ~~\$344~~\$392 *

* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1

3. PERMIT TO OPERATE FEE FOR A DRY CLEANING MACHINE (per drum):
 - a. If the washing or drying capacity is no more than 100 pounds: ~~\$249~~\$284
 - b. If the washing or drying capacity exceeds 100 pounds: ~~\$249~~\$284 plus
 For that portion of the capacity exceeding 100 pounds: ~~\$5.16~~\$5.88 per pound

4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

5. Fees for each source will be rounded to the nearest dollar. The fee for sources will be rounded up to the nearest dollar for 51 cents and above, and amounts 50 cents and lower will be rounded down to the nearest dollar.

(Amended 10/17/84; 6/5/85; 6/4/86; 7/3/91; 6/15/94; 10/8/97; 7/1/98; 5/19/99; 6/7/00;
 6/6/01, 5/1/02, 5/21/03; 6/02/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

SCHEDULE K
SOLID WASTE DISPOSAL SITES
(Adopted July 15, 1987)

1. INITIAL FEE:

a. Inactive or Closed Solid Waste Disposal Sites	\$2,296
b. Active Solid Waste Disposal Sites	\$4,592
<u>a. Landfill (Decomposition Process)</u>	<u>\$2,617</u>
<u>b. Active Landfill (Waste and Cover Material Dumping Process)</u>	<u>\$1,309</u>
<u>c. Active Landfill (Excavating, Bulldozing, and Compacting Processes)</u>	<u>\$1,309</u>

2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.

a. RSF for first TAC source in application:	\$354 <u>\$389</u> plus initial fee
b. RSF for each additional TAC source:	equal to initial fee *

* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1

3. PERMIT TO OPERATE FEE:

a. Inactive or Closed Solid Waste Disposal Sites	\$1,148
b. Active Solid Waste Disposal Sites	\$2,296
<u>a. Landfill (Decomposition Process)</u>	<u>\$1,309</u>
<u>b. Active Landfill (Waste and Cover Material Dumping Process)</u>	<u>\$654</u>
<u>c. Active Landfill (Excavating, Bulldozing, and Compacting Processes)</u>	<u>\$654</u>

4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

5. Evaluation of Reports and Questionnaires:

a. Evaluation of Solid Waste Air Assessment Test Report as required by Health & Safety Code Section 41805.5(g)	\$1,380 <u>\$1,573</u>
b. Evaluation of Inactive Site Questionnaire evaluation as required by Health & Safety Code Section 41805.5(b)	\$692 <u>\$789</u>
c. Evaluation of Solid Waste Air Assessment Test Report in conjunction with e <u>E</u> valuation of Inactive Site Questionnaire as required by Health & Safety Code Section 41805.5(b)	\$692 <u>\$789</u>
d. Evaluation of Initial or Amended Design Capacity Reports as required by Regulation 8, Rule 34, Section 405	\$508 <u>\$579</u>
e. Evaluation of Initial or Periodic NMOC Emission Rate Reports as required by Regulation 8, Rule 34, Sections 406 or 407	\$1,455 <u>\$1,659</u>
f. Evaluation of Closure Report as required by Regulation 8, Rule 34, Section 409	\$508 <u>\$579</u>
g. Evaluation of Annual Report as required by Regulation 8, Rule 34, Section 411	\$1,274 <u>\$1,452</u>

6. Fees for each source will be rounded off to the nearest dollar. The fee for sources will be rounded up or down to the nearest dollar.

7. For the purposes of this fee schedule, a ~~solid waste disposal site~~ landfill shall be considered active, if it has accepted solid waste for disposal at any time during the previous 12 months or has plans to accept solid waste for disposal during the next 12 months.

(Amended 7/3/91; 6/15/94; 10/8/97; 7/1/98; 5/19/99; 10/6/99; 6/7/00; 6/6/01;
5/1/02, 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

SCHEDULE L
ASBESTOS OPERATIONS
(Adopted July 6, 1988)

1. Asbestos Operations conducted at single family dwellings are subject to the following fees:
 - a. OPERATION FEE: ~~\$116~~\$130 for amounts 100 to 500 square feet or linear feet.
~~\$428~~\$479 for amounts 501 square feet or linear feet to 1000 square feet or linear feet.
~~\$623~~\$698 for amounts 1001 square feet or liner feet to 2000 square feet or linear feet.
~~\$856~~\$959 for amounts greater than 2000 square feet or linear feet.
 - b. Cancellation: ~~\$56~~\$63 of above amounts non-refundable, for notification processing.

2. Asbestos Operations, other than those conducted at single family dwellings, are subject to the following fees:
 - a. OPERATION FEE: ~~\$330~~\$370 for amounts 100 to 159 square feet or 100 to 259 linear feet or 35 cubic feet
~~\$476~~\$533 for amounts 160 square feet or 260 linear feet to 500 square or linear feet or greater than 35 cubic feet.
~~\$692~~\$775 for amounts 501 square feet or linear feet to 1000 square feet or linear feet.
~~\$1,021~~\$1,144 for amounts 1001 square feet or liner feet to 2500 square feet or linear feet.
~~\$1,455~~\$1,630 for amounts 2501 square feet or linear feet to 5000 square feet or linear feet.
~~\$1,998~~\$2,238 for amounts 5001 square feet or linear feet to 10000 square feet or linear feet.
~~\$2,542~~\$2,847 for amounts greater than 10000 square feet or linear feet.
 - b. Cancellation: ~~\$156~~\$175 of above amounts non-refundable for notification processing.

3. Demolitions (including zero asbestos demolitions) conducted at a single-family dwelling are subject to the following fee:
 - a. OPERATION FEE: ~~\$56~~\$63
 - b. Cancellation: ~~\$56~~\$63 (100% of fee) non-refundable, for notification processing.

4. Demolitions (including zero asbestos demolitions) other than those conducted at a single family dwelling are subject to the following fee:
 - a. OPERATION FEE: ~~\$234~~\$262
 - b. Cancellation: ~~\$156~~\$175 of above amount non-refundable for notification processing.

5. Asbestos operations with less than 10 days prior notice (excluding emergencies) are subject to the following additional fee:
 - a. OPERATION FEE: ~~\$390~~\$437

6. Asbestos demolition operations for the purpose of fire training are exempt from fees.

7. Floor mastic removal using mechanical buffers and solvent is subject to the following fee:
 - a. OPERATION FEE: ~~\$234~~\$262
 - b. Cancellation: ~~\$156~~\$175 of above amount non-refundable for notification processing.

(Amended 9/5/90; 1/5/94; 8/20/97; 10/7/98; 7/19/00; 8/1/01, 6/5/02, 7/2/03; 6/2/04; 6/6/07; 5/21/08; 5/20/09; 6/16/10)

SCHEDULE M
MAJOR STATIONARY SOURCE FEES
(Adopted June 6, 1990)

For each major stationary source emitting 50 tons per year or more of Organic Compounds, Sulfur Oxides, Nitrogen Oxides, and/or PM₁₀, the fee shall be based on the following:

- | | | |
|----|-------------------|------------------|
| 1. | Organic Compounds | \$105.81 per ton |
| 2. | Sulfur Oxides | \$105.81 per ton |
| 3. | Nitrogen Oxides | \$105.81 per ton |
| 4. | PM ₁₀ | \$105.81 per ton |

Emissions calculated by the APCO shall be based on the data reported for the most recent 12-month period prior to billing. In calculating the fee amount, emissions of Organic Compounds, Sulfur Oxides, Nitrogen Oxides, or PM₁₀, if occurring in an amount less than 50 tons per year, shall not be counted.

(Amended 7/3/91; 6/15/94; 7/1/98; 5/9/99; 6/7/00; 6/6/01, 5/1/02, 5/21/03; 6/2/04;
6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

**SCHEDULE N
TOXIC INVENTORY FEES
(Adopted October 21, 1992)**

For each stationary source emitting substances covered by California Health and Safety Code Section 44300 *et seq.*, the Air Toxics "Hot Spots" Information and Assessment Act of 1987, which have trigger levels listed in Table 2-5-1, a fee based on the weighted emissions of the facility shall be assessed based on the following formulas:

1. A fee of \$5 for each gasoline product dispensing nozzle in the facility, if the facility is a Gasoline Dispensing Facility; or
2. A fee of ~~\$75~~\$82 if the facility has emissions in the current Toxic Emissions Inventory which are greater than or equal to 50 weighted pounds per year and less than 1000 weighted pounds per year; or
3. A fee of ~~\$75~~\$82 + $S_L \times (w_i - 1000)$ if the facility has emissions in the current Toxic Emissions Inventory which are greater than or equal to 1000 weighted pounds per year;

where the following relationships hold:

w_i = facility weighted emissions for facility j; where the weighted emission for the facility shall be calculated as a sum of the individual emissions of the facility multiplied by either the inhalation cancer potency factor (CPF, in kilogram-day/milligram) for the substance times 28.6 if the emission is a carcinogen, or by the reciprocal of the inhalation chronic reference exposure level (REL_c) for the substance (in cubic meters/microgram) if the emission is not a carcinogen [use CPF and REL as listed in Table 2-5-1]:

$$w_j = \text{Facility Weighted Emission} = \sum_{i=1}^n E_i * Q_i \text{ where}$$

n = number of toxic substances emitted by facility
 E_j = amount of substance i emitted by facility in lbs/year
 Q_j = 28.6 * CPF, if i is a carcinogen; or
 Q_j = $[\text{REL}_c]^{-1}$, if i is not a carcinogen

F_T = Total amount of fees to be collected by the District to cover District and State of California AB 2588 costs as most recently adopted by the Board of Directors of the California Environmental Protection Agency, Air Resources Board, and set out in the most recently published "Amendments to the Air Toxics "Hot Spots" Fee Regulation," published by that agency.

N_L = Number of facilities with emissions in current District Toxic Emissions Inventory greater than 1000 weighted pounds per year.

N_S = Number of facilities with emissions in current District Toxic Emissions Inventory greater than 50 weighted pounds per year and less than 1000 weighted pounds per year.

N_{NOZ} = Number of gasoline-product-dispensing nozzles in currently permitted Gasoline Dispensing Facilities.

S_L = Surcharge per pound of weighted emissions for each pound in excess of 1000 weighted pounds per year, where S_L is given by the following formula:

$$S_L = \frac{F_T - (\$82 \times N_S) - (\$82 \times N_L) - (5 \times N_{NOZ})}{\sum_{j=1}^{N_L} (w_j - 1000)}$$

(Amended 12/15/93; 6/15/05; 5/2/07; 6/16/10)

SCHEDULE P
MAJOR FACILITY REVIEW FEES
 (Adopted November 3, 1993)

1. MFR / SYNTHETIC MINOR ANNUAL FEES

Each facility, which is required to undergo major facility review in accordance with the requirements of Regulation 2, Rule 6, shall pay annual fees (1a and 1b below) for each source holding a District Permit to Operate. These fees shall be in addition to and shall be paid in conjunction with the annual renewal fees paid by the facility. However, these MFR permit fees shall not be included in the basis to calculate Alternative Emission Control Plan (bubble) or toxic air contaminant surcharges. If a major facility applies for and obtains a synthetic minor operating permit, the requirement to pay the fees in 1a and 1b shall terminate as of the date the APCO issues the synthetic minor operating permit.

- a. MFR SOURCE FEE ~~\$400~~\$456 per source
- b. MFR EMISSIONS FEE..... ~~\$15.77~~\$17.98 per ton of regulated air pollutants emitted

Each MFR facility and each synthetic minor facility shall pay an annual monitoring fee (1c below) for each pollutant measured by a District-approved continuous emission monitor or a District-approved parametric emission monitoring system.

- c. MFR/SYNTHETIC MINOR MONITORING FEES ~~\$4,005~~\$4,566 per monitor per pollutant

2. SYNTHETIC MINOR APPLICATION FEES

Each facility that applies for a synthetic minor operating permit or a revision to a synthetic minor operating permit shall pay application fees according to 2a and either 2b (for each source holding a District Permit to Operate) or 2c (for each source affected by the revision). If a major facility applies for a synthetic minor operating permit prior to the date on which it would become subject to the annual major facility review fee described above, the facility shall pay, in addition to the application fee, the equivalent of one year of annual fees for each source holding a District Permit to Operate.

- a. SYNTHETIC MINOR FILING FEE ~~\$558~~\$636 per application
- b. SYNTHETIC MINOR INITIAL PERMIT FEE ~~\$391~~\$446 per source
- c. SYNTHETIC MINOR REVISION FEE..... ~~\$391~~\$446 per source modified

3. MFR APPLICATION FEES

Each facility that applies for or is required to undergo: an initial MFR permit, an amendment to an MFR permit, a minor or significant revision to an MFR permit, a reopening of an MFR permit or a renewal of an MFR permit shall pay, with the application and in addition to any other fees required by this regulation, the applicable fees according to 3a-h below. The fees in 3b and 3g apply to each source in the initial or renewal permit, while the fees in 3d-f apply to each source affected by the revision or reopening.

- a. MFR FILING FEE ~~\$558~~\$636 per application
- b. MFR INITIAL PERMIT FEE..... ~~\$540~~\$616 per source
- c. MFR ADMINISTRATIVE AMENDMENT FEE ~~\$158~~\$180 per application
- d. MFR MINOR REVISION FEE ~~\$792~~\$903 per source modified
- e. MFR SIGNIFICANT REVISION FEE ~~\$1,477~~\$1,684 per source modified
- f. MFR REOPENING FEE ~~\$484~~\$552 per source modified
- g. MFR RENEWAL FEE..... ~~\$235~~\$268 per source

Each facility that requests a permit shield or a revision to a permit shield under the provisions of Regulation 2, Rule 6 shall pay the following fee for each source (or group of sources, if the requirements for these sources are grouped together in a single table in the MFR permit) that is covered by the requested shield. This fee shall be paid in addition to any other applicable fees.

- h. MFR PERMIT SHIELD FEE ~~\$833~~\$950 per shielded source or group of sources
- 4. MFR PUBLIC NOTICE FEES
Each facility that is required to undergo a public notice related to any permit action pursuant to Regulation 2-6 shall pay the following fee upon receipt of a District invoice.
MFR PUBLIC NOTICE FEE Cost of Publication
- 5. MFR PUBLIC HEARING FEES
If a public hearing is required for any MFR permit action, the facility shall pay the following fees upon receipt of a District invoice.
 - a. MFR PUBLIC HEARING FEE Cost of Public Hearing not to exceed ~~\$9,621~~\$10,968
 - b. NOTICE OF PUBLIC HEARING FEE Cost of distributing Notice of Public Hearing
- 6. POTENTIAL TO EMIT DEMONSTRATION FEE
Each facility that makes a potential to emit demonstration under Regulation 2-6-312 in order to avoid the requirement for an MFR permit shall pay the following fee:
 - a. PTE DEMONSTRATION FEE ~~\$95~~\$108 per source, not to exceed ~~\$9,370~~\$10,682

(Amended 6/15/94; 10/8/97; 7/1/98; 5/19/99; 6/7/00; 6/6/01, 5/1/02, 5/21/03;
6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

SCHEDULE Q
EXCAVATION OF CONTAMINATED SOIL AND
REMOVAL OF UNDERGROUND STORAGE TANKS
(Adopted January 5, 1994)

1. Persons excavating contaminated soil or removing underground storage tanks subject to the provisions of Regulation 8, Rule 40, Section 401, 402, 403 or 405 are subject to the following fee:
 - a. OPERATION FEE: ~~\$144~~\$144

(Amended 7/19/00; 8/1/01, 6/5/02, 7/2/03; 6/2/04; 6/6/07; 5/21/08; 5/20/09; 6/16/10)

**SCHEDULE R
EQUIPMENT REGISTRATION FEES**

1. Persons operating commercial cooking equipment who are required to register equipment as required by District rules are subject to the following fees:
 - a. Conveyorized Charbroiler REGISTRATION FEE: ~~\$378~~\$386 per facility
 - b. Conveyorized Charbroiler ANNUAL RENEWAL FEE: ~~\$105~~\$107 per facility
 - c. Under-fired Charbroiler REGISTRATION FEE: ~~\$378~~\$386 per facility
 - d. Under-fired Charbroiler ANNUAL RENEWAL FEE: ~~\$105~~\$107 per facility

2. Persons operating non-halogenated dry cleaning equipment who are required to register equipment as required by District rules are subject to the following fees:
 - a. Dry Cleaning Machine REGISTRATION FEE: ~~\$189~~\$193
 - b. Dry Cleaning Machine ANNUAL RENEWAL FEE: ~~\$131~~\$134

3. Persons operating diesel engines who are required to register equipment as required by District or State rules are subject to the following fees:
 - a. Diesel Engine REGISTRATION FEE: ~~\$126~~\$129
 - b. Diesel Engine ANNUAL RENEWAL FEE: ~~\$84~~\$86
 - c. Diesel Engine ALTERNATIVE COMPLIANCE PLAN FEE (for each plan submitted under District Regulation 11-17-402): \$129

4. Persons operating boilers, steam generators and process heaters who are required to register equipment by District Regulation 9-7-404 are subject to the following fees:
 - a. Each facility operating a boiler, steam generator or process heater subject to Regulation 9-7-404 ONE-TIME REGISTRATION FEE ~~\$446~~\$455 per facility
 - b. Each boiler, steam generator or process heater subject to Regulation 9-7-404, after the first ONE-TIME REGISTRATION FEE ~~\$53~~\$54 per device

5. Persons owning or operating graphic arts operations who are required to register equipment by District Regulation 8-20-408 are subject to the following fees:
 - a. REGISTRATION FEE: ~~\$226~~\$231
 - b. ANNUAL RENEWAL FEE: ~~\$142~~\$145

6. Persons owning or operating mobile refinishing operations who are required to register by District Regulation 8-45-4 are subject to the following fees:
 - a. REGISTRATION FEE ~~\$105~~\$107
 - b. ANNUAL RENEWAL FEE ~~\$63~~\$64
(Adopted 7/6/07; Amended 12/5/07; 5/21/08; 7/30/08; 11/19/08; 12/3/08; 5/20/09; 6/16/10)

**SCHEDULE S
NATURALLY OCCURRING ASBESTOS OPERATIONS**

1. ASBESTOS DUST MITIGATION PLAN PROCESSING FEE:

Any person submitting an Asbestos Dust Mitigation Plan (ADMP) for review of an Naturally Occurring Asbestos (NOA) project shall pay the following fee (including NOA Discovery Notifications which would trigger an ADMP review): ~~\$280~~\$319

2. AIR MONITORING PROCESSING FEE:

NOA projects requiring an Air Monitoring component as part of the ADMP approval are subject to the following fee in addition to the ADMP fee: ~~\$2,487~~\$2,835

(Adopted 6/6/07; Amended 5/21/08; 5/20/09; 6/16/10)

**SCHEDULE T
GREENHOUSE GAS FEES**

For each permitted facility emitting greenhouse gases, the fee shall be based on the following:

1. Carbon Dioxide Equivalent (CDE) Emissions \$0.048 per metric ton

Emissions calculated by the APCO shall be based on the data reported for the most recent 12-month period prior to billing. The annual emissions of each greenhouse gas (GHG) listed below shall be determined by the APCO for each permitted (i.e., non-exempt) source. For each emitted GHG, the CDE emissions shall be determined by multiplying the annual GHG emissions by the applicable Global Warming Potential (GWP) value. The GHG fee for each facility shall be based on the sum of the CDE emissions for all GHGs emitted by the facility, except that no fee shall be assessed for emissions of biogenic carbon dioxide.

Direct Global Warming Potential Relative to Carbon Dioxide*

GHG	GWP**
Carbon Dioxide	1
Methane	21
Nitrous Oxide	310
HCFC-22	1,500
HCFC-123	90
HCFC-124	470
HCFC-142b	1,800
HFC-23	11,700
HFC-32	650
HFC-125	2,800
HFC-134a	1,300
HFC-143a	3,800
HFC-152a	140
HFC-227ea	2,900
HFC-236fa	6,300
HFC-43-10-mee	1,300
PFC-14	6,500
PFC-116	9,200
PFC-218	7,000
PFC-318	8,700
PFC-3-1-10	7,000
PFC-5-1-14	7,400
Sulfur Hexafluoride	23,900

* Source: Intergovernmental Panel on Climate Change (Second Assessment Report: Climate Change 1995).

** GWPs compare the integrated radiative forcing over a specified period (i.e., 100 years) from a unit mass pulse emission to compare the potential climate change associated with emissions of different GHGs.

(Adopted 5/21/08; Amended 5/20/09; 6/16/10)

**SCHEDULE U
INDIRECT SOURCE REVIEW FEES**

The applicant for any project deemed an indirect source pursuant to District rules shall be subject to the following fees:

1. APPLICATION FILING FEE

When an applicant files an Air Quality Impact Assessment as required by District rules, the applicant shall pay a non-refundable Application Filing Fee as follows:

- | | |
|--|-------|
| a. Residential project: | \$560 |
| b. Non-residential or mixed use project: | \$836 |

2. APPLICATION EVALUATION FEE

Every applicant who files an Air Quality Impact Assessment as required by District rules shall pay an evaluation fee for the review of an air quality analysis and the determination of Offsite Emission Reduction Fees necessary for off-site emission reductions. The Application Evaluation fee will be calculated using the actual staff hours expended and the prevailing weighted labor rate. The Application Filing fee, which assumes eight hours of staff time for residential projects and twelve hours of staff time for non-residential and mixed use projects, shall be credited towards the actual Application Evaluation Fee.

3. OFFSITE EMISSION REDUCTION FEE

(To be determined)

(Adopted May 20, 2009; Amended 6/16/10)