

**MONTEREY BAY AIR RESOURCES DISTRICT
REGULATION III
FEES**

RULE 300. DISTRICT FEES

(Adopted 9-1-74; Revised 1-18-78, 5-31-78, 6-14-78, 5-20-81, 8-18-82, 6-13-83, 3-8-84, 7-19-84, 5-15-85, 7-17-85, 6-11-86, 3-25-87, 6-10-87, 9-16-87, 6-20-88, 12-14-88, 6-14-89, 1-17-90, 6-13-90, 6-26-91, 6-9-93, 11-17-93, 6-15-94, 5-17-95, 6-21-95, 6-19-96, 6-18-97, 6-17-98, 6-16-99, 6-21-00, 6-20-01, 6-19-02, 6-18-03; 6-16-04; 6-15-05; 6-21-06; 6-20-07; 6-18-08; 6-17-09; 6-30-10; 6-15-11; 6-18-14; 6-17-15; 6-15-16; and 6-21-17.)

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PART 1 GENERAL

1.1 Purpose

This Rule provides the mechanisms for assessing fees for the issuance and renewal of Permits to Operate, Authorities to Construct, and other actions in the District's permit system; and to recover District costs for requested services, materials, or equipment. The fees prescribed within this Rule do not exceed the cost of issuing, maintaining, and performing inspection activities pertaining to all permits.

1.2 Applicability

This Rule shall apply to all owners and operators of stationary sources which are required by District Rule 200 (Permits Required) to obtain an Authority to Construct or Permit to Operate; and to requesters of District services, materials, or equipment.

1.3 Exemptions

There are no exemptions from this Rule.

1.4 Effective Date

This Rule, as most recently revised, is effective on July 1, 2017.

1.5 References

The provisions of this Rule derive from California Health and Safety Code Section 42300 et seq., relating to district permit systems and fees. The requirement for Emission Statements derives from Section 182 of the federal Clean Air Act. Related or referenced District Rules include: 101 (Definitions); 200 (Permits Required); 201 (Permits Not Required); 217 (Annual Review of Permits); 301 (Permit Fee Schedules); 305 (Fees for Air Toxic Emissions Inventories and Risk Assessments); 308 (Title V: Federal Operating Permit Fees); 424 (NESHAPs); and 436 (Title V: General Prohibitory Rule).

PART 2 DEFINITIONS

2.1 Administrative Amendment

A modification to a Permit to Operate where an Authority to Construct is not required including, but not limited to; Transfer of Interest and Identical Replacement.

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2.2 Affected Pollutants

These species include:

- 2.2.1 all pollutants for which an ambient air quality standard has been established by the United States Environmental Protection Agency or the California Air Resources Board, as well as the precursors to such pollutants; and
- 2.2.2 all pollutants regulated by the United States Environmental Protection Agency under the federal Clean Air Act or by the California Air Resources Board under the California Health and Safety Code; and
- 2.2.3 all the pollutants which the United States Environmental Protection Agency, after notice and opportunity for public comment, or the California Air Resources Board or the District, after public hearing, determine may have significant adverse effect on the environment, the public health, or the public welfare; and
- 2.2.4 include, but are not limited to:
 - volatile organic compounds (VOC),
 - nitrogen oxides (NO_x),
 - sulfur oxides (SO_x),
 - particulate matter less than 10 micrometers in aerodynamic diameter (PM₁₀),
 - total suspended particulates (TSP),
 - carbon monoxide (CO),
 - vinyl chloride,
 - asbestos,
 - beryllium,
 - lead,
 - mercury,
 - fluorides,
 - sulfuric acid mist,
 - hydrogen sulfide,
 - reduced sulfur compounds.

2.3 Annual Renewal Fee

A fee to be paid by permittees for the annual renewal of Permits to Operate and Authorities to Construct. The Annual Renewal Fee is determined by reference to the provisions of Part 4 of this Rule, and is a necessary prerequisite to the renewal of all permits. More than one annual renewal fee determination under the provisions of Part 4 may be applicable in calculating the total Annual Renewal Fee for a permit.

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2.4 Billable Emissions

The quantity of the combined annual emissions of nitrogen oxides (expressed as nitrogen dioxide), total organic gases (except those containing sulfur), gaseous sulfur compounds, expressed as sulfur dioxide, ammonia, all particulate matter, and carbon monoxide. The billable emissions are rounded to the nearest ton for amounts greater than or equal to 300 tons; to the nearest tenth of a ton for amounts less than 300 tons. Annual renewal fees for all Permits to Operate and Authorities to Construct which are determined with reference to annual emissions shall be based upon the billable emissions from each permit unit or source as determined by this Rule or the District's Fee Determination Protocol.

2.5 Hourly Staff Rate

The cost assessed by the District per hour of staff time as set forth in Rule 301, Table 1 Hourly Staff Rate.

2.6 Identical Replacement

Where an application is filed for a revised Permit to Operate by reason of an identical replacement of an entire permitted unit or a component thereof, where a revision to the equipment description of the existing permit is necessary.

2.7 Transfer of Interest

Where an application is filed for the transfer from the prior permittee to a successor in interest of a Permit to Operate or an Authority to Construct, and where no alteration, addition, or change in location of the permitted equipment has been made.

2.8 Volatile Organic Compound (VOC)

As defined in District Rule 101 (Definitions).

PART 3 PERMIT FEES

3.1 Filing Fee

Every applicant for an Authority to Construct or a Permit to Operate any article, machine, equipment, or other contrivance for which an Authority to Construct or Permit to Operate is required by State law or District rule shall pay a filing fee as set forth in Rule 301, Table 1 Filing Fee.

3.1.1 Any filing fee shall be tendered along with the application for which it is due.

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Any application for an Authority to Construct or Permit to Operate shall not be complete until the filing fee and applicable permit fee(s) are paid.

3.2 Permit to Operate

Every applicant for a Permit to Operate for an existing source, which does not presently hold any current District permit, shall, in addition to the filing fee prescribed herein, pay the permit fee(s) prescribed by the applicable schedule(s) set forth in District Rule 301 (Permit Fee Schedules).

3.2.1 The permit fee(s) determined from Rule 301 shall be tendered along with the completed application and the filing fee. An application for a Permit to Operate is not complete until the applicable permit fee(s) and filing fee are paid.

3.2.2 In the event any additional permit fee is incurred prior to issuance of the Permit to Operate, the applicant shall pay the additional fee within 30 days of the District's subsequent billing(s). Additional permit fees are incurred when the applicant requests revisions to the project, or where, due to some other circumstance, the District's actual cost to complete the permit process, based on the hourly staff rate, exceeds the Rule 301 fee(s) paid.

3.2.2.1 The District may bill the applicant for additional permit fee(s) incurred when it has completed its processing of the application. The Permit to Operate shall be issued upon receipt of the applicant's payment of this final billing. If no additional permit fee has been incurred, the Permit to Operate shall be issued upon the District's completion of its evaluation and determination that the requested permit may be issued.

3.2.2.2 Alternatively, the District may bill the applicant periodically for additional permit fee(s) incurred in the course of a project of long duration. Upon good cause, the District may suspend action on the application until payment of periodic billing statements is received, but such suspension is not mandatory. The Permit to Operate shall be issued upon the District's completion of its processing of the application and receipt of the applicant's payment of the final billing statement.

3.3 Authority to Construct

Every applicant for an Authority to Construct for a new source or for modification(s) to an existing source shall, in addition to the filing fee prescribed herein, pay the permit

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fee(s) prescribed by the applicable schedule set forth in District Rule 301 (Permit Fee Schedules).

3.3.1 The permit fee(s) determined from Rule 301 shall be tendered along with the completed application and the filing fee. An application for an Authority to Construct is not complete until the applicable permit fee(s) and filing fee are paid.

3.3.2 In the event any additional permit fee is incurred prior to issuance of the final Permit to Operate, the applicant shall pay the additional fee within 30 days of the District's subsequent billing(s). Additional permit fees are incurred when the applicant requests revisions to the project, or where, due to some other circumstance, the District's actual cost to complete the permit process, based on the hourly staff rate, exceeds the Rule 301 fee(s) paid.

3.3.2.1 The District may bill the applicant for additional permit fee(s) incurred when it has completed its processing of the application. The final Permit to Operate for the project shall be issued upon receipt of the applicant's payment of this final billing. If no additional permit fee has been incurred, the final Permit to Operate shall be issued upon the District's completion of its evaluation and determination that the final Permit to Operate may be issued.

3.3.2.2 Alternatively, the District may bill the applicant periodically for additional permit fee(s) incurred in the course of a project of long duration. Upon good cause, the District may suspend action on the application until payment of periodic billing statements is received, but such suspension is not mandatory. The final Permit to Operate shall be issued upon the District's completion of its processing of the application and receipt of the applicant's payment of the final billing statement.

3.4 Synthetic Minor Permits

3.4.1 Filing Fee

Every applicant for a new Synthetic Minor Permit or modification to an existing Synthetic Minor Permit shall pay a filing fee as set forth in Rule 301, Table 1.

3.4.2 Evaluation Fee

In addition to the filing fee, every applicant for a new Synthetic Minor Permit or modification to an existing Synthetic Minor Permit shall pay an evaluation fee as set

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forth in Rule 301, Table 1.

3.4.3 Change of Ownership Fee

Every applicant for a change of ownership shall pay a filing fee as set forth in Section 3.4.1, plus a fee based on the District's actual cost to complete the permit process in accordance with the District hourly staff rate.

3.5 Transfer in Interest

Every application for a transfer of interest shall, in addition to the filing fee prescribed in Section 3.1 herein, pay an administrative amendment fee.

3.5.1 Only a valid Permit to Operate or Authority to Construct may be transferred. If any such permit has not been renewed by payment of the Annual Renewal Fee pursuant to Section 4.1 or 6.1, or a fee pursuant to Rule 305, for which a billing statement is outstanding, the transfer of ownership fee shall include the outstanding Annual Renewal Fee or Rule 305 fee. The transfer in interest fee shall not include any Part 5 delinquency penalties associated with the outstanding Annual Renewal Fee or Rule 305 fee, except where the successor in interest includes any person who was a partner or equity holder in the transferring business.

3.6 Transfer of Location

Where an application is filed for a revised Permit to Operate by reason of a transfer of the location of already-permitted equipment, where there is no change in ownership and no modification of the transferred equipment, the applicant shall, in addition to the filing fee prescribed in Section 3.1 herein, pay an administrative amendment fee.

3.6.1 Only a valid Permit to Operate may be transferred. If any such permit has not been renewed by payment of the Annual Renewal Fee pursuant to Section 4.1 or 6.1, or a fee pursuant to Rule 305, for which a billing statement is outstanding, the transfer of location fee shall include the outstanding Annual Renewal Fee or Rule 305 fee.

3.6.2 Any transfer of location fee shall be tendered along with the application for which it is due. Any application for transfer of location shall not be complete until the transfer of location fee is paid and a completed Annual Renewal Information Request is submitted, if such Information Request is outstanding at the time of application.

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3.7 Identical Replacement

Every application for an Identical Replacement shall, in addition to the filing fee prescribed in Section 3.1 herein, pay an administrative amendment fee.

3.8 Written Permit Exemption

Every application requesting a written permit exemption from the District shall pay the equivalent of three hours of staff time based on the hourly staff rate.

3.9 Permit Granted by Hearing Board

In the event a Permit to Operate or Authority to Construct is granted by the Hearing Board after denial by the Air Pollution Control Officer, the permit fee provisions prescribed by Sections 3.2 or 3.3 shall apply, except that the applicable fee shall be paid within 30 days of the date of billing by the District.

3.10 Revising Permit Terms or Conditions

Where an application is filed requesting revisions to the terms or conditions of an existing Permit to Operate, or when the District issues a revised Permit to Operate pursuant to Rule 217 (Annual Review of Permits), the applicant shall pay the actual cost incurred by the District in processing the application or completing the Rule 217 revisions. Such fee shall be paid within 30 days of the date of billing by the District, and shall be based on the hourly staff rate and the staff time expended in processing the application or completing the Rule 217 permit revisions.

3.10.1 Any application requesting revisions to the terms or conditions of an existing Permit to Operate shall be accompanied by a filing fee as set forth in Rule 301, Table 1 Filing Fee, and the application shall not be complete until the filing fee is paid.

3.10.2 The revised Permit to Operate requested by the applicant shall be issued upon the District's receipt of the applicant's payment of the revision fee.

3.10.3 The revised Permit to Operate initiated by the District pursuant to Rule 217 shall be issued upon its completion. The Rule 217 revision fee incurred pursuant to above may be billed along with the next annual permit renewal fee billing issued by the District pursuant to Part 4 below, or it may be billed separately, upon the District's election.

3.10.4 The annual renewal date of any revised Permit to Operate shall continue to be the anniversary date of the original permit.

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3.11 Withdrawal or Denial

When an application for any of the above permit actions is submitted to the District it initiates action by the District, which commits staff resources in reliance upon the request of the applicant. In the event an applicant withdraws or cancels its application, or the District denies the requested Permit to Operate or Authority to Construct, the resources expended by the District in processing the application become an obligation owing to the District as follows:

- 3.11.1 Any filing fee, transfer in interest fee, transfer of location fee, or identical replacement fee, prescribed by Sections 3.1, 3.5, 3.6, or 3.7, is utilized in the initial processing of the application and is non-refundable upon any withdrawal or denial.
- 3.11.2 The unused portion of any permit fee paid pursuant to Section 3.2 or 3.3 shall be refunded by the District after an application has been withdrawn or denied. The unused portion shall be determined by subtracting the time spent on the application times the hourly staff rate from the amount of the fee paid by the applicant.
- 3.11.3 The actual time spent by the District in processing any application for a revision to permit terms or conditions, pursuant to Section 3.8, shall be billed by the District based on the hourly staff rate upon withdrawal or denial of the application. Such fee shall be paid within 30 days of the date of billing, and constitutes a legal obligation owing to the District for work done in reliance upon the applicant's request.

3.12 Multiple Locations

When any permit has been issued to operate movable equipment, or to operate equipment at more than one location, only one annual renewal fee will be charged. The annual renewal date will be the anniversary date of the issuance of the original permit.

3.13 Government Agencies

Federal, State, or local governmental agencies, offices, or special districts shall pay the fees set forth in this Rule to the extent allowed under Chapter 2, Division 7, Table 1 of the California Government Code (commencing with Section 6103) and Chapter 55, Part 3, Division 26 of the California Health and Safety Code (commencing with Section 42311).

3.14 Professional Services, Materials, and Equipment Charges to Applicants for, or Holders of, District Permits

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Where the District supplies professional services, courtesy inspections, materials, or equipment at the request of any applicant for, or holder of, a District permit, the requesting party(ies) shall pay the actual cost incurred by the District in providing such services, materials or equipment. Such fee shall be based on the hourly staff rate and the staff time spent performing the services, and upon the actual cost of any materials and equipment supplied, and shall be paid within 30 days of the date of billing by the District. The District may bill for such services, materials or equipment either in conjunction with the next annual renewal fee billing or it may issue billing statements periodically for work it has completed. Where the request is from a small, identifiable group of permittees, the fee may be prorated among them.

3.14.1 District costs for such services, materials or equipment may not be recovered pursuant to this Section where funding is otherwise available from other fee schedules. The District may elect to provide such services, materials or equipment without charge or at reduced cost to promote legitimate District interests.

3.15 CEQA Compliance

Where the District performs any of the requirements of the California Environmental Quality Act (CEQA) in connection with its evaluation and issuance of any Permit to Operate or Authority to Construct, the applicant or permit holder shall pay the actual cost incurred by the District in performing such requirements. Such fee shall be an addition to any other permit fee(s) determined pursuant to this Rule, and shall be based on the hourly staff rate and the staff time spent performing the requirements plus the actual cost of any contractors retained to perform any of the requirements, and it shall be paid within 30 days of the date of billing by the District.

3.16 Payment of Fees

3.16.1 No Permit to Operate or Authority to Construct shall be issued to any applicant until any applicable fee pursuant to this Rule, and any other fee obligation of the applicant arising under any other District rule, is paid in full.

3.16.2 All fees prescribed by this Rule must be paid in full by check or money order within the time periods specified. Partial payments are not accepted and will not constitute satisfaction of the obligation established by this Rule, nor will they suspend the running of the period of time during which payments must be made. In the event fees are not paid within the periods set forth herein, the provisions of Part 5 shall apply.

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PART 4 ANNUAL RENEWAL FEES (ARFs)

4.1 Renewing Permits

Every Permit to Operate and Authority to Construct issued by the District is valid for a period of one year from the date of its issuance or renewal. Each Permit to Operate and Authority to Construct is renewable one year after the date of issuance, and annually thereafter, upon payment of the Annual Renewal Fee determined in accordance with all applicable provisions of this Part. When a Permit to Operate is issued for a project previously issued an Authority to Construct, the annual renewal date of the Permit to Operate shall remain the same as the renewal date of the Authority to Construct.

4.1.1 Any Permit to Operate or Authority to Construct which is not renewed in accordance with the provisions of this Part shall expire and become void as provided in Part 5. After such expiration of any Permit to Operate or Authority to Construct, continued operation, building, or modification of the subject unit or facility is prohibited until such time as a complete application for a replacement Permit to Operate or Authority to Construct is submitted to the District.

4.1.2 Any Rule 217 permit revision fee which has accrued pursuant to Section 3.10 within the prior 12 months shall be included on the Annual Renewal Fee billing statement(s) issued by the District.

4.1.3 No Permit to Operate or Authority to Construct may be renewed until all outstanding fees pursuant to this Rule, and any other fee obligation(s) of the permit owner arising under any other District rule, are paid in full.

4.2 Renewal Procedure

For sources not identified in Section 4.3, the District shall notify the permittee by mail of the Annual Renewal Fee due and the date by which it must be submitted to the District. The Annual Renewal Fee and the Rule 217 revision fee, if any, must be submitted within the time period specified in the renewal fee billing statement in order to complete the renewal of the Permit(s) to Operate or Authority(ies) to Construct.

4.2.1 As requested by the District, any permitted source, as determined by the District, shall complete and return the Inventory Reporting Form(s) as provided by the District within the time period specified. Failure to timely complete and submit the Form(s) may result in suspension of the Permit to Operate or Authority to Construct.

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4.3 Renewal Procedure; Source Specific Categories

The District will assess an Annual Renewal Fee for each permit issued to the following source categories as set forth in Rule 301, Table 1 Annual Renewal Fee for Source Specific Categories:

- Dry Cleaner
- Emergency Diesel Fueled Internal Combustion Engine (current fee code 502)
- Emergency Diesel Fueled Internal Combustion Engine (current fee code 501)
- Emergency Non-Diesel Fueled Internal Combustion Engine
- Fume Hood
- Fossil-Fueled Power Plant Gas Turbine
- Fossil-Fueled Power Plant Boiler
- Lime Processing Facility (based on 3-year average production rate):
 - Kiln production rate < 100,000 short tons per year
 - Kiln production rate > 100,000 short tons per year
- Cannabis Cultivation/Manufacturing/Processing Operations
- Cannabis Cultivation/Manufacturing/Processing Odors
- Synthetic Minor Permit

4.3.2 Annual Renewal Fee Reduction For Non-Operational Periods

Commencing Fiscal Year 2009/2010, permittees whose operations do not result in emission of pollutants from stationary equipment during any continuous six-month period in a District fiscal year (July 1 – June 30) may request a refund of 25% of the annual renewal fee paid for that fiscal year. This request must be submitted to the District within 30 days of the end of the six-month non-operational period.

The APCO shall have discretion to approve a refund request where there may have been incidental or de-minimis operation of permitted equipment for brief periods of time, for example for routine maintenance or upkeep, provided that the emissions were minimal.

4.4 Annual Renewal Fee Determination

An annual renewal fee for each Permit to Operate or Authority to Construct held by sources not covered by Section 4.3, 4.6, 4.7, 4.8, or 4.9 shall be determined as set forth in Rule 301, Table 1 Annual Renewal Fee.

4.5 Annual Renewal Fee Determination; All Facilities Required to Submit Permit Compliance Data, Monthly or Annual Reports

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In addition to any other annual renewal fees required by other applicable Sections of this Rule, the District may impose an hourly or flat fee as set forth in Rule 301, Table 1 Annual Renewal Fee Determination; Section 4.5, for the purpose of recovering its estimated cost for planning, preliminary evaluation, sampling, sample analysis, calculations, and report preparation with respect to samples of emissions, or other emissions or general compliance determinations when such activity is necessary to determine compliance with permit conditions or with any state or local law, order, rule or regulation relating to air pollution.

4.5.1 Facilities with monthly reporting requirements not subject to Annual Federal Operating Permit Fees under the provisions of Rule 308 (Title V: Federal Operating Permit Fees): See Rule 301, Table 1 Fee Schedule, Section 4.5.1

4.5.2 Facilities with Process Statement requirements pursuant to Rule 436.5.1 (Title V: General Prohibitory Rule) and not subject to Annual Federal Operating Permit Fees under the provisions of Rule 308 (Title V: Federal Operating Permit Fees): See Rule 301, Table 1 Fee Schedule, Section 4.5.2

4.5.3 Facilities with reporting requirements pursuant to the State's Greenhouse Gas Regulation for Municipal Solid Waste Landfills, or other regulatory mandates: See Rule 301, Table 1 Fee Schedule, Section 4.5.3

All other emissions or general compliance evaluations: Based on hourly staff rate as set forth in Rule 301, Table 1 Hourly Staff Rate

4.6 Annual Renewal Fee Determination; Gasoline Dispensing Facilities with Phase II Vapor Recovery Systems

4.6.1 Non-Assisted Systems - An annual renewal fee for each Permit to Operate for gasoline dispensing facilities with a non-assisted Phase II vapor recovery system shall be determined by the following formula:

$$\text{Fee} = a + b$$

where "a" = nozzle fee determined by multiplying the total number of gasoline nozzles at the facility times the per nozzle fee as set forth in Rule 301, Table 1 Gasoline Throughput Fees.

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"b" = throughput fee based on the gasoline throughput at the facility,
as set forth in Rule 301, Table 1 Gasoline Throughput Fees.

- 4.6.2 Assisted Systems - An annual renewal fee for each Permit to Operate for gasoline dispensing facilities with an assisted Phase II vapor recovery system shall be determined by the following formula:

$$\text{Fee} = a + b$$

where "a" = nozzle fee determined by multiplying the total number of gasoline nozzles at the facility times the number of grades dispensed by each nozzle times the nozzle fee as set forth in Rule 301, Table 1 Gasoline Throughput Fees.

"b" = throughput fee based on the annual gasoline throughput at the facility, as set forth in Rule 301, Table 1 Gasoline Throughput Fees.

4.7 Wastewater Treatment Facilities Fee Schedule

An annual renewal fee for each Permit to Operate for wastewater treatment facilities, separate from permits for ancillary equipment, shall be determined according to Rule 301, Table 1 Wastewater Treatment Facilities Fee.

4.8 Annual Renewal Fee Determination; NESHAPs Sources

An annual renewal fee for all aggregated Permits to Operate for facilities which are subject to the requirements contained in District Rule 424 Part 4, Subpart M (National Emission Standards for Asbestos) shall be assessed a fee as set forth in Rule 301, Table 1 Asbestos NESHAP Fees for each entire facility.

4.9 Annual Renewal Fee Determination; Methyl Bromide Fumigation Chambers

A methyl bromide fumigation chamber operator holding a valid permit issued by a County Agricultural Commissioner who is implementing the 1996 Memorandum of Understanding between the Monterey, San Benito and Santa Cruz County Agricultural Commissioners and the District, shall be exempt from any Annual Renewal Fee for the District Permit to Operate that fumigation chamber, unless circumstances have arisen during the year which require District resources to be expended. In such cases an annual renewal fee as set forth in Rule 301, Table 1 Fumigation Chamber shall be paid upon notice by the District.

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4.10 Annual Renewal Fee Determination; Authorities to Construct

An annual renewal fee for each Authority to Construct (ATC) held by sources shall be the sum of the Authorities to Construct fee plus an emission fee, as set forth in Rule 301, Table 1 Other Annual Renewal Fees and as determined by the District in accordance with Section 4.4, 4.6, 4.7, 4.8 or 4.9 of this rule, for the operation of any article, machine, equipment or other contrivance as specified within the Authority to Construct, and which does not hold a valid permit to operate.

4.11 Annual Renewal Fee Determination; Toxics Program Sources

In addition to any other annual renewal fee determinations required by other Sections of this Rule, all Permits to Operate and Authorities to Construct issued for sources of toxic air contaminant emissions, with the exception of sources subject to Section 4.8 of this Rule, shall be assessed an annual toxics program fee as set forth in Rule 301, Table 1 Other Annual Renewal Fee Determination.

PART 5 DELINQUENCY PENALTIES

5.1 Permit Fee and Annual Renewal Fee Delinquency Penalties

If any fee payment required pursuant to Part 3 or Part 4 of this Rule is not submitted within 60 days of the issuance date of the District's billing statement, it shall be considered delinquent, and penalties for the delinquency shall be imposed as set forth below.

- 5.1.1 For purposes of this Part any fee payment shall be considered to be timely if it is postmarked on or before the 60th day following the statement issuance date. If the 60th day falls on a Saturday, Sunday, or holiday, the fee payment may be postmarked on the next business day with the same effect as if it had been postmarked on the 60th day.
- 5.1.2 If no fee payment is submitted within the time prescribed by Section 5.1.1, a delinquency penalty of 25 percent of the amount of the billed fee, to a maximum of \$5,000, shall be added to the amount of fee due.
- 5.1.3 If a fee payment is timely paid, but the tendered amount is less than the amount due, the payment shall not be accepted, and the time for proper payment continues to run.
- 5.1.4 If an Annual Renewal Fee (Part 4), requested revision fee, or Rule 217 revision fee (Section 3.10) payment is delinquent and the fee plus the delinquency penalty is not received within 90 days of the issuance date of the District's

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billing statement, the delinquency penalty shall be increased to 50 percent of the original amount due, to a maximum of \$7,500.

- 5.1.5 If, in the case of a failure to pay permit fees required pursuant to Part 3 (except Section 3.10), the delinquent fee plus penalties assessed pursuant to Section 5.1.2 are not received within 120 days of the issuance date of the District's billing statement, the permittee shall be considered to be in default of its permit fee obligation and its Permit to Operate or Authority to Construct is denied and that further operation of the subject equipment without a valid permit is prohibited. Such denial shall not preclude the applicant from submitting another permit application and beginning the process anew, although the delinquent fee and all penalties shall become an obligation owing to the District, which may be recovered along with any permit fee from such new application.
- 5.1.6 If, in the case of a failure to pay Rule 217 revision fees (Section 3.10), or Annual Renewal Fees (Part 4), the delinquent Annual Renewal Fee plus penalties assessed pursuant to Section 5.1.4 are not submitted within 120 days of the issuance date of the District's billing statement, any affected Permit to Operate or Authority to Construct shall automatically expire and that further operation of the subject equipment without a valid permit is prohibited. In the event the person whose permit has expired applies for a new permit, the unpaid Annual Renewal Fee and all penalties shall be recovered along with any permit fee from such new application.
- 5.1.7 If, in the case of a failure to pay the permit fee for a permit issued by the Hearing Board (Section 3.9), the delinquent fee plus penalty assessed pursuant to Section 5.1.2 is not received within 60 days of the issuance date of the District's billing statement, the delinquency penalty shall be increased to 50 percent of the original amount due, to a maximum of \$7,500.
- 5.1.7.1 If the delinquent permit fee plus penalties assessed pursuant to Sections 5.1.2 and 5.1.7 are not submitted within 90 days of the issuance date of the District's billing statement, the permittee shall be in default of its fee obligation and in violation of this Rule. In such case, the Air Pollution Control Officer shall petition the District Hearing Board to hold a hearing to determine whether any or all of the facility's permits should be revoked pursuant to Health and Safety Code Section 42307.
- 5.1.7.2 After the District has initiated a permit revocation action through the filing of an accusation with the Hearing Board, but before the revocation hearing is held, the permittee may still cure its default

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by submitting all outstanding fees, plus delinquency penalties and a revocation initiation fee as set forth in Rule 301, Table 1
Revocation Initiation.

- 5.1.7.3 If any Permit to Operate is revoked by the Hearing Board on account of such default, it may be reinstated or replaced with a new permit, upon written request of the permittee and upon full payment of all outstanding fees, penalties, revocation initiation fee, and a reinstatement fee as set forth in Rule 301, Table 1
Reinstatement.

5.2 Extension of Payment Period by the APCO

The 60-day payment period for fee payment required pursuant to Part 3 or Part 4 of this Rule may be extended for extraordinary circumstances at the discretion of the Air Pollution Control Officer (APCO). The adequacy of cause to extend the period shall be decided on a case-by-case basis by the APCO.

5.3 Waiver of Penalty by the APCO

The penalty for fee delinquency may be waived for extraordinary circumstances at the discretion of the APCO, provided that there have been no prior delinquencies. The adequacy of cause to waive the penalty shall be decided on a case-by-case basis by the APCO.

PART 6 EMISSION REDUCTION CREDIT FEES

6.1 Emission Reduction Credits (ERCs)

To the extent that ERCs are credited to the ERC Registry developed pursuant to Rule 215, and for the ERCs to remain valid, the fees specified in Sections 6.1.1 and 6.1.2 below shall be paid within 30 days of the issuance of the District's billing statement. ERC Banking Certificates are not in effect and cannot be traded or used in any manner unless the appropriate fees required herein have been fully paid.

6.1.1 ERC Registry Fee

Every applicant shall pay an initial registration fee as set forth in Rule 301, Table 1 Other Annual Renewal Fee Determination for registration in the ERC Registry. However, if the District determines that this fee does not fairly represent the District's engineering, inspecting, and evaluation costs in processing the subject application, the District shall assess an additional registry fee based on the actual estimated costs incurred by the District in

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processing the application at the hourly staff rate. Registry fees assessed under this schedule may be appealed to the Hearing Board in accordance with Regulation VI provisions.

6.1.2 Annual Registry Fee

Every person registered in the ERC Registry shall pay an annual banking fee as set forth in Rule 301, Table 1 Other Annual Renewal Fee Determination. However, the District may assess an additional annual registry fee based on the actual estimated costs incurred by the District in maintaining the subject ERC Registry account at the hourly staff rate. Annual registry fees assessed under this schedule may be appealed to the Hearing Board in accordance with Regulation VI provisions.

PART 7 MISCELLANEOUS FEES

7.1 Other Professional Services, Materials, Equipment Charges

Where the District supplies professional services, courtesy inspections, materials, or equipment at the request of any person not subject to the provisions of Section 3.14, the requesting party(ies) shall pay the actual cost incurred by the District in providing such services, materials or equipment. Such fee shall be based on the hourly staff rate and the staff time spent performing the services, and upon the actual cost of any materials and equipment supplied, and shall be paid within 30 days of the date of billing by the District. Where the request is from a small, identifiable group of requesters, the fee may be prorated among them. The District may elect to provide such services, materials or equipment without charge or at reduced cost to promote legitimate District interests.

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