

NORTH COAST AIR QUALITY MANAGEMENT DISTRICT

Rule 407 - Air Toxics “Hot Spots” (AB 2588) Fees

(Adopted May 19, 2005)

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RULE 407 AIR TOXICS “HOT SPOTS” (AB 2588) FEES

- 1.0 APPLICABILITY:** This Rule shall apply to any stationary source facility which commenced operation prior to January 1 of the year in which the fees are assessed pursuant to this Rule, and which:
- 1.1** Manufactures, formulates, uses, or releases any of the substances listed pursuant to California Health & Safety Code (HSC) Section 44321, or any other substance which reacts to form a substance so listed, and which releases 10 tons per year or greater of total organic gases, particulate matter, sulfur oxides or nitrogen oxides from the most recent base year inventory selected by the North Coast Unified Air Quality Management District (AQMD); or,
 - 1.2** Manufactures, formulates, uses, or releases any of the substances listed pursuant to HSC Section 44321, or any other substance which reacts to form a substance so listed, and which releases less than 10 tons per year of total organic gases, particulate matter, sulfur oxides or nitrogen oxides from the most recent base year inventory selected by the AQMD, and is included in any class listed in Appendix E of the Criteria and Guidelines Report incorporated by reference in Section 93300.5 of Title 17 of the California Code of Regulations.
- 2.0 ASSESSMENT OF FEES:** The AQMD shall assess and collect the following fees for performing the State mandated Air Toxics “Hot Spots” Information and Assessment Act of 1987. The AQMD costs shall include but not be limited to review of inventory plans and reports, review of risk assessments, review of source test data, review of quadrennial updates, calculation of relevant exposure rates, charges from the AQMD’s use of consultants to supplement AQMD staff, and costs

associated with collecting the State's portion of the mandated fees. The State costs shall include the reasonable anticipated costs which are incurred by the California State Air Resources Board (CARB) and the Office of Environmental Health Hazard Assessment.

- 2.1 Assessment of State Fees:** A fee covering State costs will be assessed to each facility subject to the provisions of this Rule as determined for the facility program category in the Air Toxics "Hot Spots" Fee Regulation adopted by CARB pursuant to HSC Section 44380 as set forth in Sections 90700 through 90705 of Title 17 of the California Code of Regulations, except that the total of AQMD and State fees for a facility shall not exceed \$100.00 for facilities subject to Section 1.2 of this Rule. Notwithstanding this limitation, if State costs significantly exceed \$100.00, as determined by the Air Pollution Control Officer (APCO), the facility operator shall pay the actual State costs.
- 2.2 Assessment of AQMD Fees (Facilities which meet Section 1.1 of this Rule):** The operator of each stationary source facility which meets the criteria of Section 1.1 of this Rule shall pay an annual air toxic assessment fee calculated according to the formula:

$$\text{AQMD Air Toxic Assessment} = (A)(m)$$

where A = Dollar per Ton value of pollutant for facilities meeting Section 1.1 criteria. The dollar per ton value equals the total AQMD costs for these facilities only, divided by their total yearly emissions (in tons) of total organic gases, particulate matter, sulfur oxides, and nitrogen oxides. Notwithstanding this Section, subject facilities shall pay a minimum \$50.00 annual AQMD fee.

where m = Mass of facility's total air emissions, determined by adding the emissions values for each pollutant -- total organic gases, particulate matter, sulfur oxides, and nitrogen oxides -- having an emission value equal to or greater than 10 tons per calendar base year as calculated by the APCO from source tests or estimated emissions data.

- 2.3 Assessment of AQMD Fees (Facilities which meet Section 1.2 of this Rule):** The operator of each stationary source facility which meets the criteria of Section 1.2 of this Rule shall pay an AQMD flat fee of \$50.00 per year. Notwithstanding this Section, if AQMD costs significantly exceed \$50.00 for a facility in a year, as determined by the APCO, the facility operator shall pay the actual AQMD costs.

3.0 EXEMPTIONS:

- 3.1** Any stationary source for which the prioritization scores for cancer and non cancer health effects are both equal to or less than one (1), based on the results of the most recent emissions inventory or emissions inventory update shall be exempt from payment of fees.
- 3.2** Except as specified in Section 2.1 of this Rule, any stationary source for which the prioritization scores for cancer and non cancer health effects are both equal to or less than 10, based on the results of the most recent emissions inventory or emissions inventory update shall be assessed a AQMD fee of \$125.00 every fourth year to cover AQMD costs of processing the quadrennial emissions inventory update.

3.3 Notwithstanding the requirements of Section 2 of this Rule, with the AQMD Governing Board approval, the APCO may waive the assessment of fees pursuant to this Rule for a fiscal year if the APCO determines it is not cost effective to administer the fee collection based on the amounts due and AQMD fee assessment costs would unnecessarily add to the fees assessed. Any such determination will result in fees waived for all facilities that would otherwise be subject to this Rule for that fiscal year.

4.0 BILLING: The AQMD shall notify and assess the operator of each stationary source facility subject to the requirements of this Rule in writing of the fee due. The operator shall remit the fee to the AQMD within 60 days after the receipt of the toxic assessment fee notice.

5.0 PENALTIES: Air toxic assessment fees not paid by the due date as specified in Section 4 of this Rule shall be assessed a 25% late charge. If an operator fails to pay the fee within 120 days after receipt of the initial fee assessment notice, the AQMD may initiate permit revocation proceedings. If any permit is revoked, it shall be reinstated only upon full payment of the overdue fee plus any late penalty, and a reinstatement fee of \$50.00 to cover administrative costs of reinstating the permit.

6.0 ANNUAL ADOPTION OF FEES: Unless it amends this Rule, the AQMD Governing Board automatically readopts this fee Rule annually by operation of law, in compliance with Title 17, California Code of Regulations, Section 90703.