

RULE 506 Air Toxics “Hot Spots” (AB 2588) Fees

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Recodified August 22, 2002, Amended January 22, 2009)*

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RULE 506

- 1 PURPOSE:** This Rule provides for the establishment of fees to recover the cost of implementing and administering the Air Toxics "Hot Spots" Information and Assessment Act of 1987 (AB 2588) as required by California Health and Safety Code (HSC) Section 44380.
- 2 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 manufactures, formulates, uses, or releases any of the hazardous substances listed pursuant to HSC Section 44321, or any other substance which reacts to form a substance so listed and which meets any of the following:
 - 2.1** The facility releases 10 tons per year or greater of total organic gases (TOG), particulate matter (PM), sulfur oxides (SO_x), or nitrogen oxides (NO_x).
 - 2.2** The facility releases less than 10 tons per year of TOG, PM, SO_x, or NO_x; is included in any class listed in Appendix E, sections 93300 through 93354 of Title 17 of the California Code of Regulations (CCR) (Criteria and Guidelines Regulation); and is required to submit an individual emission-inventory plan and report.
 - 2.3** The facility releases less than 10 tons per year of TOG, PM, SO_x, or NO_x; is included in any class listed in Appendix E, sections 93300 through 93354 of Title 17 CCR; and is included in an industry-wide emission inventory prepared by the DISTRICT pursuant to HSC Code § 44323.
 - 2.4** The DISTRICT determines that the facility may pose a potential threat to public health and that the facility therefore does not qualify for an exemption.
- 3 DEFINITIONS:** For the purposes of this rule the following definitions shall apply:
 - 3.1 Core Facility:** A facility meeting the criteria set forth in Sections 2.1, 2.2, or 2.4 above.
 - 3.2 Criteria Pollutant:** Total organic gases (TOG), particulate matter (PM), oxides of nitrogen (NO_x), or sulfur oxides (SO_x).
 - 3.3 Fiscal Year:** The 12 month period from July 1 through June 30.
 - 3.4 Health Risk Assessment (HRA) and Health Hazard Index (HHI):** A detailed comprehensive analysis prepared to evaluate and predict the dispersion of hazardous substances in the environment and the potential for exposure of human populations and to assess and quantify both the individual

and population-wide health risks associated with those levels of exposure. An HRA value indicates risk in terms of cancer and an HHI value indicates risk in terms of non-cancer effects. An HRA score less than 1 and an HHI score less than 0.1 is categorized as Low; an HRA greater than or equal to 10 or an HHI greater than 1 is categorized as High; all other scores are categorized as Intermediate.

- 3.5 Industry-wide Facility:** A facility that meets the criteria set forth in Section 2.3 of this Rule and is either an auto body shop, as described by Standard Industrial Classification (SIC) Codes 5511-5521 or 7532; a retail gasoline station, SIC Code 5541; a dry cleaner, SIC Code 7216; a printing and publishing operation, SIC Codes 2711-2771 or 2782; or other facility that meets the conditions specified in HSC Section 44323.
- 3.6 Prioritization or Priority Score (PS):** A facility's numerical ranking indicating potential cancer or non-cancer public health effects, as determined by the DISTRICT using the DISTRICT's Prioritization Procedure for the "Hot Spots" program.
- 3.7 Prioritized Facility:** A facility that is subject to the "Hot Spots" program, pursuant to Sections 1.1 through 1.4 of this Rule, and has been prioritized by the DISTRICT using the DISTRICT's Prioritization Procedure, or has had a health risk assessment performed per the California Air Pollution Control Officer's Association (CAPCOA) or the Office of Environmental Health Hazard Assessment (OEHHA) Risk Assessment Guidelines (whichever is the accepted guideline at the time of the assessment).
- 3.8 Release:** Any activity that may cause the issuance of air contaminants, including actual or potential spilling, leaking, pumping, pouring, spraying, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of a substance into the ambient air, and which results from the routine operation of a facility or is predictable, including but not limited to continuous and intermittent releases and predictable process upsets or leaks.
- 3.9 Unprioritized Facility:** A facility that is subject to the "Hot Spots" program, pursuant to Sections 2.1 through 2.4 of this Rule, and has not been prioritized by the DISTRICT using the DISTRICT's Prioritization procedure, or has not had a health risk assessment performed per the CAPCOA or OEHHA Risk Assessment Guidelines (whichever is the accepted guideline at the time of the assessment).
- 4 ASSESSMENT OF FEES:** The owner or operator of a facility that has been identified by the DISTRICT as being subject to the requirements of HSC Section 44300 et seq. (the Air Toxics "Hot Spots" Information and Assessment Act of 1987) shall pay all applicable State and DISTRICT fees to the DISTRICT, as specified

below, within 30 (thirty) days of the issuance date of the DISTRICT's billing statement (invoice date).

- 4.1** The amount of the DISTRICT program fee shall be equal to the actual costs incurred by the DISTRICT associated with the site-specific program requirements for each affected facility during the prior fiscal year. The costs shall be determined using the labor rates specified in Rule 509—*Subject Research Fees and Hourly Rate*.
- 4.2** The amount of the State program fee for each facility shall be that specified by the California Air Resources Board in accordance with the annual State Air Toxics "Hot Spots" Fee Regulation contained in Title 17, CCR, Section 90700 et. seq. The State portion is a straight pass-through to the facility.
- 4.3** Program costs include but are not limited to the following:
 - 4.3.1** DISTRICT determination of program applicability, review and approval of emission inventory plans, reports, and annual or quadrennial updates.
 - 4.3.2** Public health risk assessment or updated public health risk assessment pursuant to HSC Section 44360 et. seq.
 - 4.3.3** Public notification of public health risks pursuant to HSC Section 44362.
 - 4.3.4** Review and implementation of a facility toxic air contaminant risk reduction audit and plan pursuant to HSC Section 44391.
 - 4.3.5** Toxic air contaminant emissions source testing when necessary to determine emissions for inclusion in a toxic air contaminant emissions inventory.
 - 4.3.6** Associated costs for collecting the DISTRICT and State portion of the fees.
 - 4.3.7** Pro-rated costs of program implementation which are not site-specific. Pro-rated costs include all other program-related costs not related to a specific facility during the previous fiscal year.

5 EXEMPTIONS: The following facilities are exempt from program fees:

- 5.1** Facilities meeting the fee exemption requirements of HSC Section 44380.1.
- 5.2** A facility that is assigned a low prioritization score or health risk by the

DISTRICT and has paid the initial State and DISTRICT program fees.

- 5.3** A facility that is assigned an intermediate prioritization score or health risk by the DISTRICT, has paid the initial State and DISTRICT program fees, and was not required to submit a quadrennial update report during the fiscal year fees are assessed.
- 5.4** A facility that does not meet the program applicability requirements as set forth in Sections 2.1 through 2.4 of this Rule.
- 6 ANNUAL ADOPTION OF FEES:** Unless it amends this Rule, the DISTRICT's Governing Board automatically readopts this fee Rule annually by operation of law, in compliance with Title 17, CCR, Section 90703.