

**NOTICE OF PUBLIC HEARING  
BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**PROPOSED AMENDMENTS TO DISTRICT REGULATION 3: FEES AND  
APPROVAL OF THE FILING OF A NOTICE OF EXEMPTION FROM CEQA**

Notice is hereby given that the Board of Directors of the Bay Area Air Quality Management District will conduct a public hearing on April 19, 2017, in the 1<sup>st</sup> floor Board Room, 375 Beale Street, San Francisco, California, at 9:45 a.m., or as soon thereafter as the matter may be heard, to receive testimony on proposed amendments to District Regulation 3: Fees.

Notice is also given that the Board of Directors will conduct a second public hearing on June 7, 2017, or as soon thereafter as the matter may be heard, to consider adoption of the proposed amendments to Regulation 3: Fees and to approve the filing of a Notice of Exemption from CEQA. California Health and Safety Code Section 41512.5 requires a district board, prior to adopting or revising fees applicable to emission sources that are not permitted, to hold a public hearing at least 30 days prior to the meeting of the district board at which the fees are adopted or revised. Fee Schedules L, Q, R, S, U, and V pertain to fees from these sources.

The proposed amendments to the District's fee regulation would be effective on July 1, 2017 and would increase fee revenue to allow the District to meet budgetary needs for the upcoming fiscal year ending (FYE) 2018.

The fee rates in the following Fee Schedules would be amended as follows: (1) 2.7% increase: Schedule M: Major Stationary Source Fees and Schedule U: Indirect Source Fees; (2) 7% increase: Schedule F: Misc. Sources (storage silos, abrasive blasting), Schedule G-3: Misc. Sources (metal melting, cracking units), and Schedule T: Greenhouse Gas Fees; (3) 8% increase: Schedule D: Gasoline Transfer at Gasoline Dispensing Facilities, Bulk Plants & Terminals, and Schedule P: Major Facility Review Fees; and (4) 9% increase: Schedule A: Hearing Board Fees, Schedule E: Solvent Evaporating Sources, Schedule G-1: Misc. Sources (glass manufacturing, soil remediation), Schedule G-2: Misc. Sources (asphaltic concrete, furnaces), Schedule G-4: Misc. Sources (cement kilns, sulfur removal & coking units, acid manufacturing), Schedule H: Semiconductor and Related Operations, Schedule I: Dry Cleaners, Schedule K: Solid Waste Disposal Sites, Schedule R: Equipment Registration Fees, Schedule S: Naturally Occurring Asbestos Operations, and Schedule V: Open Burning. The following specific fees in Regulation 3 would be increased by 2.7%: New and modified source filing fees, Transfer fees, Emissions banking filing and withdrawal fees, Regulation 2, Rule 9 Alternative Compliance Plan fees, School public notice fees, Toxic inventory maximum fees, Permit to operate renewal processing fees, and Exemption fees.

In addition, the following additional amendments are proposed: (1) New fees to help recover the costs for facility-wide Health Risk Assessments (HRAs) and Risk Reduction Plans required pursuant to proposed Regulation 11, Rule 18: Reduction of Risk from Air Toxic Emissions at Existing Facilities; (2) A new fee equal to the risk screening fee to help recover the costs for each HRA scenario above three HRA scenarios in any permit application pursuant to Regulation 2, Rule 5; (3) Revise Fee Schedule A: Hearing Board

Fees (Table I) to include diesel exhaust particulate matter in the schedule of toxic air contaminants subject to excess emissions fees; (4) Revise Fee Schedule H: Semiconductor and Related Operations, to directly calculate the fee based on the gross throughput of organic solvent processed; (5) Update the SL factor in Fee Schedule N: Toxic Inventory Fees, to recover current costs and higher California Air Resources Board AB2588 annual fees for FYE 2017; (6) Change all Regulation 3 references of “health risk screening analysis” to “health risk assessment”; (7) Delete fees for Duplicate Permits and Duplicate Registrations in Section 3-309; and (8) Correct a few minor typographical errors.

The District has determined that these amendments to Regulation 3 are exempt from provisions of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) pursuant to State CEQA Guidelines, Sections 15061, subd. (b)(3) and 15273. The amendments increase District fees that are used to meet District operating expenses. The amendments are administrative in nature, do not affect air emissions from any sources, and have no possibility of causing significant environmental effects. The District intends to file a Notice of Exemption pursuant to State CEQA Guidelines, Section 15062.

A copy of the proposed amendments may be viewed on the District’s website at <http://www.baaqmd.gov/rules-and-compliance/rule-development/public-hearings> . Copies are also available by calling the Engineering Division at (415) 749-4990. Staff will accept written comments on the proposed amendments until May 10, 2017. Please direct comments or questions to Barry G. Young, Senior Advanced Projects Advisor, at (415) 749-4721, or electronically at [byoung@baaqmd.gov](mailto:byoung@baaqmd.gov).

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Bay Area Air Quality Management District