

RULE 601 STATIONARY SOURCE FEES

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601.1 GENERAL

- A. **PURPOSE:** To establish annual permit fees to be charged stationary sources subject to Rule 501.
- B. **PUBLIC AGENCIES NOT EXEMPT:** Federal, state or local government agencies or public agencies shall pay all fees as required by this rule, except as otherwise provided by law.
- C. **OTHER FEES:** Nothing in this rule is to be constructed as to relieve an applicant/permittee from any other fee required by any State or federal law, regulation, or program (such as California Clean Air Act fees, Air Toxic "Hot Spot" fees, Title V, etc.) or by any other District rule. The District may collect fees for a state or federal agency, in accordance with applicable provisions of state or federal law or regulation, for transmittal to the appropriate agency.

601.2 DEFINITIONS

- A. **AUTHORITY TO CONSTRUCT FEE:** A charge levied by the District for each authority to construct permit issued by the District.
- B. **BASE PROCESSING FEE:** The minimum fee charged for engineering time spent by the District to process and evaluate each authority to construct or permit to operate application. This fee shall be the equivalent of two hours of time at the District's hourly rate per Rule 609.
- C. **CANCELLED APPLICATION:** Any application which has been withdrawn by the applicant or cancelled by the District in accordance with Rule 501.
- D. **FILING FEE:** A fee charged by the District for the administrative costs associated with the submission of an application. The filing fee shall be \$87 per application.
- E. **MODIFICATION:** Any physical change in an existing facility or change in the method of operation which results or may result in either an increase or decrease in emission of any air pollutant subject to district control, or the emission of any such air pollutant not previously emitted. The following shall not be regarded as physical changes or changes in the method of operation:
 - 1. Routine maintenance, repair or replacement with identical or equivalent equipment;
 - 2. Increased production rate or increased hours of operation where there is no increase in fixed capital cost, unless such production and hours are limited by permit conditions.

F. **PERMIT TO OPERATE FEE:** A charge levied by the District for each permit to operate issued by the District.

G. **SOURCE:** Any operation that may produce and/or emit air pollutant(s).

601.3 STANDARDS

A. **AUTHORITY TO CONSTRUCT FEE:** Every applicant for an authority to construct shall pay filing and processing fees.

1. Within 30 days of receipt of an application, the Air Pollution Control Officer may notify the applicant that, due to the complexity of the application, the applicant shall deposit with the District the amount estimated by the Air Pollution Control Officer to be charged for processing the authority to construct, which said sum is not to exceed the actual cost of such work. This estimate may include costs associated with planning meetings and/or design evaluations prior to actual submission of a complete application. This fee shall be assessed in accordance with the hourly rate established in Rule 609.

If costs exceed estimated costs a new estimate will be prepared. Processing of the application shall be stopped until a new deposit of fees is received, which will be the difference between estimates. Any funds not expended in the processing of the application will be refunded to the applicant.

A deposit may be required for the following:

- a. Equipment associated with cogeneration projects.
- b. Equipment associated with resource recovery projects.
- c. Equipment associated with landfill projects.
- d. Equipment associated with power plants.
- e. Equipment involved in the disposal by incineration, or other thermal process, of hazardous, toxic or infectious waste.
- f. Equipment involved in the emission of hazardous or toxic materials.
- g. Equipment expected to emit 25 tons, or more, per year of any pollutant, or increase the emissions of any pollutant from an existing facility by 25 tons, or more, per year.
- h. Equipment projected to trigger offset thresholds.
- i. Any project expected to take 10 hours or more to evaluate.

The applicant may request a conference with the Air Pollution Control Officer to review the cost estimate. The applicant may propose to provide additional information that would reduce the time spent by the District in reviewing the application. The Air Pollution Control Officer's cost estimate may be reduced based on the conference.

2. The renewal fee for an authority to construct permit shall be one half the original fee for the authority to construct permit. The renewal fee must be received prior to the expiration date of the original authority to construct permit, along with a request, from a responsible official, to extend the authority to construct permit for one year. If the fee and request are not received prior to expiration of the authority to construct permit, the permit cannot be reissued.
3. An application for an authority to construct will not be accepted without payment of the filing and base processing fees. With the exception of applications covered under Section 601.3 A.1., applicants will be billed for any processing fees not already paid to the District. The Authority to Construct permit will be issued when all fees have been remitted to the District.

B. PERMIT TO OPERATE ANNUAL FEE: Every person wishing to be issued a permit to operate shall pay a fee to the District prior to the permit being issued. The fee shall be the total of:

1. The Permit to Operate Fee indicated in Section 601.3 G., and
2. The sum of the calculated fee for the total tons of each pollutant multiplied by the fee per ton for that pollutant, as indicated by the following table. The total tons of each pollutant shall be the annual permitted emissions rounded up to the next whole ton.

Table 1

<u>Pollutant</u>	<u>Fee Per Ton</u>
Carbon Monoxide (CO)	\$10
Nitrogen Oxides (NOx)	\$59
Volatile Organic Compounds (VOC)	\$59
Sulfur Oxides (SOx)	\$59
Total Suspended Particulate (TSP)	\$59

3. Permit to Operate Fees may be prorated to provide common permit to operate expiration dates.

C. CANCELLATION OR WITHDRAWAL: If an application for an authority to construct is cancelled or denied or a permit to operate is cancelled or denied, the fees paid shall not be refunded nor applied to any other application.

D. REVOCATION: If a permit to operate is revoked, the permit renewal fee applicable to that portion of the year during which the permit is no longer valid shall not be refunded nor applied to any other application or permit

E. **CHANGES TO PERMIT CONDITIONS:** When an application is filed for a modification of the conditions on a permit to operate, but does not involve a modification of the permitted equipment, nor a modification of the permitted emissions, capacity, or rating of the equipment, the applicant shall pay the filing and base processing fees. Applications submitted to modify a permit to contain emission limits, which previously contained no emission limits, shall not be required to pay this fee.

F. **CHANGE OF OWNERSHIP:** When an application is filed for a permit because ownership has been transferred from one person to another and a permit to operate granted for such equipment has not been cancelled, the applicant shall pay a fee in the amount of the filing fee plus the permit to operate fee for the equipment per Section 601.3 B.

G. PERMIT TO OPERATE ANNUAL FEES :

1. If more than one fee schedule is applicable to a permit, the fee shall be based on the most applicable schedule, as determined by the District.

2. Permit to Operate fees.

a. **Aggregate Plants:** Any permit issued for the processing of aggregate shall be assessed a fee of \$1,813.

b. **Asphalt Plants:** Any permit issued for the manufacturing of asphaltic concrete shall be assessed a fee of \$3,303.

c. **Surface Coating Operations:** Any permit issued for a surface coating operation shall be assessed a fee of:

<u>Surface Coating Size</u>	<u>Fee</u>
VOC < 520 lb/year	\$405
VOC ≥ 520 lb/year	\$588

d. **Backup Internal Combustion Engines:** Any permit issued for the operation of a backup internal combustion engine shall be assessed a fee of:

<u>Backup IC Engine Size</u>	<u>Fee</u>
< 250 Hp	\$320
≥ 250 Hp	\$405

e. **Prime Power Internal Combustion Engines:** Any permit issued for the operation of a prime power generating equipment shall be assessed a fee of:

<u>Prime Power Generator Size</u>	<u>Fee</u>
< 500 Hp	\$576
≥ 500 Hp	\$1.18/Hp

- f. **Boilers, External Combustion Devices:** Any permit issued for the operation of a boiler or other external combustion device (furnace, process heater, oven) shall be assessed a fee of:

<u>Boiler Size</u>	<u>Fee</u>
< 5 MMBtu/hr	\$426
5-24 MMBtu/hr	\$540
≥25 MMBtu/hr	\$24/MMBtu/hr

- g. **Gas Flares:** Any permit issued for the operation of a gas flare (equipment designed to destroy contaminants or odors by combustion) shall be assessed a fee of \$426.
- h. **Incinerators:** Any permit issued for the operation of an incinerator (equipment designed and used to dispose of combustible material leaving only ashes or residue) shall be assessed a fee based on the maximum cross sectional area, in square feet (sq ft) of the primary combustion chamber of:

<u>Incinerator Size</u>	<u>Fee</u>
< 40 sq ft	\$426
> 40 sq ft	\$540

- i. **Landfills:** Any permit issued for the operation of a sanitary landfill shall be assessed a fee of \$2,451.
- j. **Material Handling and Collection Systems:** Any permit issued for the operation of a dry material handling and collection system (which includes but is not limited to silos, baghouses, dust collectors, cyclones, wood waste hoppers, mutliclones, pneumatic conveyors, mechanical conveyors, abrasive blast units etc.) shall be assessed a fee of \$475.
- k. **Remediation Systems:** Any permit issued for the operation of soil and/or groundwater remediation systems shall be assessed a fee of \$1,331.
- l. **Vapor Recovery Systems:** Any permit issued for the operation of a gasoline dispensing system shall be assessed a fee based on the type of vapor recovery on the system according to the following:

<u>Vapor Recovery Type</u>	<u>Fee</u>
Phase I	\$271
Phase II,	\$903

- m. **Bulk Plants:** Any permit issued for the operation of a bulk gasoline facility shall be assessed a fee of:

<u>Bulk Plant Size</u>	<u>Fee</u>
< 40,000 gal	\$903
≥ 40,000 gal	\$1,485

- n. **Miscellaneous Equipment:** Any equipment, including dry cleaners, plating lines, ethylene oxide sterilizers, graphic arts devices, and solvent degreasers the use of which may cause the issuance of air contaminants, which is not included in any of the preceding schedules shall be assessed a fee of \$405.

H. **PERMIT TO OPERATE GRANTED BY HEARING BOARD:** If a permit to operate is granted by the Hearing Board after denial by the Air Pollution Control Officer the applicant shall pay the permit to operate fee in accordance with Section 601.3 B. of this rule.

I. **DUPLICATE PERMITS:** A request for a duplicate permit shall be made in writing by the permittee. A fee of \$22 shall be charged for issuing a duplicate permit.

J. **SOURCE TEST OBSERVATION AND REPORT EVALUATION:** A fee will be charged against a permittee whenever the Air Pollution Control Officer finds that a source test is required, and must be observed and the report evaluated by district personnel to determine the actual emissions from the source for the purpose of issuing or renewing a permit to operate. The fee shall be assessed in accordance with the hourly rate established in Rule 609.

K. **ANALYSIS:** If the Air Pollution Control Officer finds that an analysis of the emissions from any source is necessary to determine the extent and amount of pollutants being discharged into the atmosphere cannot be determined by visual observation, he may have qualified District staff collect samples and analyze them. The time required for collecting samples, making the analysis and preparing the necessary reports, including time required in going to and from such premises, shall be charged against the owner or operator of said premises in a reasonable sum to be determined by the Air Pollution Control Officer, said sum not to exceed the actual cost of such work. The Air Pollution Control Officer shall provide the applicant with an estimate of the actual cost of such work. The applicant may request a conference with the Air Pollution Control Officer to review the cost estimate. The applicant may propose to provide additional information that would reduce the time spent by the District in performing an analysis of the emission from the source.

The Air Pollution Control Officer's cost estimate may be reduced. The APCO may require the owner or operator of a source to hire a California Air Resources Board certified source testing company to conduct sampling and analysis of emissions and prepare a report of findings to be submitted to the District.

- L. **TITLE V OPERATING PERMIT:** Notwithstanding Section 601.3 D., the fee for (1) the issuance of an initial Title V operating permit, (2) the modification of a Title V operating permit or (3) an administrative Title V permit amendment shall be based on the actual hours spent by the District staff in evaluating the application and processing the operating permit. The fee shall be assessed in accordance with the hourly rate established in Rule 609.
- M. **FEDERALLY ENFORCEABLE SYNTHETIC MINOR PERMIT:** The fee for (1) the issuance of an initial Federally Enforceable Synthetic Minor permit, (2) the modification of a Federally Enforceable Synthetic Minor permit or (3) an administrative Federally Enforceable Synthetic Minor permit amendment shall be based on the actual hours spent by the District staff in evaluating the application and processing the operating permit. The fee shall be assessed in accordance with the hourly rate established in Rule 609.
- N. **REINSPECTION:** If a permit unit's operation cannot be evaluated or approved due to circumstances beyond the control of the District, the permittee shall pay the actual cost of a reinspection. The fee for the reinspection shall be assessed in accordance with the hourly rate established in Rule 609.
- O. **EMISSION REDUCTION CREDIT:** Any person who requests to deposit or withdraw emission reduction credits shall pay a fee based on actual hours spent by District staff in processing the request. The fee shall be assessed in accordance with the hourly rate established in Rule 609.
- P. **VALVES AND FLANGES:** Any equipment which must comply with Rule 245 Valves and Flanges shall pay for the time the District spends to conduct inspections to determine compliance with the Rule. The fee shall be assessed in accordance with the hourly rate established in Rule 609.

601.4 ADMINISTRATIVE REQUIREMENTS

- A. **NOTIFICATION OF FEES DUE:** After the provisions for granting permits as set forth in Division 26 of the Health and Safety Code and these rules and regulations have been complied with, prior to the renewal date of a permit to operate, the applicant/permittee will be notified by mail of the fee then due. If the fee is not paid by the specified due date, the District shall assess a penalty of 50% of the fee due. The applicant/permittee will be notified by mail of the fee and penalty. If the fee and penalty are not paid within 30 days after notice, the application/permit will be cancelled/suspended and the

applicant/permittee will be notified by mail. A cancelled/suspended application/permit may be reinstated by payment of the applicable permit fees plus penalties. Applicants and permittees are responsible for payment of fees prior to expiration of permits.

- B. INSTALLMENT PAYMENT OF FEES:** The fees established by this Rule may be paid in installments provided that the APCO approves such a payment plan after finding that immediate payment of the full fee would significantly impair the ability of the permittee to continue to operate its facilities. An additional \$50 shall be added to the amount due on each permit affected by any installment plan.

If the APCO denies an installment payment plan, the permittee may file an appeal with the District Board. The appeal must be filed prior to the expiration of the permit(s) to be affected by the requested installment payment plan.

No payment plan shall extend beyond one year from the date the fee would otherwise be due. If any payment is not made within the deadlines set out in the adopted plan, the permit for which the fee is due shall be immediately null and void.

- C. ANNUAL ADJUSTMENT:** All fees specified by this rule shall be automatically adjusted on July 1st of each year based on the change in the annual California Consumer Price Index, as determined pursuant to Section 2212 of the California Revenue and Taxation Code, for the preceding year.