

## **RULE 4.1 PERMIT FEES - STATIONARY SOURCE**

**Cost Recovery Adjustment: July 1, 2023**

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**100 GENERAL**

101 **PURPOSE:** To establish permit fees to be charged stationary sources subject to Rule 3.1 or 3.8, and applicants requesting to deposit or withdraw emission reduction credits pursuant to Rule 3.5.

102 **PUBLIC AGENCIES NOT EXEMPT:** Federal, state, or local government agencies or public agencies shall pay fees to the extent allowed under Chapter 2, Division 7, Title 1 of the government code (commencing with Section 6100) and Section 42311 of Division 26 of the California Health and Safety Code.

**200 DEFINITIONS**

201 **CANCELLED APPLICATION:** Any application which has been withdrawn by the applicant.

202 **INITIAL AUTHORITY TO CONSTRUCT:** An application for authority to construct when the piece of equipment is not under a district permit to operate.

203 **INITIAL PERMIT FEE:** A fee for each new permit based on the type and size of the source.

204 **PERMIT RENEWAL FEE:** A fee required for the annual renewal of a permit to operate.

205 **SOURCE:** Any operation that produces and/or emits air pollutants.

**300 STANDARDS**

301 **INITIAL PERMIT FEE:** Every applicant for an initial authority to construct shall pay the estimated initial permit fee in Section 307 of this rule upon filing the application.

301.1 Within 30 days of receipt of an application for initial authority to construct or modification of a permit to operate pursuant to Section 305, the Air Pollution Control Officer may notify the applicant that, due to the complexity of the application, the permit processing fees shall be based on the actual hours spent by the District staff in evaluating the application and verifying equipment compliance. This fee shall be assessed in accordance with the hourly rate established in Section 307.10. 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 the actual submission of a complete application. The deposit shall 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 involving the disposal of hazardous, toxic, or infectious waste by incineration, or other thermal process.
- F. Equipment involving the emission of hazardous or toxic materials.
- G. Equipment that is expected to emit 25 tons, or more, per year of any pollutant, or which is expected to increase the emissions of any pollutant from an existing facility by 25 tons, or more, per year.

H. Any project for which the evaluation is expected to take 10 hours or more.

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 with the application that would reduce the time spent by the Air Pollution Control Officer in reviewing the application. The Air Pollution Control Officer's cost estimate shall be reduced accordingly.

302 **PERMIT RENEWAL FEE:** Every holder of a permit to operate shall pay a fee for the annual permit renewal. The permit renewal fee shall be the total of:

302.1 The Permit Renewal Fee indicated by the appropriate schedule of Section 307 of this rule, and;

302.2 The calculated fee for the total permitted tons of each pollutant is indicated by the following table. The minimum fee shall be that for one ton per year. The total tons of each pollutant shall be the permitted emissions rounded up to the next whole ton.

**Table 1**

<b>Pollutant</b>	<b>Fee Per Ton of Permitted Emissions During 12 Month Period</b>
Carbon Monoxide (CO)	<b>\$48</b>
Nitrogen Oxides (NOx)	<b>\$48</b>
Volatile Organic Compounds (VOC)	<b>\$48</b>
Sulfur Oxides (SOx)	<b>\$48</b>
PM10	<b>\$48</b>

302.3 The holder of permits with more than one-anniversary date may request a common renewal date and that fees be prorated as necessary.

303 **CANCELLATION OR WITHDRAWAL:** If an application for an authority to construct is canceled or denied or a permit to operate is canceled or denied, the fees paid shall not be refunded nor applied to any other application. Fees paid under Section 301.1 that are not used prior to an application being withdrawn by the applicant shall be refunded upon request.

304 **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.

305 **ALTERATIONS, ADDITIONS, REVISIONS, OR CHANGE IN CONDITIONS:** When an application is filed for a revision of a permit to operate, the applicant shall pay a permit fee of **\$754**.

306 **CHANGE OF OWNERSHIP OR CHANGE OF NAME:** 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 canceled under Section 401 of this rule, or an application is filed to change the name on a permit, the applicant shall pay a fee of **\$126** per facility.

307 **SCHEDULES FOR INITIAL PERMIT FEE AND PERMIT REVENWAL FEE**

307.1 It is determined that the cost of issuing permits and of inspections pertaining to such issuance exceeds the fees specified in this rule. If more than one fee schedule is applicable to a permit, the governing schedule shall be that which results in the higher fee. When a group of machines are included in a single permit, the permit fee shall be based on the total rating of the group.

307.2 **SCHEDULE 1, ELECTRIC MOTOR HORSEPOWER SCHEDULE:** Any equipment, the use of which may cause the issuance of air contaminants, using electric motors as a power source shall be assessed a permit fee based on the cumulative total rated horsepower of all electric motors included, in accordance with the following schedule:

Horsepower Fee	Initial Permit Fee	Permit Renewal Fee
Less than 5	\$494	\$249
5 to 49	\$993	\$493
50 to 199	\$1986	\$993
200 or greater	\$3972	\$1986

307.3 **SCHEDULE 2, FUEL BURNING SCHEDULE:** Any equipment, the use of which may cause the issuance of air contaminants, in which fuel is burned, with the exception of incinerators which are covered in Schedule 4, shall be assessed a permit fee based upon the design fuel consumption of the equipment expressed in millions of British Thermal Units (BTU) per hour, using gross heating values of the fuel, in accordance with the following schedule:

Million BTU Per Hour	Initial Permit Fee	Permit Renewal Fee
Less than 1	\$248	\$125
1 to 9	\$494	\$249
10 to 49	\$993	\$493
50 to 99	\$1986	\$993
100 or greater	\$3972	\$1986

307.4 **SCHEDULE 3, ELECTRICAL ENERGY SCHEDULE:** Any equipment, the use of which may cause the issuance of air contaminants, which uses electrical energy, with the exception of motors covered in Schedule 1, shall be assessed a permit fee based on total Kilovolt Ampere (KVA) ratings, in accordance with the following schedule:

Kilovolt Ampere	Initial Permit Fee	Permit Renewal Fee
Less than 150	\$993	\$493
150 or greater	\$3972	\$1986

307.5 **SCHEDULE 4, INCINERATOR SCHEDULE:** Any equipment, the use of which may cause the issuance of air contaminants, designed and used primarily to dispose of combustible refuse by wholly consuming the material charged leaving only the ashes or residue shall be assessed a permit fee based on the maximum horizontal

inside cross-sectional area, in square feet, of the primary combustion chamber, in accordance with the following schedule:

Area, Sq. Ft.	Initial Permit Fee	Permit Renewal Fee
Less than 10	\$993	\$493
10 to 39	\$2970	\$1487
40 to 99	\$3972	\$1986
100 or greater	\$4957	\$2477

- 307.6 **SCHEDULE 5, STATIONARY CONTAINER SCHEDULE:** Any stationary tank, reservoir, or other container, the use of which may cause the issuance of air contaminants, with the exception of permit renewal fees for stationary storage tanks covered in Schedule 6, shall be assessed a permit fee based on the capacity in gallons, in accordance with the following schedule:

Gallons	Initial Permit Fee	Permit Renewal Fee
Less than 40,000	\$993	\$493
40,000 to 399,999	\$3972	\$1986
400,000 or greater	\$4957	\$2477

- 307.7 **SCHEDULE 6, GASOLINE FUELING EQUIPMENT SCHEDULE:** Any gasoline fueling equipment at a single location including stationary gasoline storage tanks, dispensers, and vapor recovery systems shall be assessed a permit renewal fee based on the number of gasoline dispensing nozzles in accordance with the following schedule:

Gasoline Nozzles	Initial Permit Fee	Permit Renewal Fee
Gasoline dispensing with phase I or II vapor recovery system	\$993 minimum @ \$138 per nozzle	\$493 minimum @ \$73 per nozzle
The permit renewal fee for a gasoline dispensing facility granted an exemption for nozzle vapor recovery by Rule 2.22 shall be <b>\$380</b> .		

- 307.8 **SCHEDULE 7, INTERNAL COMBUSTION ENGINE HORSEPOWER SCHEDULE:** Any equipment using internal combustion engines as a power source, the use of which may cause the issuance of air contaminants, shall be assessed a permit fee based on the cumulative total rated horsepower of all internal combustion engines included, in accordance with the following schedule:

Horsepower	Initial Permit Fee	Permit Renewal Fee
Less than 50	\$248	\$125
50 to 249	\$494	\$249
250 to 499	\$993	\$493
500 to 999	\$1986	\$993
1000 or greater	\$3972	\$1986

- 307.9 **SCHEDULE 8, MISCELLANEOUS EQUIPMENT:** Each permit of a dry cleaning plant, paint spraying operation, sandblasting operation, natural gas dehydration system, soil or groundwater remediation operation or equipment, which is not included in the preceding schedules shall be assessed an initial permit fee of **\$993** and a permit renewal fee of **\$493**.

307.10 **SCHEDULE 9, TIME AND MATERIALS LABOR RATE:** This Schedule shall only be applicable to fees required by Sections 301.1, 309, 311, 312, and 314. The rate for time and materials shall be **\$126** per hour.

308 **DUPLICATE PERMITS:** A request for a duplicate permit shall be made in writing by the permittee. A fee of **\$36** shall be charged for issuing a duplicate permit.

309 **SOURCE TEST OBSERVATION AND REPORT EVALUATION:** A fee of **\$1512** will be charged against the owner or operator of a source 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.

Source testing conducted for gasoline dispensing facilities and screening analyses using a portable analyzer will be charged based on the actual hours spent observing the test and evaluating the testing report. The fee shall be assessed in accordance with the time and materials rate established in Section 307.10 of this rule. The fee shall not exceed **\$1512** for each testing event.

310 **ANALYSIS FEES:** Whenever the Air Pollution Control Officer finds that an analysis of the emission from any source is necessary to determine the extent and amount of pollutants being discharged into the atmosphere which cannot be determined by visual observation, he may offer the collection of samples and the analysis made by qualified personnel of the Air Pollution Control District. The time required for collecting samples, making the analysis, and preparing the necessary reports, but excluding the 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, which said sum is 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 Air Pollution Control Officer in performing an analysis of the emission from the source. The Air Pollution Control Officer's cost estimate shall be reduced accordingly.

311 **FEE FOR INFORMATION RELATED TO A SPECIFIC EMISSION SOURCE:** If the Air Pollution Control Officer finds that a request for information related to a specific emission source is for a purpose other than obtaining a permit to construct or a permit to operate for that specific emission source, a fee may be assessed based on the time and materials labor rate in Section 307.10.

312 **TITLE V OPERATING PERMIT FEES:** Notwithstanding Section 305 of this rule, the fee for (1) the issuance of an initial Title V operating permit, (2) the modification of a Title V operating permit, (3) an administrative Title V permit amendment or (4) the renewal of a Title V operating permit 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 time and materials rate established in Section 307.10 of this rule. The maximum number of hours the District may charge for the initial issuance, modification, amendment, or renewal of a Title V permit is 250 hours except as provided in section 312.1 of this rule. All Title V applications shall be submitted with a filing fee of **\$1256**.

312.1 The exceptions that may result in additional chargeable hours are an incomplete Title V permit application, requiring more than two additional requests for additional information, and/or excessive or an unusual amount of time in negotiating the permit conditions with the EPA on behalf of the permittee.

313 **CHANGE OF MAILING ADDRESS:** When an application is filed to change the mailing address on an existing permit, the applicant shall pay a fee of **\$65** per facility.

314 **EMISSION REDUCTION CREDIT BANKING FEE:** Every emission reduction credit banking applicant shall pay a fee based on the actual hours spent by the District in processing the application. The fee shall be assessed in accordance with the time and materials rate established in Section 307.10 of this rule. Applications for initial emission reduction credit banking shall be submitted with a filing fee of **\$1256**. Applications to transfer ownership of existing emission reduction credit certificates shall be submitted with a fee of **\$252** per certificate.

#### 400 ADMINISTRATIVE REQUIREMENTS

401 **NOTIFICATION OF FEES DUE:** On the renewal date of a permit to operate and at such time as any other fees required by this rule are incurred, the permittee will be notified by mail of the fee due and payable and the date the fee is due. If the fees are not paid by the specified due date, the District shall assess a penalty of not more than 50% of the fee due, but in an amount sufficient, in the District's determination, to pay the District's additional expenses incurred by the permittee's non-compliance. The permittee shall be notified by mail of the fee and penalty. If the fee and penalty are not paid within 30 days after notice, the permit will be canceled and the permittee will be notified by mail. A canceled permit may be reinstated by payment of the applicable permit fee plus penalties.

402 **CONSUMER PRICE INDEXING OF FEES:** The Air Pollution Control Officer may adjust the permit fees prescribed by this rule on an annual basis following approval of the budget by the District Board of Directors. The rate change shall be determined considering the actual permitting program-related costs and the California Consumer Price Index for the preceding fiscal year as provided in California Health and Safety Code Section 42311(a). The rate change shall be noticed pursuant to California Health and Safety Code Section 40131 and presented to the District's Board of Directors at the annual budget hearing.

#### 500 PAYMENT OF FEES

501 **INSTALLMENT PAYMENT OF FEES:** The fees established in this Rule and Rule 4.9 may be paid in installments provided that the APCO, subject to appeal to the District Board, 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.

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 immediately be null and void.