



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

STAFF REPORT

PROPOSED AMENDMENTS TO BAAQMD REGULATION 3: FEES

May 17, 2019

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1. EXECUTIVE SUMMARY

Air District staff has prepared proposed amendments to Air District Regulation 3: Fees for Fiscal Year Ending (FYE) 2020 (i.e., July 1, 2019 to June 30, 2020) that would increase revenue to enable the Bay Area Air Quality Management District (Air District) to continue to effectively implement and enforce regulatory programs for stationary sources of air pollution. The proposed fee amendments for FYE 2020 are consistent with the Air District's Cost Recovery Policy, which was adopted on March 7, 2012 by the Air District's Board of Directors (see Appendix A). This policy stated that the Air District should amend its fee regulation in a manner sufficient to increase overall recovery of regulatory program activity costs to achieve a minimum of 85 percent. The policy also indicates that amendments to specific fee schedules should continue to be made in consideration of cost recovery analyses conducted at the fee schedule level, with larger increases being adopted for the schedules that have the larger cost recovery gaps.

A recently completed 2019 Cost Recovery Study (a copy of which is available on request) shows that for the most-recently completed fiscal year (FYE 2018), fee revenue recovered 84 percent of program activity costs.

Over the past several years, the Air District has continued to implement several cost containment and efficiency-based strategies. Some of these strategies include: timekeeping improvements, greater field capabilities, annual updates to cost recovery, improved public education, submittal of online permit applications, and availability of permit status online through the New Production System. Implementing these strategies have resulted in efficiencies as well as the ability to provide a higher service level. The Air District is actively transitioning to the New Production System, which currently includes an on-line portal for the regulated community for high-volume categories including gas stations, dry cleaners, auto body shops, other permit registrations, and asbestos notifications. This system will be expanding to additional facility types. These tools will increase efficiency and accuracy by allowing customers to submit applications, report data for the emissions inventory, pay invoices and have access to permit documents.

The results of the 2019 Cost Recovery Study (including FYE 2016-2018 data) were used to establish proposed fee amendments for each existing 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 certain fee schedules would be raised by the annual increase in the Bay Area Consumer Price Index (3.9%), while other fee schedules would be increased by 7, 8, 9, or 15 percent. Several fees that are administrative in nature (e.g. permit application filing fees and permit renewal processing fees) would be increased by 3.9 percent.

The proposed fee amendments would not increase annual permit renewal fees for most small businesses that require Air District permits, with the exception of gas stations (e.g., a typical gas station would have an increase of \$169 in annual permit renewal fees) and facilities with backup generators, which would have an increase of \$11 per

engine. For larger facilities, increases in annual permit renewal fees would range between 1.9 and 13.3 percent due to differences in the facility's size, type of emission sources, pollutant emission rates and applicable fee schedules. In accordance with State law, the Air District's amendments to Regulation 3 cannot cause an increase in overall permit fees for any facility by more than 15 percent in any calendar year. The proposed fee amendments would increase overall Air District fee revenue in FYE 2020 by approximately \$2.74 million relative to fee revenue that would be expected without the amendments.

The Board of Directors received testimony on May 1, 2019 regarding the proposed amendments to Regulation 3: Fees. Air District staff recommends that the Board of Directors consider adoption of the proposed amendments to Regulation 3: Fees with an effective date of July 1, 2019, and approve the filing of a CEQA Notice of Exemption following the 2nd public hearing scheduled to consider this matter on June 5, 2019.

2. BACKGROUND

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

The Air 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 Air 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 Air 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 Air 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 Air District adjusted fees only to account for inflation (with the exception of FYE 2005, in which the Air District

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

In 2004, the Air 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 Air 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 Air District adopted fee amendments that increased overall projected fee revenue by an average of 8.9 percent per year. 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 Air 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 Air District's Climate Protection Program. In FYE 2011, the Air 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 Air District's 2010 Cost Recovery Study indicated that Fee Schedule P recovered only 46 percent of program activity costs).

In September 2010, the Air 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 Air District's current cost containment strategies and provided recommendations to improve the management of the Air District's costs and the quality of services provided to stakeholders. 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 2011 Cost Recovery and Containment Study concluded that, for FYE 2010, overall fee revenue recovered 64 percent of related program activity costs. The study also provided cost recovery results at the level of each individual fee schedule based on detailed time accounting data and provided a methodology for Air District staff to update the analysis of cost recovery on an annual basis using a consistent methodology.

The results of the 2011 Cost Recovery and Containment Study were used to establish fee amendments for FYE 2012 that were designed to increase overall fee revenue by 10 percent (relative to fee revenue that would result without the fee amendments). To address fee equity issues, the various fees were not all increased in a uniform manner. Rather, existing 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. Based on this approach, the fee rates in several fee schedules were not increased, while the fee rates in other fee schedules were increased by 10, 12, or 14 percent.

One of the recommendations made by Matrix Consulting Group in their 2011 Cost Recovery and Containment Study indicated that the Air District should consider the adoption of a Cost Recovery Policy to guide future fee amendments. Air District staff initiated a process to develop such a Policy in May 2011, and a Stakeholder Advisory Group was convened to provide input in this regard. A Cost Recovery Policy was adopted by the Air District's Board of Directors on March 7, 2012 (see Appendix A). This policy specified that the Air District should amend its fee regulation in a manner sufficient to increase overall recovery of regulatory program activity costs to a minimum of 85 percent. The policy also indicated that amendments to specific fee schedules should continue to be made in consideration of cost recovery analyses conducted at the fee schedule-level, with larger increases being adopted for the schedules that have the larger cost recovery gaps.

The Matrix Consulting Group was retained by the BAAQMD in September 2017 to provide a cost recovery and containment study for the fiscal year ended June 30, 2017 to update the study done in 2011. This assessment used multiple analytical tools to understand the current process for allocation of indirect costs, current cost recovery levels, and recommendations for cost recovery and savings. The primary purpose of this study was to evaluate the indirect overhead associated with the BAAQMD and the cost recovery associated with the fees charged by the BAAQMD. The project team evaluated the Air District's current programs to classify them as direct or indirect costs, as well as the time tracking data associated with each of the different fee schedules. The report also provides specific recommendations related to direct and indirect cost recovery for the BAAQMD, as well as, potential cost efficiencies.

Staff has updated the cost recovery analysis for the most recently completed fiscal year (FYE 2018) using the methodology established by Matrix Consulting Group. The 2019 Cost Recovery Study indicates that the overall cost recovery rate for FYE 2018 was 84 percent. Progress towards the 85% minimum target is reported to the Board annually by staff and is periodically reviewed by outside consultants.

3. PROPOSED FEE AMENDMENTS FOR FYE 2019

3.1 OVERVIEW OF PROPOSED AMENDMENTS

A 2019 cost recovery study was used to establish proposed fee amendments for existing 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 certain fee schedules would be increased by 7, 8, 9, or 15 percent. Other fee schedules would be raised by 3.9%, the annual increase from 2017 to 2018 in the Bay Area Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) as reported by the United States Bureau of Labor Statistics. The specific basis for these

proposed fee amendments is summarized in Table 1 as follows:

Table 1. Proposed Fee Changes Based on Cost Recovery by Fee Schedule

Revenue from Fee Schedule	Change in Fees	Fee Schedules
95 – 110% of costs	3.9% increase*	B, F, M, V
85 – 94% of costs	7% increase	G3
75-84% of costs	8% increase	P, T
50-74% of costs	9% increase	E, H, W
Less than 50% of costs	15% increase*	A, G1, G2, G4, K S

*2018 Matrix Consulting Group Cost Recovery & Containment Study recommendations.

Note: For Schedule D, a 6% increase is proposed, although cost recovery would have allowed an 8% increase. Schedule D covers gasoline stations and many are small businesses.

In addition to the proposed amendments to fee schedules, Air District staff is proposing to increase several administrative fees that appear in the Standards section of Regulation 3 by 3.9 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 Air District reduce its cost recovery gap.

3.2 PROPOSED RULE AMENDMENTS

The complete text of the proposed changes to Air District Regulation 3: Fees, has been prepared in strikethrough (deletion of existing text) and underline (new text) format, and is included in Appendix B. Proposed fee increases have been rounded to the nearest whole dollar.

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

The proposed amendment to Section 3-302 is a 3.9 percent increase in the filing fee for permit applications for new/modified sources and abatement devices, from \$489 to \$508 based on the CPI-W.

Also, Section 3-302.1 is revised to specify that for those applicants that qualify for both the Small Business Discount (50%) and Green Business Discount (10%), only the 50% higher discount shall be applied.

- Section 3-302.3: Fees for Abatement Devices

The proposed amendment to Section 3-302.3 is a 3.9 percent increase (based on the CPI-W) in the filing fee, from \$489 to \$508, and the not to exceed value will be increased from \$10,000 to \$10,270.

- Section 3-304: Alteration

Section 3-304.2 is revised to clarify that the risk assessment fee shall only be charged when the alteration required a health risk assessment.

- Section 3-311: Emission Banking Fees

The proposed amendment to Section 3-311 is a 3.9 percent increase (based on the CPI-W) in the filing fee for banking applications, from \$498 to \$508.

Also, Section 3-311 is revised to align the current rule language with established Air District practice for emission reduction credit (ERC) transactions. There are three types of banking transaction requests: 1) banking new ERCs, 2) reevaluating/converting ERCs from one type to another and 3) transferring ownership of ERCs from one entity to another. There are approximately 20 ERC transfer of ownerships requests completed per year. Transferring the ownership of ERCs is an administrative process.

Historically, the withdrawal fee in Section 3-311 has been applied to ERC transfer of ownerships even though the rule does not specifically call out transfers. However, as currently written, the fee would also apply to those applicants who are withdrawing credits from their own certificates for use at their facility. Therefore, this language is not only unclear, but also does not reflect current practices. The proposed change is predicted to have no financial impact.

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

The proposed amendment to Section 3-312.2 is a 3.9 percent increase (based on the CPI-W) in the annual fees for Alternative Compliance Plans (ACPs) from \$1,238 to \$1,286 for each source in the ACP, with the not-to-exceed amount increase from \$12,380 to \$12,860.

- Section 3-320: Toxic Inventory Fees

The proposed amendment to Section 3-320 is a 3.9 percent increase (based on the CPI-W) from \$9,679 to \$10,056, which specifies the maximum fee for small businesses in Schedule N.

- 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 3.9 percent (based on the CPI-W).

- Section 3-332: Naturally Occurring Asbestos Fees

Section 3-332 is revised to include amendments of Asbestos Dust Mitigation Plans as being subject to Schedule S fees.

- Section 3-337: Exemption Fee

The proposed amendment to Section 3-337 is a 3.9 percent increase (based on the CPI-W) in the filing fee for a certificate of exemption, from \$489 to \$508.

- Section 3-341, Fee for Risk Reduction Plan

Section 3-341 is revised to increase the Risk Reduction Plan submittal fees by 3.9 percent (based on the CPI-W).

- Section 3-342, Fee for Facility-Wide Health Risk Assessment (HRA)

Section 3-342 is revised to increase the HRA review fees by 3.9 percent (based on the CPI-W).

- Section 3-343: Fees for Air Dispersion Modeling

The proposed amendment will add Section 3-343 to recover the Air District's costs for air dispersion modeling done to meet an Air District regulatory requirement. Examples of this modeling include; but are not limited to: H2S emissions modeling for Regulation 9, Rule 2 purposes, and the modeling required to demonstrate compliance with Air District Regulation 2, Rule 2 New Source Review requirements. This will help the Air District to recover its costs for this important function, which is currently not covered by the existing Regulation 3 fees. Impacts are expected to be minimal, since these modeling exercises happen very infrequently.

- Section 3-405: Fees Not Paid

Revise Section 3-405.5 to reduce additional late fees charged to invoices for registration and other fees which are more than 30 days late. To reduce this burden on small businesses, the proposed amendment would lower this delinquent fee from 50% to 25%.

Fee Schedules:

Schedule A: Hearing Board Fees

Based on the cost recovery methodology listed in Table 1, the fees in Schedule A would be increased by 15 percent. The schedules of fees for excess emissions (Schedule A: Table I) and visible emissions (Schedule A: Table II) would also be increased by 15

percent.

Schedule B: Combustion of Fuel

Based on the cost recovery methodology listed in Table 1, the fees in Schedule B would be increased by 3.9 percent (based on the CPI-W).

Schedule C: Stationary Containers for the Storage of Organic Liquids

Based on the cost recovery methodology listed in Table 1, the fees in Schedule C would not be increased, except for the base fee for a health risk assessment for a source covered by Schedule C, which would be increased by 3.9 percent from \$489 to \$508.

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

A 6 percent increase is proposed, although the cost recovery methodology would have allowed an 8% increase, except for the base fee for a health risk assessment for a source covered by Schedule D, which would be increased by 3.9 percent from \$489 to \$508. Schedule D covers gasoline stations and many are small businesses.

Schedule E: Solvent Evaporating Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule E would be increased by 9 percent, except for the base fee for a health risk assessment for a source covered by Schedule E, which would be increased by 3.9 percent from \$489 to \$508.

The proposed amendments would also revise Fee Schedule E to clarify when minimum and maximum fees apply for each source.

Schedule F: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule F would be increased by 3.9 percent. The base fee for a health risk screening analysis for a source covered by Schedule F would be increased by 3.9 percent, from \$489 to \$508. The base fee for a health risk screening analysis in Schedule F is included in the risk assessment fee (RAF) for the first toxic air contaminant (TAC) source in the application.

Schedule G-1: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule G-1 would be increased by 15 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 3.9 percent from \$489 to \$508. The base fee for a health risk screening analysis in Schedule G-1 is included in the RAF for the first TAC source in the application.

Schedule G-2: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule G-2 would be increased by 15 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 3.9 percent from \$489 to \$508. The base fee for a health risk screening analysis in Schedule G-2 is included in the RAF for the first TAC source in the application.

Schedule G-3: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule G-3 would be increased by 7 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 3.9 percent from \$489 to \$508. The base fee for a health risk screening analysis in Schedule G-3 is included in the RAF for the first TAC source in the application.

Schedule G-4: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule G-4 would be increased by 15 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule G-4, which would be increased by 3.9 percent from \$489 to \$508. The base fee for a health risk screening analysis in Schedule G-4 is included in the RAF for the first TAC source in the application.

Schedule G-5: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule G-5 would not be increased.

Schedule H: Semiconductor and Related Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule H would be increased by 9 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule H, which would be increased by 3.9 percent from \$489 to \$508.

Schedule I: Dry Cleaners

Based on the cost recovery methodology listed in Table 1, the fees in Schedule I would not be increased, except for the base fee for a health risk screening analysis for a source covered by Schedule I, which would be increased by 3.9 percent from \$489 to \$508.

Schedule K: Solid Waste Disposal Sites

Based on the cost recovery methodology listed in Table 1, the fees in Schedule K would be increased by 15 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule K, which would be increased by 3.9 percent from \$489 to \$508.

Schedule L: Asbestos Operations

Based on the cost recovery methodology listed in Table 1, the fees in Schedule L would not be increased.

Prior to 2003 all mastic removal using buffer machines was treated as a non-regulated activity under Regulation 11, Rule 2, since mastic was a Category I nonfriable asbestos-containing material (Regulation 11-2-208). Around 2003, U.S. EPA determined that removal of mastic using a buffer, mechanical removal, was making the mastic friable in the process and therefore should be considered a regulated asbestos containing material (RACM).

The Air District put out a Compliance Advisory in June 2003 stating that removal of asbestos containing mastic using a mechanical buffer was a regulated activity. This change in policy was going to have a sudden impact on the asbestos abatement contractors who would now have to pay Asbestos Operation fees for RACM mastic removal using a mechanical buffer. The Air District imposed a flat fee for mastic removal with buffers and solvent to lessen the impact on the asbestos abatement industry. The asbestos abatement industry is currently aware that mastic removal by mechanical buffer is a regulated activity per Regulation 11, Rule 2. RACM mastic should not be treated differently than any other RACM. The revisions would delete the fee specific to mastic removal by mechanical buffers so as to assess fees for such work at the same rate as for other regulated asbestos containing material removal work.

Schedule M: Major Stationary Source Fees

Schedule M is an emissions-based fee schedule that applies to various permitted facilities emitting 50 tons per year or more of organic compounds, sulfur oxides, nitrogen oxides, and/or PM₁₀. Air District staff is proposing a 3.9 percent increase in the Schedule M fee rate based on the annual increase in the Bay Area Consumer Price Index.

Schedule N: Toxic Inventory Fees

The California Air Pollution Control Officers Association (CAPCOA) Toxics Committee, in cooperation with the Office of Environmental Health Hazard Assessment (OEHHA) and the CARB, developed the Air Toxics "Hot Spots" Program, Facility Prioritization Guidelines (July 1990). The purpose of the guideline is to provide air districts with suggested procedures for prioritizing facilities. However, districts may develop and use

prioritization methods which differ from the CAPCOA guidelines. In 2016, CAPCOA updated these guidelines to incorporate the changes made to the [OEHHA risk assessment methodology](#). You may download a copy of the 2016 Facility Prioritization Guidelines at the CAPCOA website at www.capcoa.org. These facilities, for purposes of risk assessment, are ranked into high, intermediate, and low priority categories. Each district is responsible for establishing the prioritization score threshold at which facilities are required to prepare a health risk assessment. In establishing priorities, the districts are to consider the potency, toxicity, quantity, and volume of hazardous materials released from the facility, the proximity of the facility to potential receptors, and any other factors that the district determines may indicate that the facility may pose a significant risk. CARB's 2016 update to the Facility Prioritization Guidelines will substantially increase facility prioritization scores and the associated AB2588 fees that the Air District must pay to CARB.

Schedule N is to recover the costs for the California Air Resources Board's (CARB's) AB 2588 program fees as well as the Engineering Division staff required to work on the AB 2588 toxics emissions inventories, Rule 11-18 implementation costs for facility emissions review, and health risk assessments (HRAs) for facilities that are exempt from Rule 11-18. The Air District's costs for conducting New Source Review HRAs for permit applications are not fully covered by the HRA fees in the individual schedules. Schedule N covers this deficit between fee schedule HRA fees and actual costs. The costs for AB 2588 and Rule 11-18 are tracked using employee timesheet bill codes. Since Rule 11-18 implementation has just started a few months ago, the costs attributed to AB 2588 inventories is a much larger portion of the costs versus Rule 11-18 implementation at this time. Staff expects the Rule 11-18 portion to increase as more facilities are phased into Rule 11-18 HRAs.

The Air District estimates that up to \$797,000 will need to be paid to CARB next fiscal year based on the new AB2588 Prioritization Score procedure. Additional staff are also needed to work on New Source Review health risk assessments (HRAs), AB2588, and Rule 11-18 implementation, including emissions review and HRAs for facilities exempt from Rule 11-18. The Air District estimates this additional staff will cost \$675,000. Therefore, a total Schedule N revenue of \$1,472,000 is needed. The Air District projects that risk screening fees from new and modified permit applications will collect \$601,000, so therefore, Schedule N would need to collect \$871,000, which would be spread out across all permitted facilities based on weighted emissions of toxic air contaminants. Facilities with higher emissions of toxic air contaminants would be charged higher Schedule N fees. The Air District's analysis determined that the appropriate rate to use to recover the necessary costs in Schedule N is \$0.80 per weighted pounds per year and an unchanged gasoline dispensing facility fee of \$5/nozzle.

The Schedule N fee revenues will be re-evaluated each year to determine whether an update to the \$0.80 per weighted pounds per year is required due to changing year-over-year costs.

Schedule P: Major Facility Review Fees

Based on the cost recovery methodology listed in Table 1, the fees in Schedule P would be increased by 8 percent.

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

The fees in Schedule Q would not be increased since the Air District does not currently assess this fee.

Schedule R: Equipment Registration Fees

The fees in Schedule R would not be increased. Many of these facilities subject to equipment registration requirements are small businesses.

Schedule S: Naturally Occurring Asbestos Operations

Based on the cost recovery methodology listed in Table 1, the fees in Schedule S would be increased by 15 percent.

Schedule S will also be revised to include a flat \$325 fee in Schedule S to recover the costs for Asbestos Dust Mitigation Plans amendments. The \$325 is based on the estimated staff costs to process, review, and issue such amendments. See Appendix C for the hourly cost estimation spreadsheet.

Schedule T: Greenhouse Gas Fees

Based on the cost recovery methodology listed in Table 1, the fees in Schedule T would be increased by 8 percent.

Schedule U: Indirect Source Review Fees

The fees in Schedule U would not be increased since the Air District does not currently assess this fee.

Schedule V: Open Burning

Schedule V would be increased by 3.9 percent, not the 15 percent based on the cost recovery methodology listed in Table 1, until a more effective method can be determined as a basis for fees. This will limit the burden on public agencies' prescribed burns for wildfire prevention.

Schedule W: Petroleum Refining Emissions Tracking Fees

Based on the cost recovery methodology listed in Table 1, the fees in Schedule W would be increased by 9 percent. For example, Schedule W was based on estimated staff costs to review and approve the refinery emission inventories and crude slate information. However, the first sets of inventories received were significantly more complex than anticipated and the District spent additional time and effort verifying emissions from the sources with the largest emissions. With each successive set of inventories, staff has continued concentration and verification of additional source categories. When all categories and methods have been thoroughly reviewed and as experience is gained, we expect the effort to review and verify inventories to be streamlined. In addition, engineering staff have been updating and revising the Refinery Emissions Inventory Guidelines and working on the heavy liquid fugitive components study. These efforts were not envisioned at the time of the fee's introduction.

Schedule X: Major Stationary Source Community Air Monitoring Fees

Based on the cost recovery methodology listed in Table 1, the fees in Schedule X would not be increased.

4. FEE REVENUE AND COSTS OF PROGRAM ACTIVITIES

On an overall basis, the 2019 Cost Recovery Study (a copy of which is available on request) concluded that, for FYE 2018, fee revenue recovered 84.33 percent of regulatory program activity costs, with revenue of \$45.5 million and costs of \$53.9 million. This resulted in a shortfall, or cost recovery gap, of \$8.4 million which was filled by county tax revenue. The proposed fee amendments for FYE 2020 are projected to increase overall Air District fee revenue by approximately \$2.74 million relative to fee revenue levels that would be expected without the amendments. Revenue in FYE 2020 is expected to remain below the Air District's regulatory program costs for both permitted and non-permitted sources.

For years, the Air District has implemented aggressive cost containment measures that included reducing capital expenditures and maintaining a hiring freeze that resulted in historically high staff vacancy rates.

In the FYE 2020 Budget, the Air District proposes to fill 405 Full Time Equivalent (FTE), with no increase in staffing level. Assembly Bill (AB) 617, passed by the Legislature and signed by the Governor in 2017, establishes new, comprehensive air quality planning requirements for the California Air Resources Board (CARB) and local air districts. The bill requires CARB and the Air District to engage with communities to analyze and reduce localized cumulative exposure to air pollution to improve health in the most disproportionately impacted communities. CARB and the Air District will: 1) identify impacted communities in the Bay Area; 2) develop and implement monitoring programs to better understand local air pollution sources and exposures, and; 3)

develop and implement community action plans to reduce local emissions and exposures. Air District AB 617 implementation activities will cut across all divisions and will represent a major focus for the agency in FYE 2020 and beyond. Additional Air District initiatives include work on Methane Strategies, Organics Recovery and Diesel Free by '33.

Over the past several years, the Air District has continued to implement several cost containment and efficiency-based strategies. Some of these strategies include: timekeeping improvements, greater field capabilities, annual updates to cost recovery, improved public education, submittal of online permit applications, and availability of permit status online through the New Production System. Implementing these strategies have resulted in efficiencies as well as the ability to provide a higher service level. The Air District is actively transitioning to the New Production System, which currently includes an on-line portal for the regulated community for high-volume categories including gas stations, dry cleaners, auto body shops, other permit registrations, and asbestos notifications. This system will be expanding to additional facility types. These tools will increase efficiency and accuracy by allowing customers to submit applications, report data for the emissions inventory, pay invoices and have access to permit documents.

The Air District continues to be fiscally prudent by maintaining its reserves. Reserves address future capital equipment and facility needs, uncertainties in State funding and external factors affecting the economy that could impact the Air District's ability to balance its budgets.

5. STATUTORY AUTHORITY FOR PROPOSED FEE INCREASES

The Air 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 Air District's fees fall into the category specified in Section 1(e) of Article XIII C of the California Constitution which specifies that charges of this type assessed to regulated entities to recover regulatory program activity costs are not taxes. The amount of fee revenue collected by the Air District has been clearly shown to be much less than the costs of the Air District's regulatory program activities both for permitted and non-permitted sources.

The Air 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 Air 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 Air 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 Air District to assess additional permit fees to cover the costs of programs related to toxic air contaminants. H&S Code section 41512.7(b) 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 Air 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 Air 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 area-wide 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 Air District to collect asbestos fees (including fees for Naturally Occurring Asbestos operations), soil excavation reporting fees, registration fees for various types of regulated equipment, for Indirect Source Review, and fees for open burning.

The proposed fee amendments are in accordance with all applicable authorities. The Air District fees subject to this rulemaking are in amounts no more than necessary to cover the reasonable costs of the Air District's regulatory activities, and the manner in which the Air District fees allocate those costs to a payer bear a fair and reasonable relationship to the payer's burdens on the Air District regulatory activities and benefits received from those activities. Permit fee revenue (after adoption of the proposed amendments) would still be well below the Air District's regulatory program activity costs associated with permitted sources. Similarly, fee revenue for non-permitted area wide sources would be below the Air District's costs of regulatory programs related to these

sources. Hearing Board fee revenue would be below the Air 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 Air 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 an air 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. For the facilities shown in Table 4, increases in annual permit and registration renewal fees would be under \$100, except for a typical gasoline service station.

Table 4. Changes in Annual Permit/Registration Renewal Fees for Typical Small Businesses

Facility Type	Current Fees (prior to change)	Proposed Fee Increase	Total Fees (post change)
Gas Station	\$2,820	\$169	\$2,989
Dry Cleaner (permitted)	\$518	\$0	\$518
Dry Cleaner (registered)	\$259	\$0	\$259
Auto Body Shop	\$532	\$0	\$532
Back-up Generator	\$274	\$11	\$285

For larger facilities, such as refineries and power plants, increases in annual permit renewal fees would cover a considerable range due to differences in the facility's size, mix of emission sources, pollutant emission rates and applicable fee schedules. As shown in Table 5, the FYE 2019 annual permit fee increase for the five Bay Area refineries would range from approximately 1.9 to 13.3 percent. The annual permit fee increase for power generating facilities shown in Table 6 would range from approximately 5.8 to 6.9 percent. Projected FYE 2020 fee increases are based on FYE 2019 material throughput data. Table 5 and 6 also include current Permit to Operate fees paid and historical annual fee increases.

Table 5. Refinery Permit to Operate Fee Comparison

	Annual % Permit Fee Increase/Decrease (Fiscal Year Ending)					2019 Permit Fee for 16 months*
	2016	2017	2018	2019*	2020 Projected	
Chevron	9.3	14.7	1.2	-0.5	12.0	\$4.9 M
Shell	5.8	15.0	4.0	5.6	11.7	\$4.6 M
Phillips 66	3.4	14.6	2.3	4.2	8.5	\$2.3 M
Valero	11.9	15.0	2.4	-0.2	13.3	\$2.5 M
Tesoro	15.0	2.2	-8.5	15	1.9	\$3.1 M

Table 6. Power Plant Permit to Operate Fee Comparison

	Annual % Permit Fee Increase/Decrease (Fiscal Year Ending)					2019 Permit Fee
	2016	2017	2018	2019	2020 Projected	
Delta Energy	12.6	-0.8	-7.0	-13.5	5.8	\$ 369,630
Los Medanos	15.0	-6.0	7.3	15.0	6.9	\$ 407,474
Gateway	15.0	8.5	-7.6	12.0	6.0	\$ 331,320
Crockett Cogen	13.2	0.8	2.5	0	5.8	\$ 230,111

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 Air 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 Air 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 1, 2019, the Air District issued a notice for a public workshop to discuss with interested parties an initial proposal to amend Regulation 3, Fees. Distribution of this notice included all Air District-permitted and registered facilities, asbestos contractors, and a number of other potentially interested stakeholders. The notice was also posted on the Air District website. A public workshop and simultaneous webcast were held on February 19, 2019 to discuss the initial Regulation 3 fee proposal.

On March 27, 2019 Air District staff provided a briefing on the proposed fee amendments to the Air District Board of Directors' Budget and Finance Committee.

Under H&S Code section 41512.5, the adoption or revision of fees for non-permitted sources requires 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, Schedule S: Naturally Occurring Asbestos Operations, Schedule U: Indirect Source Fees, and Schedule V: Open Burning. A Public Hearing Notice for the proposed Regulation 3 was published on March 16, 2018. An initial public hearing to consider testimony on the proposed amendments was held on May 1, 2019. A second public hearing, to consider adoption of the proposed fee amendments, has been scheduled for June 5, 2019, or as soon thereafter as the matter may be heard. If adopted, the amendments would be made effective on July 1, 2019.

8. PUBLIC COMMENTS

8.1 Public Workshop Comments – Regulation 3, Fees

The District held a public workshop on February 19, 2019 to discuss draft amendments to Regulation 3: Fees. There were four attendees plus the webcast audience. Written comments were received on the Regulation 3, Fees proposal as follows: (1) the Western States Petroleum Association (WSPA) and (2) the California Council for Environmental and Economic Balance (CCEEB).

WSPA Comments dated March 21, 2019

Comment 1: WSPA comments that they were unable to reconcile that the Air District is not recovering 85% of costs for managing the regulatory activities for the five Bay Area refineries that last year paid approximately \$12 million total in fees (estimated) according to WSPA's blind survey of its members.

Air District Response to Comment 1: The 85% minimum cost recovery target set by the Board in 2013 is based on overall cost recovery, which considers all the fee schedules for all facilities and source categories. The overall cost recovery is the appropriate basis to use for the target, since the Air District regulates over 10,000 facilities with over 24,000 sources and each is impacted by the fees charged. The Air District does not calculate cost recovery on a facility basis. It does so on a fee schedule and overall basis.

Currently, the Air District has a significant number of staff assigned to refinery regulatory enforcement, permitting, monitoring and rule development. The Air District is also working on many projects associated with the petroleum refineries, including developing improved emission factors for fugitive emission leaks from heavy liquid service components, reviewing FCCU optimization studies and implementing Regulation 12, Rule 15 Refinery Emission Tracking rule including development of emission inventory guidelines; reviewing inventories and crude slates; and reviewing and approving air monitoring plans.

Comment 2: WSPA asserts that the Air District's fee increases since 2000 have outpaced the other major air districts in California.

Air District Response to Comment 2: In light of the Air District's previous discussions with WSPA regarding cost recovery and the fee regulation, the Air District would like to remind WSPA that the fee increases have been part of the Air District's effort to address a very large deficit between fee revenue and program costs. The goal has been to decrease the cost recovery gap in existing fees and programs and to adequately fund new programs as the Air District undertakes them. The Air District has worked since 2000 to close pre-existing large cost recovery gaps in many of the fee schedules. The Board of Directors adopted a policy with a goal to attain 85% cost recovery. This necessitated fee increases greater than the rate of inflation. All of this underscores the fact that comparison with other air districts is not meaningful without a thorough understanding of each district's fee schedule structure, basis for increases, costs and expenditures.

Comment 3: WSPA claims that its member refineries routinely experience permit processing times of 5 months or more.

Air District Response to Comment 3: The Air District gives high priority to the timely review of permit applications and renewals. Permit processing times can vary depending on how long it takes for the applicant to complete the application submission, how long it takes for the California Environmental Quality Act (CEQA) review process to be completed, and how long it takes the Air District to evaluate the application. Refinery permit applications can be some of the more complex and controversial to evaluate due to the inter-connectedness of many of the process units and equipment at the facilities and due to the controversial nature of the projects. To help reduce permit processing times, the Air District has reorganized the Engineering Division and has assigned backup or secondary engineers for each refinery. The Engineering Division is focusing on reducing overdue permit applications by updating its procedures for handling incomplete permit applications and prioritizing the work assigned to the evaluating engineers. To maintain consistency and efficiency, the Division continuously reviews its formal training program and is currently working on updating policies, procedures, permit manuals and permit templates.

Comment 4: WSPA states that their members have experienced very high fees relative to the complexity of the application and the processing time for authority to construct renewal applications and emission reduction credit applications.

Air District Response to Comment 4: Fees for both types of applications are charged according to the source specific fee schedule. These applications may seem straightforward, but both require careful review and evaluation.

Although it may appear to the applicant that it is simple and routine to review authority to

construct renewal applications and banking applications, they can be complex and time-consuming for the Air District to review and process. Authority to construct renewal applications can require either a “substantial use” determination or a determination that the project meets current Best Available Control Technology (BACT) and offsets requirements. Substantial use determinations can require requesting and evaluating equipment purchase and installation records and documentation as well as site visits. Compliance with BACT can require clearinghouse searches as well as researching equipment and installation costs. In addition, as with all Air District permitting actions, renewals of authorities to construct must be analyzed for compliance with CEQA.

To be able to issue emission reduction credits (ERCs), the evaluation must demonstrate that emissions reductions are in excess of reductions required by applicable regulatory requirements, and that they are real, permanent, quantifiable, and enforceable and not subject to limitations in Regulation 2-4-303. This is an extremely complicated process where staff must determine whether emissions require adjustment due to RACT, BARCT, District rules and regulations in effect or contained in the most recently adopted Clean Air Plan (2017) and permit conditions. A demonstration must then be made that emissions are not simply being shifted elsewhere in the air basin. RACT and BARCT searches are done nationwide. BAAQMD regulations reflect the scrutiny required by providing 30 calendar days for a banking application completeness determination as opposed to a 15-working day (22 calendar day) completeness determination period for a standard application. Depending upon the credits received, the value of the offsets eclipse the banking application fees (BAAQMD POC ERCs \$5000-\$7000 per ton and NOx ERCs \$9000-\$18000 per ton in 2017, *ARB Emission Reduction Offset Transaction Costs, Summary Report for 2017*, <https://www.arb.ca.gov/nsr/erco/erc17.pdf>).

Comment 5: WSPA comments that the Air District staff should improve staff coding of time, so that level of effort by staff or costs to administer regulatory programs are more transparent to the public.

Air District Response to Comment 5: The annual Air District Cost Recovery Report that is published along with the proposed fee regulation and staff report contains a line item for ‘Direct Labor Costs’ by fee schedule in the figure that shows “Fee Revenue and Program Costs by Fee Schedule”. However, in an effort to ensure the accuracy and transparency of staff time coding, the Air District staff has taken several recent actions:

- Creating an employee timecoding handbook with complete descriptions of permit related activities
- Issuing a formal employee timecoding handbook
- Creating a Cost Recovery Timekeeping Video
- Expanding District-Wide Timekeeping Training
- Holding quarterly oversight meetings on employee labor coding
- Scheduling a meeting with WSPA and CCEEB to explain and demonstrate coding of staff time

Comment 6: WSPA requests that the Board provide details of how staff time and other expenditures are funded by each Fee Schedule.

Air District Response to Comment 6: Staff coding of time is the basis for allocation of all expenditures in the Air District and has been shown in all cost recovery presentations since 1999. Permit Fee revenue information is available by fee schedule as well as by individual source. As part of the Air District Cost Recovery Policy, periodic cost recovery review is performed by an outside consultant. The latest review was performed in 2018 by the Matrix Consulting Group. WSPA was invited to comment and ask questions on the Matrix Cost Recovery and Containment Report.

Comment 7: WSPA asserts that several Fee Schedules (Schedule M, P, T, and X) and regulation sections use emissions to set fee amounts for what seem to be similar services, which results in a lack of transparency for the public to understand what services are covered.

Permit to Operate fees within Schedules B (Combustion of Fuel), C (Storage Tanks), and F (Misc. Sources) assign an amount for refinery emission units. The fee has no explanation of what is being collected. The fixed amounts do not seem to reflect recovery of costs for staff work efforts.

Air District Response to Comment 7: Schedule M (Major Stationary Source Fees) is a fee that was adopted in 1990 to help recover the costs associated with all activities associated with regulating the Air District's largest emitting complex facilities. Normally, the greater the emissions from a facility, the more complex and resource-intensive the work to regulate the facility. This is the general premise for the emissions-based Fee Schedules. However, as emissions are reduced, these facilities realize a decrease in fees, which is further incentive for these facilities to reduce emissions. Schedule P (Major Facility Review), Schedule T (Greenhouse Gases), and Schedule X (Community Air Monitoring) are associated with specific programs and staff timecoding is based on time spent on these programs. Fees are based on an initial assessment of costs for service and are updated annually based on cost recovery calculations on a fee schedule basis. Schedule X fees were based on the capital costs to set up community monitoring stations amortized over 10 years.

Source or equipment-based fee schedules (such as Schedules B, C and F) are based on initial level of service required to regulate the specified sources and annual cost recovery for each schedule is used to determine fee amendments.

Comment 8: WSPA requests that Simpson & Simpson CPAs (S&S) be hired to conduct an analysis of how staff code their time to the fee Schedules for each permitted entity and issue a report to the public. WSPA also requests that adoption of the fee increases be suspended until the S&S analysis is completed.

Air District Response to Comment 8: The Matrix Consulting Group's Cost Recovery Study has recently completed the requested analysis for all permitted entities. As stated in the response

to Comment #1, the Air District does not calculate cost recovery on a facility basis. It does so on a fee schedule and overall basis. Moreover, in 2005 and thereafter in each year from 2007 on, the Air District has conducted an annual Cost Recovery and Containment Study that made available along with the proposed fee regulation and staff report. As with past studies, the 2018 Cost Recovery and Containment Study also contains the requested information in detail in the figures that show “Fee Revenue and Program Costs by Fee Schedule”. Accordingly, we see no reason either to hire S&S to audit Matrix’s analysis or to suspend the adoption of fee increases. Finally, we note that the Air District invited WSPA to comment and ask questions on the subject Cost Recovery and Containment Report when first completed by Matrix Consulting in 2018.

Comment 9: WSPA requests that the Air District establish a public working group between staff, the regulated community, and stakeholders to review and make recommendations to the Board to realign fees for the appropriate level of service.

Air District Response to Comment 9: Periodically since 2005, the Air District has hired an outside firm to conduct a Cost Recovery Study to thoroughly analyze the District’s fee structure, revenues and associated costs in order to determine whether or not fee revenue from these regulated sources was sufficient to pay for the costs of those regulatory activities and services. In each year between the third-party analyses, Air District staff prepared an update of the most recent study using the same methodology. Each Cost Recovery Study has revealed the Air District’s fee revenue to fall significantly short of its program costs. The Air District bases its fees and proposed increases to them on the Cost Recovery Studies’ assessment of costs to provide service and cost recovery calculations on a fee schedule basis. To obtain the Board of Directors’ set goal of 85% cost recovery, fee adjustments are made according to the Matrix Consulting Group’s recommendations to close the gap between revenue and costs of providing service. Fees are therefore already ‘aligned’ with the level of service. The costs to service facilities have changed due to factors beyond our control including, but not limited to more stringent regulatory requirements; controversial nature of refinery permits; and compliance with CEQA.

The Air District staff provides the regulated community, stakeholders and the public many opportunities to provide comment and discuss the proposed changes to the fee regulation in meetings and workshops. WSPA was invited to participate in the 2018 Matrix Consulting Group’s Cost Recovery Study work group where it was discussed in depth how costs are tracked and allocated. The District will continue discussions with WSPA, industry, stakeholders and the public.

CCEEB Comments dated March 21, 2019

Comment 1: CCEEB requests to work with Air District staff to better understand ongoing funding needs related to AB 617 programs, how they impact fee schedules, and how state funding has been allocated.

Air District Response to Comment 1: The Air District is happy to work with CCEEB and

appreciates their support in securing State funding for our implementation of the Assembly Bill 617 (AB 617) program. Per Appendix F of the FYE 2020 Budget, the Air District assumes that AB 617 funding of \$4.8 million from the State continues for the next 5 years. AB 617 is a new major program being implemented by the Air District, so far nearly all of the activities associated with the program have been paid from the State grant. Beginning next fiscal year, AB 617 program activities that are recoverable by permit fees will be allocated to the Regulation 3 Fee Schedules. AB 617 permit fee recoverable work primarily includes the following activities: (1) Expedited BARCT rule development, (2) AB 617 CTR Emissions Inventory work, and (3) Engineering/Enforcement division staff support in the community process. Currently, funds not recoverable by grants are paid for from the Air District's General Fund. For more information on the Air District's funding needs related to the AB 617 program, please contact Greg Nudd, Deputy Air Pollution Control Officer, at gnudd@baaqmd.gov.

Comment 2: CCEEB requests to work with Air District staff to better understand the mix of revenue sources (including Schedule T) used to fund the Air District's climate protection programs and how GHG fees are utilized.

Air District Response to Comment 2: The revenue from Schedule T helps recover the costs of the Air District's climate protection program activities related to stationary sources of air pollution. The only revenue sources used to fund the climate protection programs are Schedule T, property taxes, and administrative costs covered by grants. The amount of revenue collected from Schedule T is dependent upon the actual greenhouse gas emissions emitted from regulated facilities and this is dependent upon activity at the facility. In addition to fee increases for cost recovery, the Global Warming Potentials were updated in FYE 2017 and additional greenhouse gas pollutants were added. These changes also contributed to a small increase in fees since 2010.

Greenhouse gas activities involve many different programs and projects such as the development of the Methane Strategies and Organics Recovery Projects. In addition to the Climate Protection group, this work involves staff from Rule Development, Source Test, Compliance and Enforcement, Engineering, and Assessment, Inventory, & Modeling.

Increases at the schedule level are based on the average cost recovery for the past three years. When including climate protection activities from all Divisions, cost recovery for Schedule T is between 75 and 84% of expenditures. With Diesel Free by 33 and continued work on the Methane Strategies and Organics Recovery, the Air District will continue to be very active in climate protection and looks forward to working with CCEEB on these important initiatives.

Comment 3: CCEEB requests information on what services are being provided by outside contractors, since reliance on outside contractors is increasing. Outside contract costs have grown while during the same period, the District has increased personnel.

Air District Response to Comment 3:

The Air District is committed to focus on core programs while working on newly mandated initiatives from our Board of Directors and the California Air Resources Board (CARB).

Current Air District initiatives include Climate Protection, Climate Tech Finance, Wildfire Response Programs, and Diesel Free by '33. Implementation of CARB's AB 617 requires new work by many different divisions including community risk reduction plans, accelerated Best Available Retrofit Control Technology implementation, criteria and toxics reporting, and monitoring. Professional services are used to help the Air District fulfil either mundane tasks, such as mass mail-outs which allow staff to work on more strategic and technical projects, or for more specialty functions, such as facilitators for community meetings.

The FYE 2020 budget shows a decrease of \$1.9 million budgeted for professional services and contracts from the approved FYE 2019 budget. A large majority of professional services and contracts are for grants and incentives are not supported by fees. Services that are supported by fees center around the issuance of permits and enforcement of Air District regulation, and are for modeling, emissions modeling, health risk assessments, mail-outs, and training for regulatory programs.

Comment 4: CCEEB comments that permit program fee increases should be in line with commensurate improvements in level of service. CCEEB members suggests that the time taken to process permits is slowing and despite staffing increases across many divisions, the Engineering Division has had only a modest increase since 2018 and is proposed to lose 2.5 FTEs in the FYE 2020 budget.

Air District Response to Comment 4: The approved number of FTE's in the Engineering Division has not changed. CCEEB is referring to the budgeted FTE allocation of work in the engineering division programs. These engineering FTE allocations do not account for staff work outside of the Engineering Division. In addition to permits, the engineering staff work on other initiatives such as rule development, inventory and AB 617 implementation. The Air District balances its resources across its various programs and activities.

Permits are a core program of the Air District and the Engineering Division is budgeted to provide a high level of service to facilities. The Air District gives high priority to the timely review of permit applications and renewals. Due to the complexity, high visibility and controversial nature of permit applications today, the Air District is committed to transparency and public participation. Permit processing times can vary depending on how long it takes for the applicant to complete the application submission, how long it takes for the California Environmental Quality Act (CEQA) review process to be completed, and how long it takes the Air District to evaluate the application and fulfill public participation requirements. To help reduce permit processing times, the Air District has reorganized the Engineering Division. The Engineering Division is focusing on reducing overdue permit applications by updating its procedures for handling incomplete permit applications and prioritizing the work assigned to the evaluating engineers. To maintain consistency and efficiency, the Division continuously reviews its formal training program and is currently working on updating policies, procedures, permit manuals and permit templates.

Comment 5: CCEEB requests an accounting of Schedule W and Schedule X to better

understand how these fees are being allocated. CCEEB also notes that Schedule X fees have been collected for the last three years even though the community monitoring portion of Rule 12-15 has not yet been deployed. They also ask for an estimate of how Schedules W and X fees may change in future years as these monitoring systems come online.

Air District Response to Comment 5: Schedule W and X fees were based initially on the best available cost estimates for Air District staff workload at the time. For example, Schedule W was based on estimated staff costs to review and approve the refinery emission inventories and crude slate information. However, the first sets of inventories received were significantly more complex than anticipated and the District spent additional time and effort verifying emissions from the sources with the largest emissions. With each successive set of inventories, staff has continued concentration and verification of additional source categories. When all categories and methods have been thoroughly reviewed and as experience is gained, we expect the effort to review and verify inventories to be streamlined. In addition, engineering staff have been updating and revising the Refinery Emissions Inventory Guidelines and working on the heavy liquid fugitives study. These efforts were not envisioned at the time of the fee's introduction.

Schedule X was based on projected capital costs to set up a community monitoring station amortized over 10 years. Schedule X costs are associated with the evaluation of existing monitors and planning, siting, and designing new monitors. Air District staff held public workshops (Richmond, Martinez Rodeo and Benicia) to work with communities near the refineries to implement the Regulation 12-15 monitoring. Monitoring plan approval is ongoing. Specific bill codes were created for these two fee schedules, so that employee timekeeping can be used to track costs. Each year, these fee schedule estimates are re-analyzed versus the Air District's cost recovery policy.

Comment 6: CCEEB requests more information on the interplay between Schedule N and implementation of Rule 11-18. Specifically, what portion of costs is attributed to AB 2588 inventories compared to Rule 11-18 implementation.

Air District Response to Comment 6: Schedule N is to pay for CARB's AB 2588 program fees as well as the Engineering Division staff required to work on the AB 2588 toxics emissions inventories, Rule 11-18 implementation costs for facility emissions review, and health risk assessments (HRAs) for facilities that are exempt from Rule 11-18. The Air District's costs for conducting New Source Review HRAs for permit applications are not fully covered by the HRA fees in the individual schedules. Schedule N covers this deficit between fee schedule HRA fees and actual costs. The costs for AB 2588 and Rule 11-18 are tracked based using bill codes. Since Rule 11-18 implementation has just started a few months ago, the costs attributed to AB 2588 inventories is a much larger portion of the costs versus Rule 11-18 implementation at this time. We would expect the Rule 11-18 portion to increase as more facilities are phased into Rule 11-18 HRAs.

Comment 7: CCEEB requests that the Air District include in its staff report a discussion of what activities within each Division the different fee schedules are meant to support.

Air District Response to Comment 7: The proposed 2020 Budget contains program descriptions and division narratives that describe the activities supported under each program. The Employee Handbook for Cost Recovery Timekeeping, which was distributed at the Budget and Finance Committee Meeting on March 22, 2019 and at the first public hearing for the proposed Regulation 3 amendments at the Board of Director’s meeting on May 1, 2019, also contains descriptions of the activities for each billing code and fee schedule.

Comment 8: *CCEEB requests staff to provide greater detail on each fee schedule as part of the staff report including revenue collected by fee schedule, total number of permittees paying into these fee schedules, as well as the trend over the last three years.*

Air District Response to Comment 8: The 2019 Cost Recovery Report, that will be published along with the proposed fee regulation and staff report, will contain figures for both the “Fee Revenue and Program Costs by Fee Schedule for FYE 2018” and the “Fee Revenue and Program Costs by Fee Schedule, FYE 2016-2018, 3-Year Average”. The Air District publishes this data annually. There are 10,856 facilities that pay fees. The number of facilities remains consistent between 10,000 and 11,000. In order to determine cost recovery, total revenues collected for each fee schedule are required rather than the number of facilities. Each facility may pay fees for any number of different fee schedules depending upon the sources at the facility. The Air District will consider the request to determine the number of facilities that pay into each fee schedule prior to next year’s Regulation 3 rule development.

Comment 9: *CCEEB would like to work with staff to better align the 24 fee schedules with the six Permit/Fees revenue categories in the Budget.*

Air District Response to Comment 9: Below is a chart that shows how each fee schedule category is aligned with the revenue categories in the Budget Book.

Chart		
Fee Schedule Budget Rollup		
A	Hearing Board	Hearing Board Fees (Variances) Annual Plant Renewal (and Application) Fees
B	Combustion of Fuel	Annual Plant Renewal (and Application) Fees
C	Storage Organic Liquid Gasoline Dispensing / Bulk	Annual Plant Renewal (and Application) Fees
D	Terminals	Annual Plant Renewal (and Application) Fees
E	Solvent Evaporation	Annual Plant Renewal (and Application) Fees
F	Miscellaneous	Fees

G1	Miscellaneous	Annual Plant Renewal (and Application) Fees
G2	Miscellaneous	Annual Plant Renewal (and Application) Fees
G3	Miscellaneous	Annual Plant Renewal (and Application) Fees
G4	Miscellaneous	Annual Plant Renewal (and Application) Fees
G5	Miscellaneous	Annual Plant Renewal (and Application) Fees
H	Semiconductor	Annual Plant Renewal (and Application) Fees
I	Drycleaners	Annual Plant Renewal (and Application) Fees
K	Waste Disposal	Annual Plant Renewal (and Application) Fees
L	Asbestos	Asbestos Fees
N	Toxic Inventory (AB2588)	Toxic Inventory Fees (AB2588)
P	Major Facility Review (Title V)	Title V Permit (and Application) Fees
R	Registration	Registration Fees
S	Naturally Occurring Asbestos	Annual Plant Renewal (and Application) Fees
T	Greenhouse Gas	Greenhouse Gas Fees
V	Open Burning	Annual Plant Renewal (and Application) Fees
W	Refinery Emissions Tracking	Annual Plant Renewal (and Application) Fees
X	Community Air Monitoring	Annual Plant Renewal (and Application) Fees

8.2 Public Hearing Comments – Regulation 3, Fees

WSPA Comments at the May 1, 2019 Board Hearing

Comment 1: WSPA appreciates the work of the Air District staff and for the Air District's offer to meet with them to help provide further clarity and transparency.

Air District Response to Comment 1: The Air District will continue to work with stakeholders to provide clarity and transparency on its permit fees and program expenditures during the annual budget and fee amendment process.

9. CONCLUSIONS

Air 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 Air 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 Air 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 Air District to recover the costs of issuing permits, performing inspections, and other associated regulatory activities. The Air District fees subject to this rulemaking are in amounts no more than necessary to cover the reasonable costs of the Air District's regulatory activities, and the manner in which the Air District fees allocate those costs to a payer bear a fair and reasonable relationship to the payer's burdens on the Air District regulatory activities and benefits received from those activities. After adoption of the proposed amendments, permit fee revenue would still be below the Air District's regulatory program activity costs associated with permitted sources. Similarly, fee revenue for non-permitted sources would be below the Air 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.



BAY AREA
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STAFF REPORT

PROPOSED AMENDMENTS TO BAAQMD REGULATION 3: FEES

APPENDIX A COST RECOVERY POLICY (Adopted March 7, 2012)

COST RECOVERY POLICY FOR BAY AREA AIR QUALITY MANAGEMENT DISTRICT REGULATORY PROGRAMS

PURPOSE

WHEREAS, the District has the primary authority for the control of air pollution from all sources of air emissions located in the San Francisco Bay Area, other than emissions from motor vehicles, in accordance with the provisions of Health & Safety Code sections 39002 and 40000.

WHEREAS, the District is responsible for implementing and enforcing various District, State, and federal air quality regulatory requirements that apply to non-vehicular sources.

WHEREAS, the District's regulatory programs involve issuing permits, performing inspections, and other associated activities.

WHEREAS, the District is authorized to assess fees to regulated entities for the purpose of recovering the reasonable costs of regulatory program activities, and these authorities include those provided for in California Health and Safety Code sections 42311, 42364, and 44380.

WHEREAS, the District's fees fall within the categories provided in Section 1(e) of Article XIII C of the California Constitution, which indicates that charges assessed to regulated entities to recover regulatory program activity costs, and charges assessed to cover the cost of conferring a privilege or providing a service, are not taxes.

WHEREAS, the District has adopted, and periodically amends, a fee regulation for the purpose of recovering regulatory program activity costs, and this regulation with its various fee schedules, is used to allocate 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.

WHEREAS, the District analyzes whether assessed fees result in the collection of sufficient revenue to recover the costs of related program activities; these analyses have included contractor-conducted fee studies completed in 1999, 2005, and 2011, and annual District staff-conducted cost recovery updates completed in 2006 through 2010. Each fee study and cost recovery update completed revealed that District fee revenue falls significantly short of recovering the costs of related program activities.

WHEREAS, the District's most recently completed fee study (*Cost Recovery and Containment Study, Bay Area Air Quality Management District*, Final Report, Matrix Consulting Group, March 9, 2011) concluded that in Fiscal Year Ending (FYE) 2010, the District recovered approximately 62 percent of its fee-related activity costs, resulting in an under-recovery of costs (i.e., a cost recovery gap), and a subsidy to fee payers, of approximately \$16.8 million, and that this cost recovery gap resulted despite the

implementation of a number of strategies to contain costs.

WHEREAS, cost recovery analyses have indicated that the District's Fee Schedule P: Major Facility Review Fees, which establishes fees for program activities associated with the Title V permit program, has under-recovered costs by an average of \$3.4 million per year over the period FYE 2004 through FYE 2010.

WHEREAS, the District's Board of Directors has recognized since 1999 that the District's cost recovery gap has been an issue that needs to be addressed, and since that time has adopted annual fee amendments in order to increase fee revenue.

WHEREAS, in addition to fee revenue, the District receives revenue from Bay Area counties that is derived from property taxes, and a large portion of this tax revenue has historically been used on an annual basis to fill the cost recovery gap.

WHEREAS, the tax revenue that the District receives varies on a year-to-year basis, and cannot necessarily be relied on to fill the cost recovery gap and also cover other District expenses necessitating, in certain years, the use of reserve funds.

WHEREAS, tax revenue that the District receives, to the extent that it is not needed to fill the cost recovery gap, can be used to fund initiatives or programs that may further the District's mission but that lack a dedicated funding source.

WHEREAS, it may be appropriate as a matter of policy to establish specific fee discounts for small businesses, green businesses, or other regulated entities or members of the public, where tax revenue is used to cover a portion of regulatory program activity costs, and the District's existing fee regulation contains several fee discounts of this type.

POLICY

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Bay Area Air Quality Management District that:

(1) Cost Containment –In order to ensure that the costs of its regulatory programs remain reasonable, the District should continue to implement feasible cost containment measures, including the use of appropriate best management practices, without compromising the District's effective implementation and enforcement of applicable regulatory requirements. The District's annual budget documents should include a summary of cost containment measures that are being implemented.

(2) Analysis of Cost Recovery – The District should continue to analyze the extent to which fees recover regulatory program activity costs, both on an overall basis, and at the level of individual fee schedules. These cost recovery analyses should be periodically completed by a qualified District contractor, and should be updated on an annual basis by District staff using a consistent methodology.

(3) Cost Recovery Goals – It is the general policy of the District, except as otherwise noted below, that the costs of regulatory program activities be fully recovered by assessing fees to regulated entities. In order to move towards this goal, the District should amend its fee regulation over the next four years, in conjunction with the adoption of budgets for Fiscal Year Ending (FYE) 2013 through FYE 2016, in a manner sufficient to increase overall recovery of regulatory program activity costs to 85 percent. Amendments to specific fee schedules should also be made in consideration of cost recovery analyses conducted at the fee schedule-level, with larger increases being adopted for the schedules that have the larger cost recovery gaps. This includes Fee Schedule P: Major Facility Review Fees, which has been determined to under-recover costs by a significant amount. Newly adopted regulatory measures should include fees that are designed to recover increased regulatory program activity costs associated with the measure, unless the Board of Directors determines that a portion of those costs should be covered by tax revenue. Tax revenue should also continue to be used to subsidize existing fee discounts that the District provides (e.g., for small businesses, green businesses, and third-party permit appeals), and to cover the cost of the District’s wood smoke enforcement program.

BE IT FURTHER RESOLVED that this resolution is non-binding in the case of unforeseen financial circumstances, and may also be reconsidered or updated by the District’s Board of Directors.



BAY AREA
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PROPOSED AMENDMENTS TO BAAQMD REGULATION 3: FEES

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REGULATION 3 FEES

(Adopted June 18, 1980)

3-100 GENERAL

3-101 Description: This regulation establishes the regulatory fees charged by the District.

(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; 6/19/13)

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 Deleted June 3, 2015**
- 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 Assessment Fee**: Fee for a new or modified source of toxic air contaminants for which a health risk assessment (HRA) is required under Regulation 2-5-401, for an HRA required under Regulation 11, Rule 18, or for an HRA 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; Amended: June 21, 2017)
- 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)
- 3-242 **Incident**: A non-routine release of an air contaminant that may cause adverse health consequences to the public or to emergency personnel responding to the release, or that may cause a public nuisance or off-site environmental damage.
(Adopted June 19, 2013)
- 3-243 **Incident Response**: The District's response to an incident. The District's incident response may include the following activities: i) inspection of the incident-emitting equipment and facility records associated with operation of the equipment; ii) identification and analysis of air quality impacts, including without limitation, identifying areas impacted by the incident, modeling, air monitoring, and source sampling; iii) engineering analysis of the specifications or operation of the equipment; and iv) administrative tasks associated with processing complaints and reports.
(Adopted June 19, 2013)
- 3-244 **Permit to Operate Renewal Date**: The first day of a Permit to Operate's Permit Renewal Period.
(Adopted June 19, 2013)
- 3-245 **Permit Renewal Period**: The length of time the source is authorized to operate pursuant to a Permit to Operate.
(Adopted June 19, 2013)
- 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 \$489508, the initial fee, the risk assessment 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 \$489508, the initial fee, the risk assessment 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. If any person requests more than three HRA scenarios required pursuant to Regulation 2, Rule 5 in any single permit application, they shall pay an additional risk assessment fee for each of these scenarios. 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 fee rate applied shall be based on the fee rate in force on the date the application is declared by the APCO to be complete according to 2-1-402, excluding 2-1-402.3 fees. 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 assessment fee shall be reduced by 50%. All other applicable fees shall be paid in full. If an applicant also qualifies for a Green Business Discount, only the Small Business Discount (i.e., the 50% discount) shall apply.

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 \$489508 filing fee and initial and risk assessment fees that are equivalent to 50% of the initial and risk assessment fees for the source being abated, not to exceed a total of \$10,588. 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 assessment, permit, and toxic surcharge fees.

302.5 Deleted June 3, 2015

302.6 Green Business Discount: If an applicant qualifies as a green business, the filing fee, initial fee, and risk assessment 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; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15; 6/15/16, 6/21/17, 6/6/18, 6/5/19)

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: Except as provided below, an applicant to alter an existing permitted source shall pay the filing fee and 50% of the initial fee for the source, provided that the alteration does not result in an increase in emissions of any regulated air pollutant. For gasoline dispensing facilities subject to Schedule D, an applicant for an alteration shall pay a fee of 1.75 times the filing fee.

304.1 Schedule D Fees: Applicants for alteration to a gasoline dispensing facility subject to Schedule D shall pay a fee of 1.75 times the filing fee.

304.2 Schedule G Fees: Applicants for alteration to a permitted source subject to Schedule G-3, G-4, or G-5 shall pay the filing fee, 100% of the initial fee, and, if District regulations require a health risk assessment of the alteration, the risk assessment fee

(if applicable), as specified under provided for in Schedule G-2. The applicant shall pay the permit renewal and the toxic surcharge fees applicable to the source under Schedules G-3, G-4, or G-5.

- (Amended 6/4/86; 11/15/00; 6/2/04; 6/3/15, 6/15/16, 6/6/18, 6/5/19)*
- 3-305 Cancellation or Withdrawal:** There will be no refund of the initial fee and filing fee if an application is cancelled or withdrawn. There will be no refund of the risk assessment fee if the risk assessment has been conducted prior to the application being cancelled or withdrawn. 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, 6/21/17)*
- 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 assessment 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, 6/21/17)*
- 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. Upon submittal of a \$102 transfer of ownership fee, 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; 6/19/13; 6/4/14, 6/15/16)*
- 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** Deleted June 21, 2017
- (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; 6/19/13; 6/4/14; 6/3/15, 6/15/16, 6/21/17)*
- 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, and a late fee equal to 100% of the initial fee. A modified gasoline dispensing facility subject to Schedule D that is not required to pay an initial fee shall pay fees for a modified source pursuant to Section 3-302, back fees, and a late fee equal to 100% of the filing 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 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; 6/6/12)

3-311

Emission Banking Fees: ~~Any An~~ applicant ~~who applies~~wishes to bank emissions for future use, ~~or to~~ convert an ~~emission reduction credit (ERC)~~ ERC into an Interchangeable Emission Reduction Credit (IERC), ~~or to~~ transfer ownership of ERCs shall pay the following fees:

311.1 Banking ERCs: An applicant ~~who wishes to bank emissions for future use shall pay~~ a filing fee of ~~\$508~~~~489~~ 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 \$489.~~

311.2 Converting Existing ERCs: An applicant ~~who wishes to convert an existing ERC into an IERC shall pay a filing fee of \$508 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.

311.3 Transferring ERC Ownership: An applicant ~~who currently owns ERCs who wishes to transfer some or all of its an~~ ERCs it currently owns to another owner shall pay a filing fee of ~~\$508.~~

(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; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15; 6/15/16; 6/21/17; 6/6/18; 6/5/19)

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, or Regulation 9, Rule 10 shall pay an annual fee of ~~\$1,2864,238~~ for each source included in the alternative compliance plan, not to exceed \$12,860380.

(Adopted 5/19/82; Amended 6/4/86; 5/19/99; 6/7/00; 6/6/01; 5/1/02; 5/23/03; 6/2/04;

6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15; 6/15/16; 6/21/17; 6/6/18; 6/5/19)

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 shall pay, in addition to the fees required under Section 3-302 and in any applicable schedule, the District's costs of performing any environmental evaluation and preparing and filing any documents pursuant to the California Environmental Quality Act (Public Resources Code, Section 21000, et seq), including the costs of any outside consulting assistance which the District may employ in connection with the preparation of any such evaluation or documentation, as well as the District's reasonable internal costs (including overhead) of processing, reviewing, or filing any environmental evaluation or documentation.

(Adopted 12/18/85; Amended 5/1/02; 6/3/15)

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 \$2,272 per application, and

318.2 The District's cost exceeding \$2,272 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; 6/15/16; 6/21/17; 6/6/18)

- 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 ~~\$10,0569~~, 679 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; 5/4/11, 6/15/16, 6/21/17, 6/5/19)
- 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 that covers each Permit Renewal Period as follows:
327.1 ~~\$10096~~ for facilities with one permitted source, including gasoline dispensing facilities,
327.2 ~~\$198494~~ for facilities with 2 to 5 permitted sources,
327.3 ~~\$395380~~ for facilities with 6 to 10 permitted sources,
327.4 ~~\$593574~~ for facilities with 11 to 15 permitted sources,
327.5 ~~\$787757~~ for facilities with 16 to 20 permitted sources,
327.6 ~~\$984947~~ 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; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19)
- 3-328 Fee for OEHA 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 (OEHA) for reimbursement of that agency's costs incurred in reviewing the risk assessment.
(Adopted June 7, 2000)
- 3-329 Fees for New Source Review Health Risk Assessment:** Any person required to submit a health risk assessment (HRA) pursuant to Regulation 2-5-401 shall pay an appropriate Risk Assessment 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 HRA (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 Assessment Fee. A Risk Assessment Fee shall be assessed for each source that is proposed to emit a toxic air contaminant (TAC) at a rate that exceeds a trigger level in Table 2-5-1: Toxic Air Contaminant Trigger Levels. If a project requires an HRA due to total project emissions, but TAC emissions from each individual source are less than the Table 2-5-1 trigger levels, a Risk Assessment Fee shall be assessed for the source in the project with the highest TAC emissions.

(Adopted June 15, 2005; Amended 6/21/17)

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 [or amend](#) 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; Amended 6/5/19)

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)

3-336 Open Burning Operation Fees: Effective July 1, 2013, any person required to provide notification to the District prior to burning; submit a petition to conduct a Filmmaking or Public Exhibition fire; receive an acreage burning allocation to conduct a Stubble fire; or submit a smoke management plan and receive an acreage burning allocation to conduct a Wildland Vegetation Management fire or Marsh Management fire shall pay the fee given in Schedule V.

(Adopted June 19, 2013)

3-337 Exemption Fee: An applicant who wishes to receive a certificate of exemption shall pay a filing fee of ~~\$489~~[508](#) per exempt source.

(Adopted June 19, 2013; Amended 6/4/14; 6/3/15, 6/21/17.)

3-338 Incident Response Fee: Any facility required to obtain a District permit, and any District-regulated area-wide or indirect source, that is the site where an incident occurs to which the District responds, shall pay a fee equal to the District's actual costs in conducting the incident response as defined in Section 3-243, including without limitation, the actual time and salaries, plus overhead, of the District staff involved in conducting the incident response and the cost of any materials. (Adopted June 19, 2013)

3-339 Petroleum Refining Emissions Tracking Fees: Any person required to submit an Annual Emissions Inventory, Monthly Crude Slate Report, or air monitoring plan in accordance with Regulation 12, Rule 15 shall pay the applicable fees set forth in Schedule W.

(Adopted 6/15/16)

3-340 Major Stationary Source Community Air Monitoring Fees: Any major stationary source emitting 35 tons per year of organic compounds, sulfur oxides, nitrogen oxides, carbon monoxide or PM₁₀ shall pay a community air monitoring fee based on Schedule X. 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 6/15/16)

3-341 Fee for Risk Reduction Plan: Any person required to submit a Risk Reduction Plan in accordance with Regulation 11, Rule 18 shall pay the applicable fees set forth below:

- 341.1 ~~\$1,5594,500~~ for facilities with one source subject to risk reduction pursuant to Regulation 11, Rule 18, including gasoline dispensing facilities;
- 341.2 ~~\$3,1173,000~~ for facilities with 2 to 5 sources subject to risk reduction pursuant to Regulation 11, Rule 18;
- 341.3 ~~\$6,2346,000~~ for facilities with 6 to 10 sources subject to risk reduction pursuant to Regulation 11, Rule 18;
- 341.4 ~~\$12,46842,000~~ for facilities with 11 to 15 sources subject to risk reduction pursuant to Regulation 11, Rule 18;
- 341.5 ~~\$24,93624,000~~ for facilities with 16 to 20 sources subject to risk reduction pursuant to Regulation 11, Rule 18;
- 341.6 ~~\$33,24832,000~~ for facilities with more than 20 sources subject to risk reduction pursuant to Regulation 11, Rule 18.

(Adopted 6/21/17, 6/5/19)

3-342 Fee for Facility-Wide Health Risk Assessment: Any person required to undergo a health risk assessment (HRA) to assess compliance with the Regulation 11, Rule 18 risk action levels shall pay a risk assessment fee for each source pursuant to Regulation 3-329 and Schedules B, C, D, E, F, H, I or K. The maximum fee required for any single HRA of a facility conducted pursuant to Regulation 11, Rule 18 shall not exceed a total of ~~\$155,850450,000~~.

If a facility retains a District-approved consultant to complete the required facility-wide HRA, the facility shall pay a fee to cover the District's costs of performing the review of the facility-wide HRA, including the costs of any outside consulting assistance which the District may employ in connection with any such review, as well as the District's reasonable internal costs (including overhead) of processing, reviewing, or approving the facility-wide HRA. The total HRA review cost shall be determined based on the District's actual review time in hours multiplied by an hourly charge of ~~\$213205~~ per hour. Facilities shall pay an HRA review fee as indicated below and the District's cost exceeding the applicable HRA review fees indicated below for performing the review of the facility-wide HRA:

- 342.1 ~~\$2,5982,500~~ for facilities with one to 10 sources subject to risk reduction pursuant to Regulation 11, Rule 18, including gasoline dispensing facilities;
- 342.2 ~~\$6,8576,600~~ for facilities with 11 to 50 sources subject to risk reduction pursuant to Regulation 11, Rule 18;
- 342.3 ~~\$14,54644,000~~ for facilities with more than 50 sources subject to risk reduction pursuant to Regulation 11, Rule 18.

The District shall refund to the applicant the portion of any fee paid under this Section that exceeds the District's cost of performing the review of the facility-wide HRA.

(Adopted 6/21/17, Amended 6/6/18, 6/5/19)

3-343 Fees for Air Dispersion Modeling: An applicant for an Authority to Construct or Permit to Operate shall pay, in addition to the fees required under Section 3-302 and 3-329 and in any applicable schedule, the District's costs of performing any air dispersion modeling needed to determine compliance with any District regulatory requirement. The total air dispersion modeling fee cost shall be determined based on the District's actual review time in hours multiplied by an hourly charge of \$213 per hour. This fee shall also apply for costs incurred in reviewing air dispersion modeling submittals by applicants and the costs of any outside consulting assistance which the District may employ in connection with the preparation of any such evaluation or documentation, as well as the District's reasonable internal costs (including overhead) of processing, reviewing, or approving the air dispersion modeling.

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 a 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 a late fee equal to 25 percent of all fees specified on the invoice.

405.3 Renewal of Permit to Operate: The owner or operator of a facility must renew the Permit to Operate in order to continue to be authorized to operate the source. Permit to Operate Fees for the Permit Renewal Period shall be calculated using fee schedules in effect on the Permit to Operate Renewal Date. The permit renewal invoice will include all fees to be paid in order to renew the Permit to Operate, as specified in Section 3-327. If not renewed as of the date of the next Permit Renewal Period, a Permit to Operate lapses and further operation is no longer authorized. The District will notify the facility that the permit has lapsed. Reinstatement of lapsed Permits to Operate will require the payment of all unpaid prior Permit to Operate fees and associated reinstatement fees for each unpaid prior Permit Renewal Period, in addition to all fees specified on the permit renewal invoice.

405.4 Reinstatement of Lapsed Permit to Operate: To reinstate a Permit to Operate, the owner or operator must pay all of the following fees:

4.1 The applicable Permit to Operate Fees for the current year, as specified in Regulation 3-327, and the applicable reinstatement fee, if any, calculated as follows:

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

4.1.2 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 permit renewal invoice plus a reinstatement fee equal to 25 percent of all fees specified on the invoice.

4.2 The applicable Permit to Operate Fees specified in Regulation 3-327 for each prior Permit Renewal Period for which all Permit to Operate Fees and associated reinstatement fees have not been paid. Each year's Permit to Operate Fee shall be calculated at the fee rates in effect on that year's Permit to Operate Renewal Date. The reinstatement fee for each associated previously-unpaid Permit to Operate Fee shall be calculated in accordance with Regulation 3-405.4.1 and 4.1.2.

Each year or period of the lapsed Permit to Operate is deemed a separate Permit Renewal Period. The oldest outstanding Permit to Operate Fee and reinstatement fees shall be paid first.

405.5 Registration and Other Fees: Persons who have not paid the fee by the invoice due date, shall pay the following 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.

5.1 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.

5.2 Fees received more than 30 days after the due date must include an additional late fee equal to 5025 percent of all fees specified on the invoice.

(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; 6/6/12; 6/19/13; 6/4/14, 6/6/18, 6/5/19)

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)

3-418 Temporary Incentive for Online Production System Transactions: The APCO has the authority to declare an incentive period for transactions made using the online production

system, during which the District may waive all or any part of the fees for these transactions.

(Adopted 6/6/18)

**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	\$6,0865 ,292 \$3,0472 ,650	\$9107 94 \$3072 67	
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	\$3,6543 ,177 \$1,8244 ,586	\$9107 94 \$3072 67	
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.....	\$2,4242 ,108 \$1,8244 ,586	\$3072 67 \$3072 67	
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.....	\$2,4242 ,108 \$1,8244 ,586	\$3072 67 \$3072 67	
5.	For each application to revoke a variance	\$3,6543 ,177	\$3072 67	
6.	For each application for approval of a Schedule of Increments of Progress in accordance with §41703.....	\$2,4242 ,108	\$3072 67	
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	\$6,0865 ,292 \$3,0472 ,650	\$9107 94 \$3072 67	
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	\$3,6543 ,177 \$1,8244 ,586	\$9107 94 \$3072 67	

		Large Companies	Small Business	Third Party
9.	For each Appeal (Permit, Banking, Title V).....	\$6,0865,292 per hearing day	\$3,0472,650 per hearing day	\$3,0472,650 for entire appeal period
10.	For each application for intervention in accordance with Hearing Board Rules §§2.3, 3.6 & 4.6.....	\$3,0472,650	\$6125,32	
11.	For each application to Modify or Terminate an abatement order	\$6,0865,292 per hearing day	\$3,0472,650 per hearing day	
12.	For each application for an interim variance in accordance with §42351	\$3,0472,650	\$6125,32	
13.	For each application for an emergency variance in accordance with §42359.5	\$1,5194,324	\$3072,67	
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	\$3,0472,650	\$9107,94	\$91079,4
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 applicant who believes they have a hardship for payment of fees may request a fee waiver from the Hearing Board 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; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19)

**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 \$~~5.835-07~~ 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 \$~~29.0025-22~~ per pound

Asbestos
Benzene
Cadmium
Carbon tetrachloride
Chlorinated dioxins and dibenzofurans (15 species)
Diesel exhaust particulate matter
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 and California Health and Safety Code Section 41701), the fee is calculated as follows:

$$\text{Fee} = (\text{Opacity}^* \text{ equivalent} - 20) \times \text{number of days allowed in variance} \times \$\del{5.965-18}$$

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:

$$\text{Fee} = (\text{Opacity}^* \text{ equivalent} - 40) \times \text{number of days allowed by variance} \times \$\del{5.965-18}$$

* 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; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19)

**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: ~~\$67.6165-07~~ per MM BTU/HOUR
 - a. The minimum fee per source is: ~~\$361347~~
 - b. The maximum fee per source is: ~~\$126,117421,383~~

2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
 - a. RAF for first toxic air contaminant (TAC) source in application: ~~\$489508~~ plus
~~\$67.6165-07~~ per MM BTU/hr
 - b. Minimum RAF for first TAC source: ~~\$869836~~
 - c. RAF for each additional TAC source: ~~\$67.6165-07~~ per MM BTU/hr
*
 - d. Minimum RAF per additional TAC source: ~~\$361347*~~
 - e. Maximum RAF per source is: ~~\$126,117421,383~~
 - * RAF 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: ~~\$33.7932-52~~ per MM BTU/HOUR
 - a. The minimum fee per source is: ~~\$256246~~
 - b. The maximum fee per source is: ~~\$63,05860,694~~

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; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19)

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: 0.185 cents per gallon
 - a. The minimum fee per source is: \$204
 - b. The maximum fee per source is: \$27,858

2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
 - a. RAF for first toxic air contaminant (TAC) source in application: \$489508 plus 0.185 cents per gallon
 - b. Minimum RAF for first TAC source: \$678
 - c. RAF for each additional TAC source: 0.185 cents per gallon *
 - d. Minimum RAF per additional TAC source: \$204 *
 - e. Maximum RAF per source is: \$27,858

* RAF 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: 0.093 cents per gallon
 - a. The minimum fee per source is: \$147
 - b. The maximum fee per source is: \$13,928

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; 6/6/12; 6/19/13; 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19)

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: \$~~350.79330.93~~ per single product nozzle (spn)
\$~~350.79330.93~~ per product for each multi-product nozzle (mpn)
2. PERMIT TO OPERATE FEE: \$~~134.36426.75~~ per single product nozzle (spn)
\$~~134.36426.75~~ 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:

$$\begin{aligned}
 & \$485.14457.68 \times \{[(mpn_{proposed})(products\ per\ nozzle) + spn_{proposed}] - \\
 & \qquad \qquad \qquad [(mpn_{existing})(products\ per\ nozzle) + spn_{existing}]\} \\
 & mpn = \text{multi-product nozzles} \\
 & spn = \text{single product nozzles}
 \end{aligned}$$

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 ASSESSMENT FEE (RAF) of \$~~489508~~ per application, if required pursuant to Regulation 3-329 or 3-342 [including increases in permitted throughput for which a health risk assessment 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: \$~~4,607.654,346.84~~ per single product loading arm
\$~~4,607.654,346.84~~ per product for multi-product arms
2. RISK ASSESSMENT FEE (RAF) , if required pursuant to Regulation 3-329 or 3-342.
 - a. RAF for first toxic air contaminant (TAC) source in application: \$~~5,2174,922~~
 - b. RAF for each additional TAC source: \$~~4,6084,347~~ *

* RAF 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: \$~~1,2841,211~~ per single product loading arm
\$~~1,2841,211~~ 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; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15, 6/15/16,
6/21/17, 6/6/18, [6/5/19](#))

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 fee per source is: \$1,752 per 1,000 gallons
 - b. The minimum fee per source is: \$872800
 - ~~b. \$1,607 per 1,000 gallons~~
 - ~~c.d. The maximum fee per source is: \$69,61163,863~~

2. RISK ASSESSMENT FEE (RAF) , if required pursuant to Regulation 3-329 or 3-342.
 - a. RAF for first toxic air contaminant(TAC) source in application: \$489508 plus initial fee
 - b. Minimum RAF for first TAC source: \$1,4361,317
 - c. RAF for each additional TAC source: equal to initial fee *
 - d. Minimum RAF per additional TAC source: \$872800 *
 - e. Maximum RAF per source is: \$69,61163,863
 - * RAF 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 fee per source is: \$872 per 1,000 gallons
 - b. The minimum fee per source is: \$629577
 - ~~b. \$800 per 1,000 gallons~~
 - ~~c.d. The maximum fee per source is: \$34,80331,929~~

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; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19)

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: \$661636
2. RISK ASSESSMENT FEE (RAF) , if required pursuant to Regulation 3-329 or 3-342.
 - a. RAF for first (toxic air contaminant) TAC source in application: \$1,2411,194
 - b. RAF for each additional TAC source: \$661636*

* RAF 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: \$480462
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: \$4,9924,341
2. RISK ASSESSMENT FEE (RAF) , if required pursuant to Regulation 3-329 or 3-342.
 - a. RAF for first toxic air contaminant (TAC) source in application: \$5,6654,926
 - b. RAF for each additional TAC source: \$4,9924,341*

* RAF 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: \$2,4922,167
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: \$6,9536,046
2. RISK ASSESSMENT FEE (RAF) , if required pursuant to Regulation 3-329 or 3-342.
 - a. RAF for first toxic air contaminant (TAC) source in application: \$7,6626,663
 - b. RAF for each additional TAC source: \$6,9536,046*

* RAF 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: \$3,4743,021
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: \$36,69134,291
2. RISK ASSESSMENT FEE (RAF) , if required pursuant to Regulation 3-329 or 3-342.
 - a. RAF for first toxic air contaminant(TAC) source in application: \$37,29034,850
 - b. RAF for each additional TAC source: \$36,69134,291*

* RAF 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: \$18,34217,142
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: \$91,93379,942
2. RISK ASSESSMENT FEE (RAF) , if required pursuant to Regulation 3-329 or 3-342.
 - a. RAF for first toxic air contaminant(TAC) source in application: \$92,64380,559
 - b. RAF for each additional TAC source: \$91,93379,942*
 - * RAF 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: \$45,96439,969
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: \$51,731
2. RISK ASSESSMENT FEE (RAF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk assessment is required under Regulation 2-5-401.
 - a. RAF for first TAC source in application: \$52,193
 - b. RAF for each additional TAC source: \$51,731*
 - * RAF 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: \$25,865
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; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19)

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
Foil Manufacturing – Any Converting or Rolling Lines	Any Metal or Alloy Foils
Galvanizing Equipment	Any

Equipment or Process Description	Materials Processed or Produced
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 naphtha merox treating, or similar processes	Any Hydrocarbons
Petroleum Refining – Converting Units including Dimersol Plants, Hydrocarbon Splitters, or similar processes	Any Hydrocarbons
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

Equipment or Process Description	Materials Processed or Produced
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 (excluding sub-slab depressurization 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 – Digesters	Municipal Wastewater
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, 6/6/18)



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: \$~~760697~~
- b. The maximum fee per source is: \$~~60,81855,796~~

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):

\$~~514472~~ 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):

\$~~1,5274,404~~ per 1,000 gallon

2. RISK ASSESSMENT FEE (RAF) , if required pursuant to Regulation 3-329 or 3-342.

- a. RAF for first toxic air contaminant (TAC) source in application: \$~~489508~~ plus initial fee
- b. Minimum RAF for first TAC source: \$~~1,3224,243~~
- c. RAF for each additional TAC source: equal to initial fee *
- d. Minimum RAF per additional TAC source: \$~~760697~~ *
- e. Maximum RAF per source is: \$~~60,81855,796~~

* RAF 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: \$~~550505~~
- b. The maximum fee per source is: \$~~30,40427,894~~

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):

\$~~258~~~~237~~ 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):

\$~~760~~~~697~~ 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; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19)

**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: \$700
 - b. If the washing or drying capacity exceeds 100 pounds: \$700 plus
For that portion of the capacity exceeding 100 pounds: \$20.95 per pound

2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
 - a. RAF for first toxic air contaminant (TAC) source in application: ~~\$508489~~ plus initial fee
 - b. Minimum RAF for first TAC source: \$1,245
 - c. RAF for each additional TAC source: equal to initial fee*
 - d. Minimum RAF per additional TAC source: \$700*

* RAF 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: \$511
 - b. If the washing or drying capacity exceeds 100 pounds: \$511 plus
For that portion of the capacity exceeding 100 pounds: \$10.52 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; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19)

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

1. INITIAL FEE:
 - a. Landfill (Decomposition Process) \$5,8085,050
 - b. Active Landfill (Waste and Cover Material Dumping Process) \$2,9032,524
 - c. Active Landfill (Excavating, Bulldozing, and Compacting Processes) \$2,9032,524

2. RISK ASSESSMENT FEE (RAF), if required pursuant to Regulation 3-329 or 3-342.
 - a. RAF for first toxic air contaminant (TAC) source in application: \$489508 plus initial fee
 - b. RAF for each additional TAC source: equal to initial fee*

* RAF 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. Landfill (Decomposition Process) \$2,9032,524
 - b. Active Landfill (Waste and Cover Material Dumping Process) \$1,4511,262
 - c. Active Landfill (Excavating, Bulldozing, and Compacting Processes) \$1,4511,262

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) \$3,2002,783
 - b. Evaluation of Inactive Site Questionnaire as required by Health & Safety Code Section 41805.5(b) \$1,6041,395
 - c. Evaluation of Solid Waste Air Assessment Test Report in conjunction with evaluation of Inactive Site Questionnaire as required by Health & Safety Code Section 41805.5(b) \$1,6041,395
 - d. Evaluation of Initial or Amended Design Capacity Reports as required by Regulation 8, Rule 34, Section 405 \$1,1801,026
 - e. Evaluation of Initial or Periodic NMOC Emission Rate Reports as required by Regulation 8, Rule 34, Sections 406 or 407 \$3,3752,935
 - f. Evaluation of Closure Report as required by Regulation 8, Rule 34, Section 409 \$1,1801,026
 - g. Evaluation of Annual Report as required by Regulation 8, Rule 34, Section 411 \$2,9532,568

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, 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; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15; 6/15/16; 6/21/17; 6/6/18; 6/5/19)

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	\$ 124.51 449.84 per ton
	2.	Sulfur Oxides	\$ 124.51 449.84 per ton
	3.	Nitrogen Oxides	\$ 124.51 449.84 per ton
	4.	PM ₁₀	\$ 124.51 449.84 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; 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19)

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:

4.

1. A fee of \$5 for each gasoline product dispensing nozzle in a Gasoline Dispensing Facility; or
2. A fee calculated by multiplying the facility's weighted toxic inventory (w_i) by the following factor:

Air Toxic Inventory Fee Factor \$0.80 per weighted pound per year

Using the last reported data, the facility's weighted toxic inventory (w_i) is calculated as a sum of the individual TAC emissions multiplied by either the inhalation cancer potency factor (CP, in kilogram-day/milligram) for the TAC times 28.6 if the emission is a carcinogen, or by the reciprocal of the inhalation chronic reference exposure level (CREL) for the TAC (in cubic meters/microgram) if the emission is not a carcinogen, using the CP and CREL weighting factors listed in Table 2-5-1.

- ~~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 \$88 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 $\$88 + 0.33 \times (w_i - 1000)$ 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];~~

(Amended 12/15/93; 6/15/05; 5/2/07; 6/16/10; 5/4/11; 6/4/14; 6/3/15, 6/15/16,6/6/18,6/5/19)

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\$~~869805~~ per source
- b. MFR EMISSIONS FEE..... \$~~34,2034.67~~ 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 FEE\$~~8,6888,044~~ 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 \$~~1,2104,120~~ per application
- b. SYNTHETIC MINOR INITIAL PERMIT FEE \$~~869805~~ per source
- c. SYNTHETIC MINOR REVISION FEE..... \$~~869805~~ 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 MFR filing fee and any applicable fees listed in 3b-h below. The fees in 3b apply to each source in the initial permit. The fees in 3g apply to each source in the renewal permit, The fees in 3d-f apply to each source affected by the revision or reopening.

- a. MFR FILING FEE \$~~1,2104,120~~ per application
- b. MFR INITIAL PERMIT FEE \$~~1,2104,120~~ per source
- c. MFR ADMINISTRATIVE AMENDMENT FEE \$~~342317~~ per application
- d. MFR MINOR REVISION FEE \$~~1,7184,594~~ per source modified
- e. MFR SIGNIFICANT REVISION FEE \$~~3,2032,966~~ per source modified
- f. MFR REOPENING FEE \$~~1,050972~~ per source modified
- g. MFR RENEWAL FEE \$~~510472~~ 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 \$~~1,8094,675~~ 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 \$~~14,78443,689~~

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 \$~~207492~~ per source, not to exceed \$~~20,32348,848~~

(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; 5/4/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19)

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: \$168
(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; 6/15/11; 6/6/12; 6/4/14; 6/3/15, 6/15/16)

**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: \$744 per facility
 - b. Conveyorized Charbroiler ANNUAL RENEWAL FEE: \$209 per facility
 - c. Under-fired Charbroiler REGISTRATION FEE: \$744 per facility
 - d. Under-fired Charbroiler ANNUAL RENEWAL FEE: \$209 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: \$371
 - b. Dry Cleaning Machine ANNUAL RENEWAL FEE: \$259

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: \$250
 - b. Diesel Engine ANNUAL RENEWAL FEE: \$166
 - c. Diesel Engine ALTERNATIVE COMPLIANCE PLAN FEE (for each plan submitted under District Regulation 11-17-402): \$250

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. REGISTRATION FEE \$137 per device
 - b. ANNUAL RENEWAL FEE: \$115 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: \$446
 - b. ANNUAL RENEWAL FEE: \$278

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 \$209
 - b. ANNUAL RENEWAL FEE \$123

(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; 6/15/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18)

**SCHEDULE S
NATURALLY OCCURRING ASBESTOS OPERATIONS**

1. ASBESTOS DUST MITIGATION PLAN INITIAL REVIEW PROCESSING AND AMENDMENT FEES:
Any person submitting an Asbestos Dust Mitigation Plan (ADMP) for initial review of a Naturally Occurring Asbestos (NOA) project shall pay the following fee (including NOA Discovery Notifications which would trigger an ADMP review): \$635552
~~Any person submitting an amendment to a request to amend an existing ADMP of a Naturally Occurring Asbestos (NOA) project shall pay the following fee:~~ \$325

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: \$4,900

3. INSPECTION FEE:
The owner of any property for which an ADMP is required shall pay fees to cover the costs incurred by the District after July 1, 2012 in conducting inspections to determine compliance with the ADMP on an ongoing basis. Inspection fees shall be invoiced by the District on a quarterly basis, and at the conclusion of dust generating activities covered under the ADMP, based on the actual time spent in conducting such inspections, and the following time and materials rate: \$144 per hour

(Adopted 6/6/07; Amended 5/21/08; 5/20/09; 6/16/10; 6/15/11; 6/6/12; 6/19/13; 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19)

**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 \$~~0.1200-144~~ 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.

Global Warming Potential Relative to Carbon Dioxide*

GHG	CAS Registry Number	GWP**
Carbon Dioxide	124-38-9	1
Methane	74-82-8	34
Nitrous Oxide	10024-97-2	298
Nitrogen Trifluoride	7783-54-2	17,885
Sulfur Hexafluoride	2551-62-4	26,087
HCFC-22	75-45-6	2,106
HCFC-123	306-83-2	96
HCFC-124	2837-89-0	635
HCFC-141b	1717-00-6	938
HCFC-142b	75-68-3	2,345
HCFC-225ca	422-56-0	155
HCFC-225cb	507-55-1	633
HFC-23	75-46-7	13,856
HFC-32	75-10-5	817
HFC-125	354-33-6	3,691
HFC-134a	811-97-2	1,549
HFC-143a	420-46-2	5,508
HFC-152a	75-37-6	167
HFC-227ea	431-89-0	3,860
HFC-236fa	690-39-1	8,998
HFC-245fa	460-73-1	1,032
HFC-365mfc	406-58-6	966
HFC-43-10-mee	138495-42-8	1,952
PFC-14	75-73-0	7,349
PFC-116	76-16-4	12,340
PFC-218	76-19-7	9,878
PFC-318	115-25-3	10,592

* Source: Myhre, G., et al., 2013: Anthropogenic and Natural Radiative Forcing (and Supplementary Material). In: Climate Change 2013: The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change [Stocker, T.F., et al. (eds.)]. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA. Available from www.ipcc.ch.

** 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. GWPs listed include climate-carbon feedbacks.

(Adopted 5/21/08; Amended 5/20/09; 6/16/10; 6/4/14; 6/3/15; 6/15/16, 6/21/17, 6/6/18, 6/5/19)

**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: | \$615 |
| b. Non-residential or mixed use project: | \$918 |

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 5/20/09; Amended 6/16/10; 6/4/14; 6/3/15, 6/15/16, 6/21/17)

**SCHEDULE V
OPEN BURNING**

1. Any prior notification required by Regulation 5, Section 406 is subject to the following fee:

a. OPERATION FEE: ~~\$138433~~

b. The operation fee paid as part of providing notification to the District prior to burning will be determined for each property, as defined in Regulation 5, Section 217, and will be valid for one year from the fee payment date when a given fire is allowed, as specified in Regulation 5, Section 401 for the following fires:

Regulation 5 Section – Fire	Burn Period
401.1 - Disease and Pest	January 1 – December 31
401.2 - Crop Replacement ¹	October 1 – April 30
401.3 - Orchard Pruning and Attrition ²	November 1 – April 30
401.4 - Double Cropping Stubble	June 1 – August 31
401.6 - Hazardous Material ¹	January 1 – December 31
401.7 - Fire Training	January 1 – December 31
401.8 - Flood Debris	October 1 – May 31
401.9 - Irrigation Ditches	January 1 – December 31
401.10 - Flood Control	January 1 – December 31
401.11 - Range Management ¹	July 1 – April 30
401.12 - Forest Management ¹	November 1 – April 30
401.14 - Contraband	January 1 – December 31

¹ Any Forest Management fire, Range Management fire, Hazardous Material fire not related to Public Resources Code 4291, or any Crop Replacement fire for the purpose of establishing an agricultural crop on previously uncultivated land, that is expected to exceed 10 acres in size or burn piled vegetation cleared or generated from more than 10 acres is defined in Regulation 5, Section 213 as a type of prescribed burning and, as such, is subject to the prescribed burning operation fee in Section 3 below.

² Upon the determination of the APCO that heavy winter rainfall has prevented this type of burning, the burn period may be extended to no later than June 30.

c. Any person who provided notification required under Regulation 5, Section 406, who seeks to burn an amount of material greater than the amount listed in that initial notification, shall provide a subsequent notification to the District under Regulation 5, Section 406 and shall pay an additional open burning operation fee prior to burning.

2. Any Marsh Management fire conducted pursuant to Regulation 5, Section 401.13 is subject to the following fee, which will be determined for each property by the proposed acreage to be burned:

a. OPERATION FEE: ~~\$495476~~ for 50 acres or less
~~\$673648~~ for more than 50 acres but less than or equal to 150 acres
~~\$849847~~ for more than 150 acres

b. The operation fee paid for a Marsh Management fire will be valid for a Fall or Spring burning period, as specified in Regulation 5, Subsection 401.13. Any burning subsequent to either of these time periods shall be subject to an additional open burning operation fee.

3. Any Wildland Vegetation Management fire (prescribed burning) conducted pursuant to Regulation 5, Section 401.15 is subject to the following fee, which will be determined for each prescribed burning project by the proposed acreage to be burned:

a. OPERATION FEE: ~~\$602579~~ for 50 acres or less
~~\$816785~~ for more than 50 acres but less than or equal to 150 acres
~~\$1,0624,022~~ for more than 150 acres

- b. The operation fee paid for a prescribed burn project will be valid for the burn project approval period, as determined by the District. Any burning subsequent to this time period shall be subject to an additional open burning operation fee.
- 4. Any Filmmaking fire conducted pursuant to Regulation 5, Section 401.16 and any Public Exhibition fire conducted pursuant to Regulation 5, Section 401.17 is subject to the following fee:
 - a. OPERATION FEE: ~~\$714687~~
 - b. The operation fee paid for a Filmmaking or Public Exhibition fire will be valid for the burn project approval period, as determined by the District. Any burning subsequent to this time period shall be subject to an additional open burning operation fee.
- 5. Any Stubble fire conducted pursuant to Regulation 5, Section 401.5 that requires a person to receive an acreage burning allocation prior to ignition is subject to the following fee, which will be determined for each property by the proposed acreage to be burned:
 - a. OPERATION FEE: ~~\$353340~~ for 25 acres or less
~~\$495476~~ for more than 25 acres but less than or equal to 75 acres
~~\$602579~~ for more than 75 acres but less than or equal to 150 acres
~~\$708684~~ for more than 150 acres
 - b. The operation fee paid for a Stubble fire will be valid for one burn period, which is the time period beginning September 1 and ending December 31, each calendar year. Any burning subsequent to this time period shall be subject to an additional open burning operation fee.
- 6. All fees paid pursuant to Schedule V are non-refundable.
- 7. All fees required pursuant to Schedule V must be paid before conducting a fire.

(Adopted June 19, 2013; Amended 6/4/14; 6/3/15, 6/15/16, 6/21/17, 6/6/18, 6/5/19)

SCHEDULE W
PETROLEUM REFINING EMISSIONS TRACKING FEES

1. ANNUAL EMISSIONS INVENTORIES:

Any Petroleum Refinery owner/operator required to submit an Annual Emissions Inventory Report in accordance with Regulation 12, Rule 15, Section 401 shall pay the following fees:

- a. Initial submittal: \$58,86054,000
- b. Each subsequent annual submittal: \$29,43027,000

Any Support Facility owner/operator required to submit an Annual Emissions Inventory Report in accordance with Regulation 12, Rule 15, Section 401 shall pay the following fees:

- a. Initial submittal: \$3,5973,300
- b. Each subsequent annual submittal: \$1,7994,650

2. AIR MONITORING PLANS:

Any person required to submit an air monitoring plan in accordance with Regulation 12, Rule 15, Section 403 shall pay a one-time fee of \$8,1757,500.

(Adopted 6/15/16, 6/5/19)

**SCHEDULE X
MAJOR STATIONARY SOURCE COMMUNITY AIR MONITORING FEES**

For each major stationary source, emitting 35 tons per year or more of Organic Compounds, Sulfur Oxides, Nitrogen Oxides, Carbon Monoxide and/or PM₁₀ within the vicinity of a District proposed community air monitoring location, the fee shall be based on the following:

- | | | |
|----|-------------------|-----------------|
| 1. | Organic Compounds | \$60.61 per ton |
| 2. | Sulfur Oxides | \$60.61 per ton |
| 3. | Nitrogen Oxides | \$60.61 per ton |
| 4. | Carbon Monoxide | \$60.61 per ton |
| 5. | PM ₁₀ | \$60.61 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, Carbon Monoxide, or PM₁₀, if occurring in an amount less than 35 tons per year, shall not be counted.

(Adopted: 6/15/16; Amended: 6/21/17)



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

STAFF REPORT

PROPOSED AMENDMENTS TO BAAQMD REGULATION 3: FEES

APPENDIX C COSTS FOR ASBESTOS DUST MITIGATION PLAN AMENDMENTS

FYE 2019 Hourly Factor for Permit Fee Labor

Components of Salary-Driven Additional Cost Factor:

(based on FYE 2017 Cost Recovery Study)

	Paid Leave Fringe Benefit	All Other Fringe Benefits	Sum of Fringe Benefits & Paid Leave	Indirect Cost Factor (Dist. Support Prgms)	Sum of Indirect, Fringe, & Paid Leave	Salary Multiplier
HOURLY SALARY	0.21	0.59	0.80	1.05	1.86	2.86
	Direct Salaries + Paid Leave	Other Fringe Benefits	Direct Labor (Salaries + Paid Leave + Fringe Benefits)	Indirect Costs (Labor + \$85 + Capital)	Direct Labor + Indirect Costs	
	28,708,456	13,982,611	\$42,691,066	\$24,938,654	\$67,629,721	2.86
Position (select below)	Hourly Salary				HOURS	BURDENED COST
Air Quality Specialist II	\$53.99	11.53	43.45	56.92	1.00	\$154.36
Supervising Air Quality Specialist	\$65.63	14.02	52.81	69.19	0.25	\$46.91
Air Quality Program Manager	\$78.25	16.71	62.97	82.49	0.25	\$55.93
Director of Enforcement	\$94.49	20.18	76.03	99.61	0.25	\$67.53
						\$324.72
						Total Burdened Cost Per Project