



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

PUBLIC WORKSHOP NOTICE

February 5, 2021

TO: INTERESTED PARTIES
FROM: EXECUTIVE OFFICER / APCO
SUBJECT: **PUBLIC WORKSHOP – DRAFT AMENDMENTS TO REGULATION 3: FEES**

The Bay Area Air Quality Management District (“Air District”) will conduct a public workshop on **Thursday, February 18, 2021, starting at 10:00 AM**, to discuss draft amendments to Air District Regulation 3: Fees. The workshop will be held virtually.

The amendments to the Air District’s FYE 2021 fee regulation would be effective on July 1, 2021 and would increase fee revenue to help the Air District recover a greater share of the costs the Air District incurs in implementing and enforcing regulatory programs for stationary sources of air pollution. The following changes to the Air District’s existing Fee Schedules are proposed based on a recently updated analysis of cost recovery for regulatory programs:

Schedule A	Hearing Board Fees	15 % increase
Schedule B	Combustion of Fuels	1.5 % increase
Schedule D	Gasoline Transfer at Gasoline Dispensing Facilities, Bulk Plants and Terminals	1.5 % increase
Schedule E	Solvent Evaporating Sources	8 % increase
Schedule F	Miscellaneous Sources	7 % increase
Schedule G1	Miscellaneous Sources	15 % increase
Schedule G2	Miscellaneous Sources	9 % increase
Schedule G3	Miscellaneous Sources	9 % increase
Schedule G4	Miscellaneous Sources	9 % increase
Schedule H	Semiconductor and Related Operations	8 % increase
Schedule I	Dry Cleaners	15 % increase
Schedule K	Solid Waste Disposal Sites	15 % increase
Schedule M	Major Stationary Source Fees	1.5 % increase
Schedule N	Toxic Inventory Fees	15 % increase
Schedule P	Major Facility Review Fees	7 % increase
Schedule S	Naturally Occurring Asbestos Operations	15 % increase
Schedule T	Greenhouse Gas Fees	9 % increase
Schedule V	Open Burning	9% increase*
Schedule W	Petroleum Refining Emissions Tracking Fees	15% increase

*No increase proposed for Wildland Vegetation Management fire (prescribed burning).

The following specific fees in Regulation 3 are proposed to be increased by 1.5% based on the 2020 Consumer Price Index for Bay Area Urban Wage Earners and Clerical Workers (CPI-W):

- Section 3-302: New and modified source filing fees
- Section 3-311: Emission Banking Fees
- Section 3-312: Regulation 2, Rule 9 Alternative Compliance Plan fee
- Section 3-320: Toxic Inventory maximum fee
- Section 3-327: Permit to Operate renewal processing fee
- Section 3-337: Exemption Fee
- Section 3-341: Fee for Risk Reduction Plan

- Section 3-342: Fee for Facility-Wide Health Risk Assessment
- Section 3-343: Fees for Air Dispersion Modeling

The following additional amendments are proposed:

- Amend Section 3-327, Permit to Operate, Renewal Fees as follows:
 - To help cover the Air District's implementation and on-going costs associated with the CARB's Criteria Pollutant and Toxics Emissions Reporting (CTR) Regulation, the Air District is proposing a new fee per permitted source that would be charged during permit renewal to each facility.
 - The Air District is considering tiered fees based on the number of sources at each facility, since the costs are commensurate with the number of sources at each facility.
 - To learn about the CARB's CTR Regulation: <https://ww2.arb.ca.gov/our-work/programs/criteria-and-toxics-reporting>.
- Modify Regulation 3, Schedule D health risk assessment (HRA) fees for gasoline dispensing facilities (GDFs) as follows:
 - Schedule D contains the fees for GDFs, bulk plants and terminals.
 - The current HRA fee for GDFs was assessed based on an outdated screening procedure that can no longer be used.
 - The current HRA procedure for GDFs is similar to conducting a risk assessment for a bulk plant, in terms of scope and complexity.
 - The Air District is proposing to increase the HRA fee to be consistent with the fees that are charged for bulk plants.
- Modify Section 3-305 to clarify that refunding the initial fee for applications that are cancelled or withdrawn is only for identical equipment for the same project.

The Air District is also exploring implementing a new dedicated engineer fee, which would cover the costs of additional dedicated engineering staff to process permit applications for those facilities that pay for this service.

Visit the Air District's Website for More Information

The proposed amendments to Regulation 3 will be available **by Friday, February 26, 2021** on the Air District's website at <http://www.baaqmd.gov/reg3>. Please direct your comments or questions to Barry G. Young, Senior Advanced Projects Advisor, Engineering Division, via email at byoung@baaqmd.gov or at (415) 749-4721. Staff will discuss the proposed amendments at the workshop, and will receive written comments until **Friday, March 19, 2021**. On the date of the workshop, you may join the workshop via web browser by visiting the Air District's homepage at <http://www.baaqmd.gov> for the video link and details.