



## Air Pollution Control District Governing Board

San Diego County Air Pollution Control District

### AGENDA ITEM #E.1

**DATE:** May 9, 2024

**TO:** SAN DIEGO COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

**SUBJECT:**

ADOPTION OF PROPOSED AMENDMENTS TO RULE 40 - PERMIT AND OTHER FEES (FISCAL YEAR 2024-25)

**REQUESTED ACTION:**

1. Find that the requested action is exempt from the requirements of the California Environmental Quality Act pursuant to CEQA Guidelines Section 15273 because the additional fee revenues that would be generated by adjustments that could result from the adoption of proposed amendments to Rule 40 – Permits and Other Fees will be used for the purposes set out in that section including operating expenses and purchasing or leasing supplies, equipment, or materials.
2. Adopt the Resolution entitled: RESOLUTION ADOPTING AMENDMENTS TO RULE 40 – PERMITS AND OTHER FEES, OF REGULATION III OF THE RULES AND REGULATIONS OF THE SAN DIEGO COUNTY AIR POLLUTION CONTROL DISTRICT.

**OVERVIEW:**

The mission of the San Diego County Air Pollution Control District (District) is to improve air quality to protect public health and the environment. Accordingly, the District operates a county-wide permitting program for stationary (fixed) sources of air pollution pursuant to federal and State law. Stationary sources encompass large industrial facilities including power plants and landfills and smaller commercial establishments such as gas stations and dry cleaners. A facility's permit outlines the required actions to comply with air pollution control requirements and protect air quality, the environment, and public health. District Rule 40 sets the fees for District permitting and other services, such as inspections and source testing, related to the implementation of the stationary source permitting, source testing, and asbestos programs.

Proposed Fiscal Year 2024-25 amendments to Rule 40 include: consolidating two initial evaluation and renewal fees into one fee; clarifying language related to online fee estimates and permit revisions, health risk assessment, risk reduction audit, and risk reduction plan submittal requirements and refunds; eliminating six outdated initial evaluation and renewal fees that were site-specific or no

longer active; converting eight fixed (flat) application fees to time and material; converting one time and material fee to a fixed fee; combining standard and online asbestos notification fees into one set of fees; combining demolition notification fees; eliminating four asbestos notification fees; and updating various fees consistent with the recommendations from Matrix Consulting Group as detailed in Attachment C and summarized in the table below. Increases in stationary source permitting fees are limited as required by Health and Safety Code Section 41512.7. This limitation is being met by limiting the proposed increases for fixed permit application fees, permit renewal fees, time and material charges, and processing fees, to not more than 15%.

Fee Category	Permit Application Fixed	Permit Renewal	Source Testing	Asbestos Notifications	Hearing Board	Time & Material	Processing Fee
Proposed % Fee Increase	6% - 15%	1% - 15%	2% - 15%	8% - 10%	0%	0% - 15%	10% - 15%

As many individual permit renewal and asbestos fee categories are approaching maximum cost recovery, District staff determined that a comprehensive review of labor data related to inspection services provided for these fee categories was necessary to ensure fairness and accuracy in the District’s fee structure while also reflecting the evolving nature of the compliance processes and regulatory landscape. As a result, the proposed amendments to Rule 40 have been revised since initially presented to the Governing Board on January 11, 2024, to better reflect current trends associated with these services. Upon thorough review of updated inspection labor data, the District determined that the average time required to provide compliance verification services for various permits (renewals) and asbestos renovation/demolition project types has changed. Those changes encompass both increases and decreases in inspection duration. Accordingly, adjustments were made to several proposed renewal and asbestos fees to account for the updated time assumptions. Proposed fees for permit types with reduced inspection times are being decreased and proposed fees for permit and asbestos project types with increased inspection times are being adjusted upwards by a maximum of 15%. The initial proposal presented in January included increases ranging from 8% to 15% for 142 renewal fees and increases ranging from 8% to 10% for 20 asbestos fees with a decrease to 1 asbestos fee. The updated proposal includes increases ranging from 1% to 15% for 120 renewal fees as well as decreases for 21 renewal fees and increases ranging from 8% to 10% for 6 asbestos fees with a decrease to 1 asbestos fee. (Note: some renewal and asbestos fees are proposed for consolidation or deletion)

There are no revisions proposed to Rule 42 – Hearing Board Fees at this time. Increasing these fees at the previously adopted rate may result in the Hearing Board fees becoming cost prohibitive, without having a significant revenue impact upon the District since these fees comprise a very small amount of the revenue and costs for the District.

Today’s hearing is the second reading of this agenda item which, if approved, will adopt the Resolution entitled: RESOLUTION ADOPTING AMENDMENTS TO RULE 40 – PERMITS AND OTHER FEES, OF

REGULATION III OF THE RULES AND REGULATIONS OF THE SAN DIEGO COUNTY AIR POLLUTION CONTROL DISTRICT (Attachment A). If adopted, the proposed amendments will become effective on July 1, 2024, which will allow for testing of the new fees, revised invoicing, and outreach to stakeholders prior to implementation.

**FISCAL IMPACT:**

If adopted, these proposed amendments are projected to increase fee-related revenues to approximately \$11.4 million per fiscal year, which would increase the District's estimated aggregate fee-for-service cost recovery percentage for its stationary source permitting, source testing, asbestos, and Hearing Board programs to approximately 90% and would reduce projected annual program related estimated revenue deficits to approximately \$1.3 million. Projected costs and estimated revenues are based on the current year's adopted budget and most recent workload information and will fluctuate year to year due to shifts in staffing levels, program costs, level of effort, and other factors.

**ENVIRONMENTAL STATEMENT:**

The proposed amendments to Rule 40 are exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15273, which exempts projects that involve the establishment or modification of charges by public agencies for the purpose of meeting operating expenses, purchasing supplies and equipment, or meeting financial reserve needs, as described in the FY 2024-25 Cost Recovery Analysis Results-rev. April 2024 (Attachment B).

**PREVIOUS RELEVANT BOARD ACTIONS:**

January 11, 2024 (Item #E.3), Public Hearing: Receive presentation for proposed amendments to Rule 40 – Permit and other Fees (Fiscal Year 2024-25); January 12, 2023 (Item #E.3), Adoption of Proposed Amendments to Rule 40 – Permit and Other Fees (Fiscal Year 2023-24); December 8, 2022 (Item #E.1), Public Hearing: Receive Presentation for Proposed Amendments to Rule 40 – Permit and Other Fees (Fiscal Year 2023-24); April 14, 2022 (Item #E.1.), Adoption of Proposed Amendments to Rule 40 – Permit and Other Fees and Rule 42 – Hearing Board Fees (Fiscal Year 2022-23); March 10, 2022 (Item #E.1.), Public Hearing: Receive Presentation for Proposed Amendments to Rule 40 – Permit and Other Fees and Rule 42 – Hearing Board Fees (Fiscal Year 2022-23); December 9, 2021 (Item #D.3), Adoption of Proposed Amendments to Rule 40 – Permit and Other Fees and Rule 42 – Hearing Board Fees; October 14, 2021 (Item #3), Public Hearing: Receive Presentation for Proposed Amendments to Rule 40 – Permit and Other Fees and Rule 42 – Hearing Board Fees; May 21, 2021 (Item #1), Direct the Interim Air Pollution Control Officer to Implement Cost Recovery Scenario 6 and Schedule a Regulatory Process Consistent with Timeline B.

**PUBLIC ENGAGEMENT AND OUTREACH:**

On November 21, 2023, a public notice regarding the January 11, 2024, public hearing was sent to approximately 15,000 recipients (including each air quality permit holder and chamber of commerce in the region, subscribers to the District's email notification service, and the California Air Resources Board) and posted to the District's website providing an opportunity to

submit written comments. On December 4, 2023, a reminder public notice was sent to the subscribers of the District's email notification system.

Included in both notices was an invitation to participate in a virtual public workshop on December 6, 2023, to provide input regarding proposed amendments to Rule 40. During this workshop, the District provided an overview of the draft Rule 40 changes, the cost recovery analysis methodology, and the next steps to 19 attendees. Input and feedback from workshop attendees was solicited and encouraged to continue until the March 2024 hearing for adoption. Spanish interpretation services were provided during the workshop which was recorded and posted to the District's website. A summary of comments from the workshop and the District responses are included in the staff report (Attachment E – Rule 40 Staff Report)

During the January 11, 2024, public hearing, the District provided an overview of the draft Rule 40 changes, the cost recovery analysis methodology, and estimated costs and revenues associated with the proposed revisions to the Governing Board and members of the public in attendance. Input and feedback from hearing attendees was solicited and encouraged to continue until the second Governing Board Hearing in March 2024 for adoption. Spanish interpretation services were provided during the hearing which was recorded and posted to the District's website. A summary of comments from the public hearing and the District responses are included in the staff report (Attachment E – Rule 40 Staff Report)

On April 9, 2024, a Public Notice about today's hearing was published in a local newspaper, posted on the District's website, and sent to all interested parties who have subscribed to the District's email notification service. On April 24, 2024, a public notice regarding today's hearing was sent to approximately 15,000 recipients (including each air quality permit holder and chamber of commerce in the region, subscribers to the District's email notification service, and the California Air Resources Board) providing an opportunity to submit written comments.

On April 25, 2024, District staff provided an update to the San Diego County Air Pollution Control District Planning and Policy Committee (PPC) on the proposed amendments to Rule 40. There was one public comment in support of the proposed amendments and one written comment submitted in opposition of proposed fee increases. The PPC voted to recommend approval of the proposed amendments to the Governing Board.

### **EQUITY IMPACT STATEMENT**

Today's hearing and recommended actions, promote public engagement and transparency; and will help to fund the District's commitments to advancing policies, programs, and services that achieve environmental justice and equity. Fees for the District recover costs for permitting, and other programs and services, and support the District's vision of "Clean Air for All".

### **RECOMMENDED BY:**

Paula Forbis, Air Pollution Control Officer

**CONTACT PERSON(S):**

**Name:** Stephanie Nicholas, Chief, Administrative Services

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**ATTACHMENTS:**

[Item E1\\_Att A\\_Rule 40 Resolution 050924.pdf](#)

[Item E1\\_Att B\\_FY 2024-25 Cost Recovery Analysis Results-rev. April 2024.pdf](#)

[Item E1\\_Att C\\_Rule 40 Change Copy 050924.pdf](#)

[Item E1\\_Att D\\_Comparison of Current & Proposed Fee Schedules 050924.pdf](#)

[Item E1\\_Att E\\_Rule 40 Staff Report 050924.pdf](#)

[Item E1\\_Public Comment Letter on R40\\_USA Cab LTD\\_042424.pdf](#)

Resolution No: 24-001  
Meeting Date: 05/09/2024 (Item E1)

**RESOLUTION ADOPTING AMENDMENTS TO  
RULE 40 – PERMITS AND OTHER FEES, OF REGULATION III  
OF THE RULES AND REGULATIONS OF THE  
SAN DIEGO COUNTY AIR POLLUTION CONTROL DISTRICT**

On motion of Member Gomez, seconded by Member Medina, the following resolution is adopted:

**WHEREAS**, the San Diego County Air Pollution Control District Governing Board (Governing Board), pursuant to Section 40702 of the Health and Safety Code, adopted Rules and Regulations of the San Diego County Air Pollution Control District (District); and

**WHEREAS**, said Governing Board now desires to amend said Rules and Regulations; and

**WHEREAS**, notice has been given and a public hearing has been held relating to the amendments of said Rules and Regulations pursuant to Sections 40725, 41512.5, and 42311 of the Health and Safety Code; and

**WHEREAS**, the Governing Board has found that the revenues being generated by the fee rates currently set forth in Rule 40 – Permit & Other Fees are insufficient to fully recover the costs of District programs to which revenues from those fees are applied; and

**WHEREAS**, the additional revenues that would be generated by the proposed rule revisions would be used for District operating expenses and costs including employee wage rates and fringe benefits, purchasing supplies and equipment, or meeting the financial reserve needs of the District, and

**WHEREAS**, pursuant to Section 40727 of the Health and Safety Code, the Governing Board makes the following findings:

- (1) (Necessity) The adoption of amendments to the permit and other fees in Rule 40 is necessary to recover the increased District costs of operating permit-related programs;
- (2) (Authority) Adoption of amendments to Rule 40 is authorized by Sections 40702, 41512.5, and 42311 of the Health and Safety Code;
- (3) (Clarity) The amendments to Rule 40 can be easily understood by persons directly affected by them;
- (4) (Consistency) Section 41512.7(d) of the Health and Safety Code provides that individual District fees may be increased to reflect the District's actual costs as long as the total aggregate increase in fees does not exceed 15 percent in that fiscal year, and as long as certain requirements for a cost-based fee system are met. The

proposed amendments are in harmony with Section 41512.7(d) of the Health and Safety Code. The proposed amendments are also in harmony with, and not in conflict with or contrary to, other existing statutes, court decisions, and state and federal regulations;

- (5) (Non-duplication) The proposed amendments to Rule 40 will not impose the same requirements as existing District, state, or federal requirements;
- (6) (Reference) The proposed amendments to Rule 40 specify permit and other fees pursuant to Sections 42311 and 41512.5 of the Health and Safety Code, and in accordance with Section 41512.7(d) of the Health and Safety Code; and

**NOW THEREFORE IT IS RESOLVED AND ORDERED** by the San Diego County Air Pollution Control District Governing Board that the Rules and Regulations of the San Diego County Air Pollution Control District be and hereby are revised as follows:

1. Proposed amended Rule 40 is to read as follows:

**REGULATION III: FEES**

**RULE 40. PERMIT AND OTHER FEES**

(Adopted *(date of adoption)* & Effective July 1, 2024)

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Categorized List of Fee Schedules by Emission Unit Type

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## **RULE 40. PERMIT AND OTHER FEES**

### **(a) APPLICABILITY**

(1) Notwithstanding any other provision of these rules, this rule shall be used to determine all fees charged by the San Diego County Air Pollution Control District (District), as authorized by the Air Pollution Control District Governing Board, except for those specified in Rule 42 – Hearing Board Fees. These include, but are not limited to, fees for: applications, permits, portable equipment registrations, renewals, source testing, asbestos demolition or renovation notifications, emergency episode plans, grid searches, technical consultations, new or modified power plants, Toxic Hot Spots, Title V Operating Permits, and Synthetic Minor Source Permits, and reviews, analyses, documents and procedures required or requested pursuant to the California Environmental Quality Act (CEQA).

(2) This rule shall be used to determine refunds, forfeitures and insufficient payment of fees, if applicable.

### **(b) DEFINITIONS**

The following definitions shall apply for terms used in this rule:

(1) **“Annual Operating Fee”** means all fees related to a permit that are paid on an annual basis. These include, but are not limited to, the following: Site Identification (ID) Processing and Handling Fee, Permit Processing Fee, Emission Unit Renewal Fee, Air Contaminant Emissions Fee, District and State Air Toxic Hot Spots Fee, and Annual Source Test Fee.

(2) **“Applicant”** means the owner of the emission unit or operation, or an agent specified by the owner.

(3) **“Initial Application Fees”** means all fees related to an application. These include, but are not limited to, a Non-refundable Processing Fee, Initial Evaluation Fee, Emission Unit Renewal Fee, Air Contaminant Emissions Fee, and if applicable, an Additional Engineering Evaluation Fee and/or Source Test Fee.

(4) **“Location”** means the same as “Stationary Source” as defined in Rule 2 – Definitions.

(5) **“Permit to Operate”** or **“permit”** means any District authority to operate, such as a Permit to Operate, Certificate of Registration, Title V or Synthetic Minor Source permit, unless otherwise specified.

(6) **“T+M”** means time and material costs.

(7) **“Valid Permit or Valid Authority to Construct”** means a Permit or Authority to Construct for which all fees are current.

All other terms mean the same as defined in Rule 2 – Definitions unless otherwise defined by an applicable rule or regulation.

**(c) GENERAL PROVISIONS**

(1) No application shall be considered received unless accompanied by the completed application and associated supplemental forms (if applicable) and the appropriate Initial Evaluation Fees.

(2) All time and material (T+M) costs shall be determined using the labor rates specified in Fee Schedule 94 – Time and Material (T+M) Labor Rates.

(3) If the Air Pollution Control Officer determines that the activities of any one company would cause an increase of at least 10% in any one Emission Unit Fee Schedule, the Air Pollution Control Officer may delete the costs attributed to that company from the cost data used to determine that type of Emission Unit Fee Schedule. The costs from such a company shall be recovered by development of a source-specific Emission Unit Fee Schedule. The specific Initial Evaluation or Emission Unit Renewal Fee Schedules shall be submitted to the Air Pollution Control District Governing Board for consideration and adoption.

(4) If the Air Pollution Control Officer determines that a person has under-reported material usage, emissions or other information necessary for calculating an emissions inventory, and such under-reporting has led to an Air Contaminant Emissions Fee less than what would have been due if correct usage, emissions or other information had been reported, then the person shall pay the difference between the original and corrected Air Contaminant Emissions Fee plus a charge equal to 30% of the difference. Such charge shall not apply if the permittee demonstrates to the Air Pollution Control Officer's satisfaction that the under-reporting was the result of inadvertent error or omission which the permittee took all reasonable steps to avoid. Required fees not paid within 30 days of the due date shall be assessed a late fee in the amount prescribed in Section (g) – Late Fees.

(5) Credit card payments for fees will be assessed a processing fee of 2.19% of the amount paid by credit card. This processing fee covers only costs assessed to the District by credit card providers. Payments made using the online application submittal system will not be assessed a processing fee but will be subject to fees charged by the online submittal system vendor for the service. These convenience fees are not remitted to the District.

**(d) AUTHORITY TO CONSTRUCT AND PERMIT TO OPERATE FEES**

(1) General Provisions

(i) Every applicant for an Authority to Construct/Permit to Operate for any article, machine, equipment or other contrivance shall pay the applicable fees as specified in this Section (d) Authority to Construct and Permit to Operate Fees for each emission unit.

(ii) A \$130 Non-refundable Processing Fee shall be submitted with each application for an Authority to Construct/Permit to Operate, Change of Location, Change to an Existing Authority to Construct/Permit to Operate, Like-Kind Replacement or Banking Emission Reduction Credits. This fee does not apply to applications for a Change of Ownership, Identical Replacement, or Fee Schedules 49(a) or 49(b).

(iii) When additional evaluation fees are required, the applicant shall deposit the amount estimated to cover the evaluation costs upon receipt of such an invoice. The District may stop work on the application until the invoiced amount is fully paid.

(iv) Initial Evaluation Fees and Emission Unit Renewal Fees shall be determined using the amounts listed in Columns (1) and (2), respectively, of the Fee Schedules provided within this rule.

(2) Initial Application Fees for an Authority to Construct/Permit to Operate

The Initial Application Fees for an Authority to Construct/Permit to Operate application shall include a Non-refundable Processing Fee, Initial Evaluation Fee, Emission Unit Renewal Fee, Air Contaminant Emissions Fee, and if applicable, an Additional Engineering Evaluation Fee and/or Source Test Fee.

Calculation Worksheet for Initial Application Fees

Non-refundable Processing Fee	\$130
Initial Evaluation Fee <sup>1</sup>	
Emission Unit Renewal Fee <sup>1</sup>	
Air Contaminant Emissions Fee <sup>2</sup>	
Additional Engineering Evaluation Fees <sup>3</sup>	
Source Test Fee <sup>4</sup>	

Total: \$ \_\_\_\_\_

Notes:

1. See Fee Schedule. If T+M fee is indicated, visit [www.sdapcd.org](http://www.sdapcd.org) for the specific equipment type being requested and complete a fee estimate form to submit with the application materials.
2. See Subsection (d)(4) to determine applicable fee, based on total facility emissions.
3. See Subsection (d)(5) to determine if additional fees are required or visit [www.sdapcd.org](http://www.sdapcd.org) for the specific equipment type being requested and complete a fee estimate form to submit with the application materials.
4. Call the District for a Source Test Fee estimate.

(3) Initial Evaluation Fee

The Initial Evaluation Fee shall be determined based on the specific type of equipment, process or operation for which an application is submitted, as listed in Column (1) of the Fee Schedules provided within this rule.

(i) Where the fee specified in Column (1) is T+M, the fee shall be the actual evaluation cost incurred by the District. The applicant shall deposit the amount estimated to cover the actual evaluation cost at the time of application submittal.

(ii) If the equipment, process or operation for which an application is submitted is not listed in the Fee Schedules, the Initial Evaluation Fee shall be on a T+M basis, including the Emission Unit Renewal Fee, as specified in Fee Schedule 91 – Miscellaneous – Hourly Rates.

(iii) If the equipment, process, or operation for which an application is required solely due to a change in Rule 11 – Exemptions from Rule 10 Permit Requirements, the evaluation fee shall be based on the actual evaluation cost incurred by the District, not to exceed the Initial Evaluation Fee, except as provided under Subsection (d)(5).

(4) Air Contaminant Emissions Fees

The Air Contaminant Emissions Fee is an annual fee based on total air contaminant emissions from the stationary source. This fee shall also apply to portable equipment permitted or registered under these Rules and Regulations. For purposes of this subsection, the term “facility” means either the stationary source, or collection of portable equipment permitted or registered under a single site ID.

(i) For existing facilities, an Air Contaminant Emissions Fee shall not be collected as part of an Initial Application Fee, if the Air Contaminant Emissions Fee was paid as part of the most recent Annual Operating Fees.

(ii) For new facilities, the Air Contaminant Emissions Fee shall be paid with the first permit application filed for the new facility and based upon actual expected air contaminant emissions from the facility, as estimated by the District, for the calendar year in which the Permit to Operate is issued, as specified below. This fee shall remain unchanged until revised to reflect the most recent District approved emissions inventory report.

(A) If the actual expected annual emissions of carbon monoxide (CO), oxides of nitrogen (NO<sub>x</sub>), oxides of sulfur, particulate matter (PM<sub>10</sub>) or volatile organic compounds (VOC) equal or exceed five tons, then the Air Contaminant Emissions Fee shall be based on the total expected emissions of all these contaminants for that calendar year, multiplied by an air contaminant emissions fee rate of \$116 per ton.

(B) For all other new facilities, a single Air Contaminant Emissions Fee shall be paid based on the following table using the Fee Schedule that is most representative of the nature of the activities at the stationary source:

Fee Schedule	Source Category Description	Annual Emissions Fee
26(a)	VOC dispensing facility - Phase I and Phase II controls required	\$9 per nozzle
28(k and l)	Contract service solvent cleaning units (for contract companies with 100 or more units)	\$7 per cleaning unit
28(f)	Facilities with only remote reservoir units and no other permits at the facility	\$7 per cleaning unit

27(e)	Industrial surface coating applications	\$580
27(k)	Metal parts and aerospace coating applications	\$580
27(v)	Adhesive application operations	\$580
Various	All other stationary sources	\$116

If the most representative nature of the activities cannot be determined for facilities with more than one source category description or fee schedule, the highest applicable annual emissions fee shall apply.

(5) Additional Evaluation and Processing Fees for New or Revised Applications or Revised Permits to Operate

If an application requires the District to evaluate the emission unit for compliance with Rule 51 – Nuisance, Rule 1200 – Toxic Air Contaminants-New Source Review, Rules 20.1 through 20.8 (New Source Review), Rules 26.0 through 26.10 (Emission Reduction Credits), pre-backfill inspections for gasoline dispensing facilities, Regulation X – New Source Performance Standards, Regulation XI – National Emission Standards for Hazardous Air Pollutants, Regulation XII – Toxic Air Contaminants, federal Prevention of Significant Deterioration (PSD) requirements, a federal National Emission Standard for Hazardous Air Pollutants (NESHAP), State Airborne Toxic Control Measure (ATCM), CEQA, to conduct additional application or permit to operate processing procedures in accordance with California Health and Safety Code Section 42301 or 42301.6, or to witness testing or conduct inspections to verify compliance with any State Vapor Recovery Executive Order as part of a Like Kind Replacement application processed according to Rule 11 (d)(5)(ii), the applicant shall pay the actual cost incurred by the District for such evaluation and processing procedures, and any additional fees specified by this rule. The applicant shall deposit the amount estimated to cover the actual evaluation cost at the time of application submittal or upon request by the District.

(6) Fees for Revisions to Valid Permits

The owner of a valid permit, or their agent, may submit an application to propose the types of changes listed below. The evaluation fee for a revision shall be based on the actual evaluation cost incurred by the District, not to exceed the Initial Evaluation Fee, except as provided under Subsections (d)(5), (d)(6)(v), and (d)(6)(vi). The applicant shall deposit the amount estimated to cover the actual cost of evaluating the proposed change at the time of application submittal.

Calculation Worksheet for Modified Equipment Fees

Non-refundable Processing Fee	\$130
Initial Evaluation Fee <sup>1</sup>	
Additional Engineering Evaluation Fees <sup>2</sup>	

Total: \$ \_\_\_\_\_

Notes:

1. See Fee Schedules, use Column (1). If T+M fee is indicated, visit [www.sdapcd.org](http://www.sdapcd.org) for the specific equipment type being requested and complete a fee estimate form to submit with the application materials.

2. See Subsection (d)(5) to determine if additional fees are required or visit [www.sdapcd.org](http://www.sdapcd.org) for the specific equipment type being requested and complete a fee estimate form to submit with the application materials.

(i) **Operational Change:** An application which proposes an operational change of a valid permit.

(ii) **Condition Change:** An application which proposes a condition change of a valid permit.

(iii) **Additions, Alterations and Replacement of Equipment:** An application which proposes an addition, alteration or replacement of an emission unit described in a valid permit.

(iv) **Review for a Change of Location:** An application which proposes a change of location for an emission unit with a valid permit. An application is not required for any change of location within a stationary source or for a portable emission unit.

(v) **Ownership Change:** An application which proposes an ownership change for a valid permit shall pay an administrative fee of \$130. The applicant shall demonstrate to the District's satisfaction proof of entitlement to the Permit to Operate at the time of application submittal. Prior to an ownership change application being processed, payment of all outstanding charges that are normally due and associated with that permit must be paid.

(vi) **Like-Kind Replacement Units per Rule 11 – Exemptions from Rule 10 Permit Requirements, Subsection (d)(5):** An application for a permit change to reflect an eligible like-kind replacement emission unit pursuant to Rule 11 (d)(5)(ii), shall pay a fee of \$495, in addition to the Non-refundable Processing Fee and any additional fees provided under Subsection (d)(5) of this rule.

#### (7) Fees for Revisions to Valid Authorities to Construct

The owner of a valid Authority to Construct, or their agent, may submit an application to propose the types of changes listed in Subsections (d)(6)(i thru v). The evaluation fee for a revision shall be based on the actual evaluation cost incurred by the District, not to exceed the Initial Evaluation Fee, except as provided under Subsection (d)(5). The applicant shall deposit the amount estimated to cover the actual cost of evaluating the proposed change at the time of application submittal.

#### (8) Special Application Processing Provisions

##### (i) Reduced Fees for Similar Emission Units at a Single Stationary Source

If more than one application for an Authority to Construct/Permit to Operate is submitted at the same time for similar emission units at the same stationary source location, then the first emission unit shall be charged the Initial Application Fee as specified in Subsection (d)(2). Each additional emission unit shall be charged the

Emission Unit Renewal Fee and the actual T+M costs incurred by the District to evaluate the emission unit and act upon the applications. The total cost for each additional emission unit shall not exceed the Initial Evaluation Fee (Column (1)), except as provided under Subsection (d)(5).

This provision only applies to the extent that each emission unit will be operated independently, and the evaluation for an Authority to Construct for the first emission unit can be applied to the additional units because of similarity in design and operation, and each emission unit can be evaluated and inspected for a Permit to Operate at the same time. The provisions of this subsection shall not apply to Fee Schedules 3 and 26.

(ii) Reinspection Fees

If during an inspection for a Permit to Operate, an emission unit cannot be evaluated due to circumstances beyond the control of the District, the applicant shall pay the actual time and material costs of performing a reinspection. An estimated reinspection fee, as determined by the District, may be required to be deposited with the District prior to reinspection of the emission unit.

(iii) Split Fee Payments for Applications

An applicant may request, due to financial hardship, to split the payment of Initial Application Fees into two equal payments. This request must be made in writing. The first payment, equal to 50% of the Initial Application Fees, plus an administrative fee of \$75, must be deposited with the application. The second payment, equal to the remaining balance, is due no later than 60 days after filing the application. Failure to pay the Initial Application Fees in full within 60 days after filing the application, may result in cancellation of the application, as specified in Subsection (i)(7) – Insufficient Payment of Fees.

(iv) Fees for Expedited Application Processing

If an applicant requests expedited processing of an application and the District determines that such expedited processing is available through voluntary overtime work, the applicant shall pay fees equal to one and one-quarter times the labor rates specified in Fee Schedule 94 – Time and Material (T+M) Labor Rates for the overtime work. At the time of submittal of the application, the applicant shall deposit a fee equal to that otherwise specified by this rule. If the application receives expedited processing, no final action shall be taken on the application until the applicant has paid the remainder of the fees required by this paragraph.

(v) Requirement for Defense and Indemnification Agreement

On a case-by-case basis, where significant risk to the District is identified in connection with the processing of an application, the Air Pollution Control Officer may require a defense and indemnification agreement from the applicant. The agreement shall be in a form approved by the Air Pollution Control Officer.

On a case-by-case basis, the Air Pollution Control Officer may determine to require security from the applicant. A determination to require security shall only be made by the Air Pollution Control Officer, and shall not be delegable. The Air Pollution Control Officer shall establish the form and amount of the security, as well as the time the security is to be provided to the District.

(vi) Indemnification

Each applicant, to the extent the applicant is at fault in causing liability to the District, shall indemnify the District, its agents, officers and employees (collectively "District Parties") from any claim, action, liability, or proceeding against the District Parties to attack, set aside, void or annul the applicant's project or any of the proceedings, acts or determinations taken, done or made as a result of District's processing and/or approval of the project, as specified below. Each applicant's obligation to indemnify shall apply to any lawsuit or challenge against the District Parties alleging failure to comply with the requirements of any federal, state, or local laws, including, but not limited to, requirements of these Rules and Regulations. This indemnification requirement shall be included in the application form provided to all applicants.

Each applicant's obligation to indemnify the District Parties shall include, but not be limited to, payment of all court costs and attorneys' fees, costs of any judgments or awards against the District, damages, and/or settlement costs, which arise out of District's processing and/or approval of the applicant's project, except that an applicant shall only be responsible for indemnifying the District Parties in the amount of liability which is equal to the proportion of fault caused by the applicant, as determined by a court. Where any court action results in a ruling for the plaintiff/petitioner, the applicant and the District shall request a determination on the percentage contribution of fault from the court which adjudicated the underlying challenge to the applicant's project.

Notwithstanding this subsection, when a defense and indemnification agreement is required for a project under Subsection (d)(8)(v) above, the provisions of the defense and indemnification agreement shall apply to the applicant and not the provisions of this subsection.

(vii) Fees for Previously Permitted Emission Units Operating Without Valid Permits

In addition to the fees otherwise specified by this Section (d) Authority to Construct and Permit to Operate Fees, a person who is applying for an Authority to Construct and/or Permit to Operate for a previously permitted emission unit that was operated after the applicable permit expired, and is no longer eligible for reinstatement, shall pay the annual operating and late fees specified in Sections (e) Annual Operating Fees, Section (f) Specific Program Fees, and Section (g) Late Fees, that would have otherwise been due. Such payment shall not negate any fines and penalties that may be assessed for violations of the requirement to operate with a valid permit.



**(e) ANNUAL OPERATING FEES**

**(1) General Provisions**

(i) Annual Operating Fees are due on an annual basis and shall be paid by any person who is required to maintain a Permit to Operate or Temporary Authorization pursuant to Rule 10 – Permits Required, Section (b) – Permit to Operate.

(ii) Annual Operating Fees are due by 5 PM Pacific Time on the date the permit expires. Permits expire on the last day of the renewal month. Payments received after the permit expiration date are subject to the late fee provisions of Section (g) – Late Fees.

**(2) Annual Operating Fees**

The following applicable fees shall be paid as part of the Annual Operating Fees: Site ID Processing and Handling Fee, Permit Processing Fee, Emission Unit Renewal Fee, Air Contaminant Emissions Fee, and if applicable, District and State Air Toxic Hot Spots Fee and Annual Source Test Fee.

**Calculation Worksheet for Annual Operating Fees**

Site ID Processing and Handling Fee	\$48
Permit Processing Fee (\$36 x number of permitted units)	
Emission Unit Renewal Fee (See (iii) below)	
Air Contaminant Emissions Fee (See (iv) below)	
District and State Air Toxic Hot Spots Fee (See (v) below)	
Annual Source Test Fee (See (vi) below)	

Total: \$ \_\_\_\_\_

(i) Site ID Processing and Handling Fee: A site ID processing and handling fee of \$48 per facility.

(ii) Permit Processing Fee: A permit processing fee of \$36 per Permit to Operate.

(iii) Emission Unit Renewal Fee: An annual renewal fee, for each specific type of emission unit, as specified in the Fee Schedules (Column (2)).

(iv) Air Contaminant Emissions Fee: An annual Air Contaminant Emissions Fee based on total emissions from the stationary source. This fee shall also apply to portable equipment permitted or registered under these Rules and Regulations. For purposes of this subsection, the term “facility” means either the stationary source, or collection of portable equipment permitted or registered under a single site ID.

(A) For facilities with annual emissions of either carbon monoxide (CO), oxides of nitrogen (NO<sub>x</sub>), oxides of sulfur, particulate matter (PM<sub>10</sub>) or volatile organic compounds (VOC) that equal or exceed five tons, as indicated by the

most recent District approved emission inventory report or an initial evaluation made pursuant to Subsection (d)(4)(ii), the Air Contaminant Emissions Fee shall be based on the total calendar year emissions of all these contaminants, multiplied by an air contaminant emissions fee rate of \$116 per ton.

(B) For all other facilities, a single Air Contaminant Emissions Fee shall be paid based on the following table using the Fee Schedule that is most representative of the nature of the activities at the stationary source:

<u>Fee Schedule</u>	<u>Source Category Description</u>	<u>Annual Emissions Fee</u>
26(a)	VOC dispensing facility - Phase I and Phase II controls required	\$9 per nozzle
28 (k and l)	Contract service solvent cleaning units (for contract companies with 100 or more units)	\$7 per cleaning unit
28(f)	Facilities with only remote reservoir units and no other permits at the facility	\$7 per cleaning unit
27(e)	Industrial surface coating applications	\$580
27(k)	Metal parts and aerospace coating applications	\$580
27(v)	Adhesive application operations	\$580
Various	All other stationary sources	\$116

If the most representative nature of the activities cannot be determined for facilities with more than one source category description or fee schedule, the highest applicable annual emissions fee shall apply.

(v) District and State Air Toxic Hot Spots Fee: If applicable, the stationary source-specific fee required under the Air Toxics “Hot Spots” Information and Assessment Act as specified in Subsection (f)(6).

(vi) Annual Source Test Fee: If a periodic source test is required, the applicable source test fee, as specified in Fee Schedules 92 and/or 93.

### (3) Staggered Renewal Dates

The District may initiate, or the owner of a Permit to Operate may request in writing, to change the renewal month of all permits located at a single facility. When the established renewal month for a facility is changed to a new renewal month, the amount due for each permit shall be prorated to reflect the new renewal month. Revised permits will be issued after the prorated amount has been paid.

### (4) Split Payment of Annual Operating Fees

Owners or operators may request, due to financial hardship, to split the payment of the Annual Operating Fees into four equal payments. This request must be made in writing at least seven days prior to the due date. The first payment, equal to 25% of the Annual Operating Fees, plus an administrative fee of \$75, must be deposited by 5 PM Pacific Time on the last day of the renewal month. The subsequent three payments, equal

to 25% each of the Annual Operating Fees, are due no later than 30, 60, and 90 days after the last day of the renewal month.

Permits with approved split payment requests will expire 120 days after the last day of the renewal month if the Annual Operating Fees are not paid in full or will be issued for the remainder of the annual period after full payment of the Annual Operating Fees is made. Failure to pay the Annual Operating Fees in full within 120 days after the last day of the renewal month, shall be assessed a late fee in the amount prescribed in Section (g) – Late Fees. Permits that have expired after the 120 days, pursuant to this subsection, will be renewed or reinstated if the requirements set out in Rule 10 – Permits Required Section (h) and this Rule 40 Section (h) are met.

(5) Inactive Status Permits

A person who holds a valid permit who desires to have that permit placed on inactive status pursuant to Rule 10 – Permits Required shall submit an application requesting such change and shall pay the Initial Evaluation Fee specified in Fee Schedule 49(a)(Column (1)). If such request is received at the time of annual renewal of the permit, the person shall also pay the annual Emission Unit Renewal Fee specified in Fee Schedule 49(a)(Column (2)). Thereafter, the annual Emission Unit Renewal Fee for the inactive status permit shall be as specified in Fee Schedule 49(a)(Column (2)). When a person who holds a valid inactive status permit applies, in accordance with Rule 10, for the condition prohibiting operation to be removed and the permit returned to active status, the owner or operator shall pay the Initial Evaluation Fee specified in Fee Schedule 49(b)(Column (1)), any Additional Engineering Evaluation Fees required pursuant to Subsection (d)(5), and the applicable Annual Operating Fee specified in this Section (e) Annual Operating Fees for that category of emission unit with an active status permit, prorated for the portion of the permit renewal year remaining.

(6) Expiration and Retirement of Permits

(i) Expiration of Permits due to Non-Payment of Annual Operating Fees

If Annual Operating Fees are not paid by the permit expiration date, the permit will expire on that date. An expired permit may be renewed within six months of the expiration date as provided in Subsection (h)(2).

(ii) Retirement of Permits due to Non-payment of Annual Operating Fees

If Annual Operating Fees are not paid within six months from the permit expiration date, the permit will be retired on the day following the last day of the six-month period from the permit expiration date. A retired permit may be reinstated within six months of the retirement date as provided in Subsection (h)(3). Emission units for which a permit was not reinstated within six months of the retirement date will require an application for a new Permit to Operate.

(iii) Retirement by Permittee Request

Owners or operators may, at any time, request retirement of a valid permit(s). This request must be made in writing. Retired permit(s) may be reinstated within six months of the date of retirement as provided in Subsection (h)(3).

**(f) SPECIFIC PROGRAM FEES**

(1) General Provisions

For all of the applicable programs listed below, a late fee as described in Section (g) – Late Fees shall be assessed if the required fees are not paid within 30 days after the due date.

(2) Asbestos Demolition or Renovation Notification

For each asbestos demolition or renovation notification subject to Rule 1206 – Asbestos Removal, Renovation, and Demolition, the owner or operator shall pay the applicable fees specified below. For projects where one notification is submitted for both renovation and demolition operations, the owner or operator shall pay both applicable renovation and demolition fees. Fees are due at the time a notification is submitted. Notifications or revisions thereof will not be considered received unless accompanied with the required fees. The terms used below are defined in Rule 1206.

<u>TYPE OF OPERATION</u>	<u>Notification Fee<sup>1</sup></u>
1. Renovation Operations (excluding residential buildings having four or fewer dwelling units) <sup>2</sup>	
<100 sq. ft.	\$718
100 sq. ft. to 500 sq. ft.	\$751
501 to 2,000 sq. ft.	\$826
2,001 to 5,000 sq. ft.	\$865
5,001 to 10,000 sq. ft.	\$997
>10,000 sq. ft.	\$1,038
2. Demolition Operations	
Regulated Asbestos Containing Material (RACM) sites or Non-RACM sites with no asbestos present	\$804

Notes:

1. Online notifications may be submitted to the District using the online Citizen Access Portal.
2. Additional fees may be required if the revised amount of asbestos to be removed increases to a higher category. The additional fee will be the difference between the fee paid and the fee required for the new category.

(3) Air Pollution Emergency Episode Plan Fee

The owner or operator of a facility for which a plan or a plan update is required by District Regulation VIII – San Diego Air Pollution Emergency Plan shall pay a \$147 evaluation fee for each plan or plan update, at the time the plan is submitted for review.

(4) Grid Search

Any school district, individual, business or agency that submits a request for the District to conduct a grid search to identify all facilities with the potential to emit hazardous air contaminants (pollutants) shall deposit an initial fee of \$362 at the time the grid search is requested. If the actual costs incurred are greater than the amount deposited, the school district, individual, business or agency that made the request shall submit an additional amount as specified by the District to recover the remaining actual costs of performing the grid search.

(5) New or Modified Power Plants

Any source subject to the requirements of Rule 20.5 – Power Plants, shall reimburse the District for the actual costs incurred in order to comply with the provisions of Rule 20.5. The applicant shall deposit the amount estimated to cover the actual cost at the time of application submittal.

(6) Toxic Hot Spots

The owner or operator of a facility who has been identified by the District as being subject to the requirements of California Health and Safety Code Section 44300 et seq. (the Air Toxics “Hot Spots” Information and Assessment Act), shall deposit or pay the applicable fees specified below to the District.

(i) Upon receipt of a fee estimate or invoice from the District, deposit or pay the amount estimated or invoiced to cover the actual costs associated with the following requirements.

(A) Toxic air contaminant emissions source testing when necessary to determine emissions for inclusion in a toxic air contaminant emissions inventory.

(B) Health risk assessment or updated health risk assessment review, revision, and approval pursuant to California Health and Safety Code Section 44360 et seq. or Rule 1210 – Toxic Air Contaminant Health Risks-Public Notification and Risk Reduction.

(C) Public notification of health risks pursuant to California Health and Safety Code Section 44362 or Rule 1210 – Toxic Air Contaminant Health Risks-Public Notification and Risk Reduction.

(D) Facility toxic air contaminant risk reduction audit and plan pursuant to California Health and Safety Code Section 44390 or Rule 1210 – Toxic Air Contaminant Health Risks-Public Notification and Risk Reduction.

No health risk assessment or risk reduction audit and plan required pursuant to this provision shall be considered received unless accompanied by the appropriate fees as specified in Subsection (f)(6)(i).

(ii) An annual fee, as specified in Subsection (e)(1), for the recovery of State program costs. The amount of the annual State program fee for each facility shall be that specified by the California Air Resources Board in accordance with the State Air Toxics “Hot Spots” Fee Regulation contained in Title 17, California Code of Regulations, Section 90700 et seq.

(7) California Clean Air Act

The owner or operator of a stationary source who is required by Title 17, California Code of Regulations, Section 90800, et seq., to pay a fee adopted by the California Air Resources Board shall pay the required fee to the District within 30 days of receipt of an invoice for the required fees.

(8) Title V Operating Permit

The owner or operator of a stationary source subject to the requirements of Regulation XIV – Title V Operating Permits, shall pay the actual time and materials costs incurred by the District to review and act upon an application for initial permit, permit modification, administrative permit amendment, Section 502(b)(10) change (42 U.S.C. §7661a), Trading Under an Emissions Cap Operational Flexibility change, enhanced Authority to Construct and/or Title V operating permit renewal; to evaluate such source for compliance with Regulation XIV and the terms and conditions of a Title V operating permit, including, but not limited to, the costs incurred to document such evaluation, to prepare reports, and to take any actions necessary in cases of noncompliance; to reopen an existing Title V operating permit; and to cancel a Title V operating permit. All such applications shall also pay the Non-refundable Processing Fee of \$130.

(9) Synthetic Minor Source Permit

The owner or operator of a stationary source that submits an application to obtain a Synthetic Minor Source (SMS) Permit pursuant to Rule 60.2 – Limiting Potential to Emit-Synthetic Minor Sources, shall pay the fees specified below to recover the actual costs incurred by the District to review and act upon an application for initial permit, permit modification and/or permit renewal.

Non-refundable Processing Fee	\$130
Application evaluation fee (new or modified permits)	T+M
SMS permit renewal fee	T+M

(10) Determination of Exemption

The owner or operator of any emission unit or process requesting a determination of exemption pursuant to Rule 11 – Exemptions from Rule 10 Permit Requirements, Subsection (d)(19), shall pay the Non-refundable Processing Fee of \$130, plus an evaluation fee based on T+M to recover the actual costs incurred by the District to evaluate the emission unit or process.

(11) California Environmental Quality Act

Whenever the District is requested or required to conduct analyses, review or prepare documents, or conduct and/or participate in administrative procedures, meetings or hearings pursuant to CEQA, the District costs shall be paid by the persons requesting and/or receiving such services. District staff costs shall be determined using the labor rates specified in Fee Schedule 94 – Time and Material (T+M) Labor Rates. Costs to the District resulting from the activities of other agencies or consultants to the District necessary to provide such services shall be included in the total District costs. Persons requesting and/or receiving such services shall be charged the estimated cost of providing those services and shall deposit such amount to the District in advance of the service, unless prior arrangements for payment have been approved by the District. If the actual costs incurred are greater than the amounts deposited, the persons requesting and/or receiving the services shall deposit additional amounts as specified by the District to recover the remaining actual costs. Any funds deposited in excess of actual costs incurred shall be refunded.

**(g) LATE FEES**

(1) Late fees for Annual Operating Fees due to the District shall apply as follows:

(i) A late fee of 30% of the Annual Operating Fees due or \$250, whichever is less, shall be added for fees paid later than the last day of the renewal month.

(ii) An additional late fee of 10% of the Annual Operating Fees due shall be added for each additional month or portion thereof that the fees remain unpaid.

(iii) In no case shall the late fees exceed 100% of the total Annual Operating Fees.

(2) Late fees for any payments due to the District, except Annual Operating Fees, shall apply as follows:

(i) A late fee of 30% of the amount due shall be added for payments made more than 30 days after the due date.

(ii) An additional late fee of 10% of the amount due shall be added for each additional month or portion thereof that the payment is not received.

(iii) In no case shall the late fees exceed 100% of the amount due.

(3) On a case-by-case basis, upon written request, the Air Pollution Control Officer may waive late fees due to financial hardship during declared federal, State, or local emergencies provided that the Annual Operating Fees, and any other payments due to the District, have been made in full.

**(h) RENEWAL OF EXPIRED PERMIT(S) & REINSTATEMENT OF RETIRED PERMIT(S)**

(1) General Provisions

In addition to the Annual Operating Fees due for renewing an expired permit or reinstating a retired permit, any applicable fees pursuant to Subsection (d)(6), such as an ownership change, change of location, or modification, shall be paid concurrently.

New owners seeking to renew or reinstate a retired permit are responsible for payment of all outstanding charges that are normally due and associated with that retired or expired permit.

(2) Renewal of Expired Permit(s) to Operate

An expired permit can be renewed within six months of the expiration date by paying the applicable Annual Operating Fees and the late fees as specified in Section (g) – Late Fees.

(3) Reinstatement of Retired Permit(s) to Operate

A retired permit can be reinstated within six months of the retirement date by submitting a written request, and paying the applicable Annual Operating Fees, a reinstatement fee of \$75 and the late fees as specified in Section (g) – Late Fees.

**(i) REFUNDS, INSUFFICIENT PAYMENT OF FEES AND CANCELLATIONS**

(1) General Provisions

(i) No refunds shall be issued for amounts of less than \$25.

(ii) If an applicant does not sign, date and return a refund claim form within six months after receipt of the form, all rights to a refund shall be forfeited.

(2) Application Fee Refunds

(i) If an application for an Authority to Construct/Permit to Operate is withdrawn by the applicant:

(A) before the engineering evaluation has begun, the District will refund the entire Initial Application Fee, less the \$130 Non-refundable Processing Fee.

(B) after the engineering evaluation has begun, the District will refund the Initial Application Fee, less the \$130 Non-refundable Processing Fee, and all costs incurred by the District to evaluate the application.

(ii) If an application for an Authority to Construct/Permit to Operate is denied or cancelled, the District will refund the Initial Application Fee, less the \$130 Non-refundable Processing Fee, the Initial Evaluation Fee (if a dollar amount is listed in



Column (1), and not T+M), and all other costs incurred by the District to evaluate the application.

(iii) Certificate of Registration Refunds: If an application for a Certificate of Registration is withdrawn by the applicant after the engineering evaluation has begun, or withdrawn seven days after the date of receipt, or the application is denied or cancelled, the District will refund the Initial Application Fee, less the \$130 Non-refundable Processing Fee, the Initial Evaluation Fee, and all other costs incurred by the District to evaluate the application.

(iv) Refund Due to Overpayment of T+M, Initial Evaluation Fees, Toxic Hot Spots Fees, or Additional Engineering Evaluation Fees: If the total cost incurred by the District to evaluate any application, health risk assessment, or risk reduction audit and plan involving T+M fees is less than the amount deposited by the applicant, the District will refund any overage beyond its actual evaluation costs and less the \$130 Non-refundable Processing Fee. This provision does not apply to Initial Evaluation Fees for which a fixed amount is established in the Fee Schedules or to any annual fee for the recovery of State Air Toxic Hot Spot program costs.

(v) Exempt Equipment Refunds: Except for requests for exemption processed according to Rule 40(f)(10), if the District determines that the article, machine equipment or other contrivance for which the application was submitted is not within the purview of state law or these Rules and Regulations, a full refund of the fees paid will be issued to the applicant. If a request for a determination of exemption is withdrawn by the applicant before the engineering evaluation has begun, the District will refund the entire deposit and any other fees paid. If a request for a determination of exemption is withdrawn by the applicant after the engineering evaluation has begun, the District will refund the entire deposit and any other fees paid, less any costs incurred by the District to evaluate the request.

### (3) Annual Operating Fee Refunds

A refund of the Annual Operating Fees shall not be issued unless the fees for the upcoming year are paid prior to the Permit to Operate renewal date and the request for a refund of these fees is made prior to the Permit to Operate renewal date. No refunds will be made for fees or late payments made after the due date.

### (4) Air Contaminant Emissions Fee Refunds

(i) New Facilities: The Air Contaminant Emissions Fee portion of the Initial Application Fee shall only be refunded if the application is withdrawn or cancelled prior to the issuance of a Startup Authorization or Permit to Operate.

(ii) Existing Facilities: Air Contaminant Emissions Fees paid by existing facilities as part of their Annual Operating Fee or an Initial Application Fee shall not be refundable, unless all Permit(s) to Operate at the facility are retired.

(5) Other Fees

Asbestos Notifications: Refunds of asbestos notification fees shall be issued only if a cancellation notice is received by the District prior to the notification start date. A refund will not be issued if the notice of cancellation is received by the District on or after the notification start date.

(6) Cancellation Fees – Source Testing and Test Witnessing

Substitution of another facility for a scheduled test shall be considered a cancellation subject to the provisions listed below.

(i) Fee Schedule 92(a): If a source test cancellation notice is not received at least two working days prior to a scheduled source test date a cancellation fee of \$500 shall be charged.

(ii) Fee Schedules 92(b-z) and 93: If a source test or test witnessing cancellation notice is not received at least two working days prior to a scheduled source test date a cancellation fee of \$250 shall be charged.

(iii) Vapor Recovery (Phase I, II): If a VOC vapor recovery system test witness cancellation notice is not received at least two working days prior to a scheduled test date a cancellation fee of \$250 shall be charged.

(7) Insufficient Payment of Fees

(i) If the fees deposited by an applicant to cover the cost of evaluating an application for an Authority to Construct/Permit to Operate or other District evaluation is insufficient to complete the work in progress, the applicant shall deposit an amount deemed sufficient by the District to complete the work, except if the amount is \$25 or less.

(ii) The Air Pollution Control Officer may cancel an application when an applicant fails or refuses to deposit such amount within 45 days of demand or fails or refuses to deposit such amount by the date required by Rule 18 – Action on Applications for action to be taken on the application, whichever date is sooner.

(iii) If the applicant fails or refuses to deposit such amount upon demand, the District may recover the same through a collection agency or by action in any court of competent jurisdiction, including small claims court. Until such amount is paid in full, the District shall not further process the application unless the Air Pollution Control Officer determines that it is in the best interest of all parties concerned to proceed.

(iv) Returned Checks: Any person who issues a check to the District, which is returned by the bank upon which it is drawn without payment, shall pay a returned check fee of \$25.

(v) The Air Pollution Control Officer may refuse to process an application and/or refuse to renew a Permit to Operate if the applicant has any unpaid invoices more than 60 days overdue or has any late fees or outstanding court judgments which are owed to the District. The Air Pollution Control Officer may refuse to process an application if a prior applicant for the equipment or project which is the subject of the application has unpaid invoices or late fees related to that equipment or project.

In the event that processing of an application is stopped pursuant to this provision, the timelines for taking action on an application specified in Rule 18 – Action on Applications shall no longer apply to that application.

## ALPHABETICAL LIST OF FEE SCHEDULES BY EMISSION UNIT TYPE

Abrasive Blasting Cabinets, Rooms and Booths .....	Schedule 2
Abrasive Blasting Equipment - Excluding Rooms and Booths .....	Schedule 1
Acid Chemical Milling .....	Schedule 32
Adhesive Manufacturing .....	Schedule 38
Adhesive Materials Application Operations.....	Schedule 27
Air Stripping Equipment.....	Schedule 52
Anodizing Tanks.....	Schedule 55
Application of Materials Containing Organic Solvents (includes coatings, adhesives, and other materials containing volatile organic compounds (VOC)) .....	Schedule 27
Asbestos Control Equipment .....	Schedule 59
Asphalt Pavement Heaters/Recyclers .....	Schedule 40
Asphalt Roofing Kettles and Tankers used to Store, Heat, Transport, and Transfer Hot Asphalt.....	Schedule 3
Automotive Refinishing Operations .....	Schedule 27
Bakeries .....	Schedule 58
Boilers and Heaters.....	Schedule 13
Bulk Flour, Powdered Sugar Storage System.....	Schedule 35
Bulk Plants and Terminals (Volatile Organic Compounds).....	Schedule 25
Bulk Terminal Grain Transfer and Storage Facility Equipment.....	Schedule 23
Burn Out Ovens .....	Schedule 15
Cement Silo System (Separate from Plants).....	Schedule 8
Ceramic Deposition Spray Booths.....	Schedule 37
Ceramic Slip Casting .....	Schedule 43
Coffee Roasters.....	Schedule 50
Cold Solvent Cleaning Operations .....	Schedule 28
Concrete Batch Plants.....	Schedule 8
Concrete Mixers Over One Cubic Yard Capacity .....	Schedule 8
Concrete Product Manufacturing Plants .....	Schedule 9
Copper Etching .....	Schedule 32
Dielectric Paste Manufacturing .....	Schedule 38
Dry Chemical Mixing.....	Schedule 24
Dry Chemical Storage System.....	Schedule 35
Dry Chemical Transfer and Storage Facility Equipment.....	Schedule 23
Dry Cleaning Facilities .....	Schedule 31
Electronic Component Manufacturing.....	Schedule 42
Electric Deposition Spray Booths.....	Schedule 37
Engines - Internal Combustion .....	Schedule 34
Evaporators, Dryers, and Stills Processing Organic Materials.....	Schedule 44
Feed and Grain Mills and Kelp Processing Plants.....	Schedule 22
Filtration Membrane Manufacturing .....	Schedule 46
Gas Turbine Engines, Test Cells and Test Stands .....	Schedule 20
Gasoline Stations .....	Schedule 26
Grinding Booths and Rooms .....	Schedule 36
Hexavalent Chromium Plating .....	Schedule 55
Hot Dip Galvanizing.....	Schedule 32
Hot-Mix Asphalt Paving Batch Plants.....	Schedule 4
Industrial Coating Applications.....	Schedule 27
Industrial Waste Water Treatment.....	Schedule 51
Ink Manufacturing .....	Schedule 38

Alphabetical List of Fee Schedules by Emission Unit Type – continued

Intermediate Refueler Facilities (Volatile Organic Compounds) .....	Schedule 25
Internal Combustion Engines (Piston Type).....	Schedule 34
Internal Combustion Engines, Test Cells and Test Stands .....	Schedule 34
Kelp and Biogum Products Solvent Dryer .....	Schedule 30
Marine Coatings .....	Schedule 27
Metal Inspection Tanks.....	Schedule 28
Metal Melting Devices .....	Schedule 18
Municipal Waste Storage and Processing.....	Schedule 48
Non-Bulk Volatile Organic Compound Dispensing Facilities .....	Schedule 26
Non-Municipal Incinerators.....	Schedule 14
Non-Operational Status Equipment.....	Schedule 49
Oil Quenching .....	Schedule 19
Organic Gas Sterilizers .....	Schedule 47
Paint and Stain Manufacturing .....	Schedule 38
Paper Shredders or Grinders.....	Schedule 21
Perlite Processing.....	Schedule 41
Pharmaceutical Manufacturing.....	Schedule 54
Plasma Deposition Spray Booths.....	Schedule 37
Precious Metals Refining.....	Schedule 39
Rock Drills.....	Schedule 5
Salt Baths.....	Schedule 19
Sand, Rock, Aggregate Screens, and Other Screening Operations, when not used in Conjunction with other Permit Items in these Schedules.....	Schedule 6
Sand, Rock, and Aggregate Plants.....	Schedule 7
Sewage Treatment Facilities.....	Schedule 56
Soil Remediation Equipment.....	Schedule 52
Solder Paste Manufacturing.....	Schedule 38
Solvent Cleaning Operations .....	Schedule 28
Stills Processing Organic Materials.....	Schedule 44
Turbine Engines, Test Cells and Test Stands .....	Schedule 20
Vapor Solvent Cleaning Operations .....	Schedule 28
Wood Shredders or Grinders .....	Schedule 21

**CATEGORIZED LIST OF FEE SCHEDULES BY EMISSION UNIT TYPE**

**ABRASIVE BLASTING EQUIPMENT**

- Abrasive Blasting Cabinets, Rooms and Booths ..... Schedule 2
- Abrasive Blasting Equipment - Excluding Rooms and Booths ..... Schedule 1

**ASPHALT RELATED OPERATIONS, EQUIPMENT AND PROCESSES**

- Asphalt Pavement Heaters/Recyclers ..... Schedule 40
- Asphalt Roofing Kettles and Tankers used to Store, Heat, Transport,  
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## FEE SCHEDULES

The Fee Schedules shall be used in determining the Initial Evaluation Fees and Emission Unit Renewal Fees using the amounts listed in Columns (1) and (2), respectively for each emission unit. The fees specified below do not include all applicable fees. See Sections (c), (d), (e), (f), (g), (h), and (i) for other required fees.

### SCHEDULE 1: Abrasive Blasting Equipment Excluding Rooms and Booths

Any permit unit consisting of air hoses, with or without water lines, with a single pot rated at 100 pounds capacity or more of sand regardless of abrasive used, and a nozzle or nozzles. (Equipment not operated solely in Schedule 2 facilities).

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Pot 100 pounds capacity or larger with no Peripheral Equipment	T+M	\$307
(b) Each Pot 100 pounds capacity or larger loaded Pneumatically or from Storage Hoppers	T+M	\$261
(c) Each Bulk Abrasive Blasting Material Storage System	T+M	\$245
(d) Each Spent Abrasive Handling System	T+M	\$245
(x) Each Portable Abrasive Blasting Unit, Registered Under Rule 12.1	\$731	\$368

### SCHEDULE 2: Abrasive Blasting Cabinets, Rooms and Booths

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Abrasive Blasting Cabinet, Room or Booth	T+M	\$557
(b) Each Cabinet, Room, or Booth with an Abrasive Transfer or Recycle System	T+M	\$540

### SCHEDULE 3: Asphalt Roofing Kettles and Tankers used to Store, Heat, Transport, and Transfer Hot Asphalt

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Kettle or Tanker with capacity greater than 85 gallons	T+M	\$347
(w) Each Kettle or Tanker, Registered Under Rule 12	\$491	\$306

### SCHEDULE 4: Hot-Mix Asphalt Paving Batch Plant

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Hot-Mix Asphalt Paving Batch Plant	T+M	\$1,993

**SCHEDULE 5: Rock Drills**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(w) Each Drill, Registered Under Rule 12.1	\$827	\$406

**SCHEDULE 6: Sand, Rock, Aggregate Screens, and Other Screening Operations, when not used in Conjunction with other Permit Items in these Schedules**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Screen Set	T+M	\$510
(x) Each Portable Sand and Gravel Screen Set, Registered Under Rule 12.1	\$850	\$403

**SCHEDULE 7: Sand, Rock, and Aggregate Plants**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Crusher System (involves one or more primary crushers forming a primary crushing system or, one or more secondary crushers forming a secondary crusher system and each serving a single process line)	T+M	\$968
(b) Each Screening System (involves all screens serving a given primary or secondary crusher system)	T+M	\$506
(c) Each Loadout System (a loadout system is a set of conveyors chutes and hoppers used to load any single rail or road delivery container at any one time)	T+M	\$498
(x) Each Portable Rock Crushing System, Registered Under Rule 12.1	\$850	\$371

**SCHEDULE 8: Concrete Batch Plants, Concrete Mixers over One Cubic Yard Capacity and Separate Cement Silo Systems**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Concrete Batch Plant (including Cement-Treated Base Plants)	T+M	\$1,029
(b) Each Mixer over one cubic yard capacity	T+M	\$376
(c) Each Cement or Fly Ash Silo System not part of another system requiring a Permit	T+M	\$600
(x) Each Portable Concrete Batch Plant or stand-alone Cementitious Material Storage Silo, Registered Under Rule 12.1	\$940	\$439

**SCHEDULE 9: Concrete Product Manufacturing Plants**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Plant	T+M	\$693

**SCHEDULE 10: RESERVED**

**SCHEDULE 11: RESERVED**

**SCHEDULE 12: RESERVED**

**SCHEDULE 13: Boilers and Heaters**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each 1 MM BTU/HR up to but not including 50 MM BTU/HR input	\$3,783	\$537
(b) Each 50 MM BTU/HR up to but not including 250 MM BTU/HR	T+M	\$690
(f) Each 1 MM BTU/HR up to but not including 50 MM BTU/HR input at a single site where more than 5 such units are located	T+M	\$423
(w) Each unit greater than 2 MM BTU/HR to less than 5 MM BTU/HR, Registered Under Rule 12	\$934	\$284

**SCHEDULE 14: Non-Municipal Incinerators**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Crematory or waste incinerator burning*	T+M	\$1,095
(c) Burning capacity up to and including 50 lbs/hr used exclusively for the incineration or cremation of animals	T+M	\$507

\*Excluding units of 50 lbs/hr capacity or less used exclusively for incineration or cremation of animals.

**SCHEDULE 15: Burn-Out Ovens**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Electric Motor/Armature Refurbishing Oven	T+M	\$505
(d) USN SIMA (ID #APCD1981-SITE-02798)*	T+M	\$271

\*Pursuant to Subsection (c)(3)

**SCHEDULE 16: RESERVED**

**SCHEDULE 17: RESERVED**

**SCHEDULE 18: Metal Melting Devices**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(c) Each Pit or Stationary Crucible/Pot Furnace	T+M	\$519

**SCHEDULE 19: Oil Quenching and Salt Baths**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Tank	T+M	\$296

**SCHEDULE 20: Gas Turbine Engines, Test Cells and Test Stands**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
<b>GAS TURBINE, TURBOSHAFT, TURBOJET AND TURBOFAN ENGINE TEST CELLS AND STANDS</b>		
(a) Each Aircraft Propulsion Turbine, Turboshaft, Turbojet or Turbofan Engine Test Cell or Stand	T+M	\$498
(b) Each Aircraft Propulsion Test Cell or Stand at a facility where more than one such unit is located	T+M	\$270
(c) Each Non-Aircraft Turbine Test Cell or Stand	T+M	\$201
<b>GAS TURBINE ENGINES</b>		
(d) Each Non-Aircraft Turbine Engine 1 MM BTU/HR up to but not including 50 MM BTU/HR input	T+M	\$1,163
(e) Each Non-Aircraft Turbine Engine 50 MM BTU/HR up to but not including 250 MM BTU/HR input	T+M	\$1,699
(f) Each Non-Aircraft Turbine Engine 250 MM BTU/HR or greater input	T+M	\$4,848
(h) Each Standby Gas Turbine used for Emergency Power Generation	T+M	\$329

**SCHEDULE 21: Waste Disposal and Reclamation Units**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Paper or Wood Shredder or Hammermill Grinder	T+M	\$387
(w) Each Paper Shredder with a maximum throughput capacity of greater than 600 pounds per hour, Registered Under Rule 12	\$900	\$421

**SCHEDULE 22: Feed and Grain Mills and Kelp Processing Plants**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Receiving System (includes Silos)	T+M	\$611
(b) Each Grinder, Cracker, or Roll Mill	T+M	\$568
(c) Each Shaker Stack, Screen Set, Pelletizer System, Grain Cleaner, or Hammermill	T+M	\$605
(d) Each Mixer System	T+M	\$873
(e) Each Truck or Rail Loading System	T+M	\$586

**SCHEDULE 23: Bulk Terminal Grain and Dry Chemical Transfer and Storage Facility Equipment**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Receiving System (Railroad, Ship and Truck Unloading)	T+M	\$726
(b) Each Storage Silo System	T+M	\$387
(c) Each Loadout Station System	T+M	\$442
(d) Each Belt Transfer Station	T+M	\$442
(w) Each Grain Silo at beer breweries producing less than 100,000 barrels (3.1 million gallons) per year, Registered Under Rule 12	\$900	\$409

**SCHEDULE 24: Dry Chemical Mixing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(c) Each Dry Chemical Mixer with capacity over one-half cubic yard	T+M	\$320

**SCHEDULE 25: Volatile Organic Compound Terminals, Bulk Plants and Intermediate Refueler Facilities**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
1. Bulk Plants and Bulk Terminals equipped with or proposed to be equipped with a vapor processor:		
(a) Per Tank	T+M	\$348
(b) Tank Rim Seal Replacement	T+M	N/A
(c) Per Truck Loading Head Permit	T+M	\$1,979
(d) Per Vapor Processor	T+M	\$505
2. Bulk Plants not equipped with or not proposed to be equipped with a vapor processor:		
(e) Per Bulk Tank Permit	T+M	\$570
(f) Per Truck Loading Head Permit	T+M	\$514
“Vapor Processor” means a device which recovers or transforms volatile organic compounds by condensation, refrigeration, adsorption, absorption, incineration, or any combination thereof.		
3. Facilities fueling intermediate refuelers (IR’s) for subsequent fueling of motor vehicles, boats, or aircraft:		
(h) Per IR Loading Connector	T+M	\$603

If a facility falls into Parts 1, 2, or 3 above and is equipped with dispensing nozzles for which Phase II vapor controls are required, additional fees equivalent to the “per nozzle” fees for Schedule 26(a) shall be assessed for each dispensing nozzle.

**SCHEDULE 26: Non-Bulk Volatile Organic Compound Dispensing Facilities**  
 Subject to District Rules 61.0 through 61.6

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Facilities where Phase I and Phase II controls are required (includes Phase I fee) Renewal Fee: Fee x number of nozzles	\$4,141	\$258
(c) Facilities where only Phase I controls are required (includes tank replacement) Fee Per Facility	\$3,849	\$750
(e) Non-retail facilities with 250-550 gallon tanks and no other non-bulk gasoline dispensing permits Fee Per Facility	\$1,198	\$656

**SCHEDULE 27: Application of Materials Containing Organic Solvents (includes coatings, adhesives, and other materials containing volatile organic compounds (VOC))**

**PART 1 – MARINE COATINGS**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Marine Coating application operation, except where Fee Schedule 27(t) applies	T+M	\$1,040
(t) Each Marine Coating application operation at facilities where combined coating and cleaning solvent usage is < 3 gallons/day and < 100 gallons/year	T+M	\$695

**PART 2 – INDUSTRIAL MATERIAL APPLICATIONS AND MANUFACTURING**

(Includes application stations for coatings such as paint spraying and dip tanks, printing, and manufacturing products with materials which contain VOCs, etc.)

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(d) Each Surface Coating Application Station w/o control equipment and not covered by other fee schedules at facilities using > 1 gallon/day of surface coatings and emitting ≤ 5 tons/year of VOC from equipment in this fee schedule	T+M	\$1,163
(e) Each Surface Coating Application Station w/o control equipment and not covered by other fee schedules at facilities emitting > 5 tons/year of VOC from equipment in this fee schedule	T+M	\$1,440
(f) Each Fiberglass, Plastic or Foam Product Process Line Except If Using Only Polyester Resin	T+M	\$1,267
(i) Each Surface Coating Application Station requiring Control Equipment	T+M	\$1,099
(j) Each Surface Coating Application Station subject to Rule 67.3 or 67.9 w/o Control Equipment at facilities emitting ≤ 5 tons/year of VOC from equipment in this fee schedule	T+M	\$1,198

**SCHEDULE 27: Application of Materials Containing Organic Solvents (includes coatings, adhesives, and other materials containing volatile organic compounds (VOC))**  
 – continued

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(k) Each Surface Coating Application Station subject to Rule 67.3 or 67.9 w/o Control Equipment at facilities emitting > 5 tons/year of VOC from equipment in this fee schedule	T+M	\$1,127
(l) Each Wood Products Coating Application Station w/o Control Equipment at facilities using > 500 gallons/year of wood products coatings	T+M	\$1,139
(n) Each Press or Operation at a Printing or Graphic Arts facility subject to Rule 67.16	T+M	\$656
(o) Each Fiberglass, Plastic or Foam Product Process Line Using Only Polyester Resin	T+M	\$872
(p) Each Surface Coating Application Station w/o control equipment (except automotive painting) where combined coating, and cleaning solvent usage is < 1 gallon/day or < 50 gallons/year	T+M	\$762
(q) Each Wood Products Coating Application Station of coatings and stripper w/o control equipment at a facility using < 500 gallons/year for Wood Products Coating Operations	T+M	\$967

**PART 3 – MOTOR VEHICLE AND MOBILE EQUIPMENT REFINISHING OPERATIONS**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(r) Each facility applying Coating Materials subject to Rule 67.20 (as applied or sprayed)	\$4,920	\$1,406

**PART 4 – ADHESIVE MATERIALS APPLICATION OPERATIONS**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(u) Each Adhesive Materials Application Station w/o control equipment at facilities emitting ≤ 5 tons/year of VOC from equipment in this fee schedule	T+M	\$825
(v) Each Adhesive Materials Application Station w/o control equipment at facilities emitting > 5 tons/year of VOC from equipment in this fee schedule	T+M	\$1,289
(w) Each Adhesive Materials Application Station w/o control equipment at facilities where adhesive materials usage is < 55 gallons/year	T+M	\$907

**SCHEDULE 28: Vapor and Cold Solvent Cleaning Operations and Metal Inspection Tanks**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Vapor Degreaser with an Air Vapor Interfacial area > 5 square feet	T+M	\$568
(b) Each Cold Solvent Degreaser with liquid surface area > 5 square feet	T+M	\$428
(d) Each Paint Stripping Tank	T+M	\$363
(f) Remote Reservoir Cleaners	T+M	\$387
(h) Vapor Degreaser with an Air-Vapor Interfacial area ≤ 5 square feet	T+M	\$507
(i) Cold Solvent Degreaser with a liquid surface area ≤ 5 square feet	T+M	\$375
(j) Metal Inspection Tanks	T+M	\$348
(k) Contract Service Remote Reservoir Cleaners with > 100 units	T+M	\$46
(l) Contract Service Cold Degreasers with a liquid surface area of ≤ 5 square feet	T+M	\$21
(m) Each facility-wide Solvent Application Operation	T+M	\$760

**SCHEDULE 29: RESERVED****SCHEDULE 30: Solvent and Extract Dryers**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Kelp and Biogum Products Solvent Dryer	T+M	\$1,969

**SCHEDULE 31: Dry Cleaning Facilities**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(b) Each Facility using Petroleum Based Solvents	T+M	\$580

**SCHEDULE 32: Acid Chemical Milling, Copper Etching and Hot Dip Galvanizing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Copper Etching Tank	T+M	\$821
(b) Each Acid Chemical Milling Tank	T+M	\$704
(c) Each Hot Dip Galvanizing Tank	T+M	\$363

**SCHEDULE 33: RESERVED**



**SCHEDULE 34: Piston Type Internal Combustion Engines and Diesel Particulate Filter Cleaning Processes**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Cogeneration Engine or Waste Derived Fuel-Fired Engine with Add-on Control Equipment	T+M	\$1,188
(b) Each Cogeneration Engine or Waste Derived Fuel-Fired Engine without Add-on Control Equipment	T+M	\$784
(d) Each Engine for Non-Emergency, Non-Cogeneration, and Not Waste Derived Fuel-Fired Operation $\geq$ 200 horsepower	T+M	\$844
(e) Each Grouping of Engines for Dredging or Crane Operation with total engine horsepower > 200 HP	T+M	\$776
(f) Each Diesel Pile-Driving Hammer	T+M	\$245
(g) Each Engine for Non-Emergency, Non-Cogeneration, and Not Waste Derived Fuel-Fired Operation < 200 horsepower	T+M	\$516
(h) Each Emergency Standby Engine (for electrical or fuel interruptions beyond control of Permittee)	\$3805	\$452
(i) Each Internal Combustion Engine Test Cell and Test Stand	T+M	\$498
(l) Each Diesel Particulate Filter Cleaning Process	T+M	\$659
(w) Each Specified Eligible Engine, Registered Under Rule 12	\$558	\$429
(x) Each Specified Eligible Portable Engine, Registered Under Rule 12.1	\$917	\$408

**SCHEDULE 35: Bulk Flour, Powdered Sugar and Dry Chemical Storage Systems**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each System	T+M	\$411

**SCHEDULE 36: Grinding Booths and Rooms**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Booth or Room	T+M	\$536

**SCHEDULE 37: Plasma Electric and Ceramic Deposition Spray Booths**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Application Station	T+M	\$683
(c) Flame Spray (ID #APCD1976-SITE-00274)*	T+M	\$323

\*Pursuant to Subsection (c)(3)

**SCHEDULE 38: Paint, Adhesive, Stain, Ink, Solder Paste, and Dielectric Paste Manufacturing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Process Line for Paint, Adhesive, Stain, or Ink Manufacturing at facilities producing > 10,000 gallons per year	T+M	\$400
(b) Each Can Filling Line	T+M	\$427
(c) Each Process Line for Solder Paste or Dielectric Paste Manufacturing	T+M	\$479

**SCHEDULE 39: Precious Metals Refining**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Process Line	T+M	\$739

**SCHEDULE 40: Asphalt Pavement Heaters/Recyclers**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(x) Each Portable Unheated Pavement Crushing and Recycling System, Registration Under Rule 12.1	\$1,091	\$375

**SCHEDULE 41: Perlite Processing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Process Line	T+M	\$582
(b) Aztec Perlite (ID #APCD1978-SITE-01598)*	T+M	\$1,341

\*Pursuant to Subsection (c)(3)

**SCHEDULE 42: Electronic Component Manufacturing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Process Line	T+M	\$693
(b) Each Screen Printing Operation	T+M	\$737
(c) Each Coating/Maskant Application Operation, excluding Conformal Operation	T+M	\$846
(d) Each Conformal Coating Operation	T+M	\$1,136

**SCHEDULE 43: Ceramic Slip Casting**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Process Line	T+M	\$418

**SCHEDULE 44: Evaporators, Dryers, & Stills Processing Organic Materials**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Evaporators and Dryers [other than those referenced in Fee Schedule 30 (a)] processing materials containing volatile organic compounds	T+M	\$519
(b) Solvent Recovery Stills, on-site, batch-type, solvent usage > 350 gallons per day	T+M	\$529

**SCHEDULE 45: RESERVED****SCHEDULE 46: Filtration Membrane Manufacturing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Process Line	T+M	\$785

**SCHEDULE 47: Organic Gas Sterilizers**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Organic Gas Sterilizer/Aerator requiring control	T+M	\$372

**SCHEDULE 48: Municipal Waste Storage and Processing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Municipal Waste Storage and Processing - not subject to the ARB Methane Emissions Regulation	T+M	\$1,763
(c) Municipal Waste Storage and Processing - subject to the ARB Methane Emissions Regulation	T+M	\$6,234

**SCHEDULE 49: Non-Operational Status Equipment**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Non-Operational Status Equipment	\$367	\$431
(b) Activating Non-Operational Status Equipment	\$329	N/A

**SCHEDULE 50: Coffee Roasters**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Coffee Roaster	T+M	\$418

**SCHEDULE 51: Industrial Waste Water Treatment**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each On-site Processing Line	T+M	\$577
(c) USN Air Station NORIS Public Works (ID #APCD1986-SITE-02755)*	T+M	\$516

\*Pursuant to Subsection (c)(3)

**SCHEDULE 52: Air Stripping and Soil Remediation Equipment**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Air Stripping Equipment	T+M	\$877
(b) Soil Remediation Equipment - On-site (In situ Only)	T+M	\$1,024

**SCHEDULE 53: RESERVED**

**SCHEDULE 54: Pharmaceutical Manufacturing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Pharmaceutical Manufacturing Process Line	T+M	\$1,187

**SCHEDULE 55: Hexavalent Chromium Plating and Anodizing Tanks, and Chromate Conversion Coating Tanks**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Hard or Decorative Chrome Plating and/or Anodizing Tank or Group of Tanks Served by an Emission Control System	T+M	\$1,252
(b) Each Decorative Plating Tank without Add-on Emission Controls	T+M	\$772
(d) Each Chromate Conversion Coating Tank	T+M	\$512

**SCHEDULE 56: Sewage Treatment Facilities**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Wastewater Treatment Facility, or Each Water Reclamation Facility	T+M	\$1,502
(b) Each Wastewater Pump Station	T+M	\$727

**SCHEDULE 57: RESERVED**

**SCHEDULE 58: Bakeries**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Bakery Ovens at Facilities with Emission Controls Pursuant to Rule 67.24	T+M	\$995

**SCHEDULE 59: Asbestos Control Equipment**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(c) Portable Asbestos Mastic Removal Application Station	T+M	\$479

**SCHEDULES 60 THROUGH 90 RESERVED**

**SCHEDULE 91: Miscellaneous – Hourly Rates**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Miscellaneous Operations	T+M	\$708

**SCHEDULE 92: Source Testing Performed by the District**

The owner or operator of an emission unit which requires source testing to determine compliance shall pay the applicable source test fee(s) listed below if the source testing is performed by the District or a District contractor. If the source test requires significantly more on-site time than is provided by the fixed fees specified below (e.g., tall stacks), the additional costs incurred by the District shall be determined using the labor rates specified in Schedule 94 – Time and Material (T+M) Labor Rates and related material and other costs. The owner or operator shall pay such fees upon notification from the District that such fees are required.

<u>Fee Unit</u>	<u>Fee</u>
(c) Each Sulfur Oxides Source Test	T+M
(d) Annual Fee for each Biennial Cycle Test for NOx and CO (1/2 the cost of one test)	\$2,040
(e) Each Ethylene Oxide Source Test	T+M
(f) Each Carbon Monoxide and Nitrogen Oxides Source Test	\$4,079
(g) Each Nitrogen Oxides Source Test	\$4,704
(h) Each Incinerator Particulate Matter Source Test with Waste Burning Capacity of > 100 lbs Per Hour	T+M
(i) Each Ammonia Source Test	\$1,948
(j) Continuous Emission Monitor System Evaluation	T+M
(k) Incinerator Particulate Matter Source Test with Waste Burning Capacity of < 100 lbs Per Hour	T+M
(m) Each Mass Emissions Source Test	\$1,923
(o) Each Multiple Metals Source Test	T+M

**SCHEDULE 92: Source Testing Performed by the District – continued**

<u>Fee Unit</u>	<u>Fee</u>
(p) Each Chromium Source Test	T+M
(q) Each VOC Onsite Analysis	\$8,971
(r) Each VOC Offsite Analysis	\$2,102
(s) Each Hydrogen Sulfide Source Test	T+M
(t) Each Acid Gas Source Test	T+M
(v) Annual Fee for Optional Source Test Pilot Study	T+M
(w) Each Particulate Matter Source Test	\$5,766
(x) Each Particulate Matter and Nitrogen Oxides and Carbon Monoxide Source Test	\$12,863
(y) Each Particulate Matter and Carbon Dioxide and Oxygen Source Test	\$9,200
(z) Miscellaneous Source Test (Special Tests not Listed)	T+M

**SCHEDULE 93: Witness of Source Tests Performed by Independent Contractors**

The owner or operator of an emission unit which requires source testing to determine compliance for the purpose of quantifying emissions to determine whether a Permit to Operate shall be issued or if the emission unit is in compliance, and chooses to have the testing performed by an independent contractor, shall pay the actual T+M costs incurred by the District to observe such testing and review the resulting source test report.

Any person, company, agency that requests review of a test procedure shall pay the actual T+M costs incurred by the District to review such test procedures. Such requests shall be accompanied by an amount estimated to cover actual District costs.

<u>Fee Unit</u>	<u>Fee</u>
(a) Test Witness and Report Review	T+M
(c) Test Procedure Review	T+M
(d) Each VOC Bulk Terminal Test Witness	\$3,695
(e) Each Ethylene Oxide Test Witness Day	\$3,455

**SCHEDULE 94: Time and Material (T+M) Labor Rates**

<u>Service Category</u>	<u>Hourly Rate</u>
Compliance Services	\$286
Engineering Services	\$315
Monitoring Services	\$173
Planning and Mobile Incentives Services	\$218
Source Testing Services	\$217

**SCHEDULE 95: Sampling and Analysis**

When the District determines a sample and/or analysis is needed for the purpose of determining potential emissions and/or determining compliance with District Rules and Regulations, the actual T+M costs incurred by the District for collection and analysis of samples, including preparing the reports, shall be paid by the permittee, applicant or other persons for activities for which a Permit is not required.

**SCHEDULE 96: Additional Costs Incurred by the District for Sources Not in Compliance**

Whenever the District is requested or required to provide consultation, testing or inspection to any person or facility, beyond the consultation testing and inspection covered by the permit fees, or related to a Notice of Violation and/or Notice to Comply, the person or facility shall pay the actual T+M costs incurred by the District for the cost of such services.

**SCHEDULE 97: Other Charges**

Whenever the District is requested or required to provide consultation, legally required testimony, testing, inspection, engineering or services, the cost of such services shall be determined using the labor rates specified in Fee Schedule 94 – Time and Material (T+M) Labor Rates. Persons requesting and/or receiving such services shall be charged the estimated cost of providing such services and shall deposit such amount to the District in advance of the service, unless prior arrangements for payment have been approved by the District. In the case of consultations requested prior to filing an application, any funds deposited in excess of actual costs incurred for such consultations shall be refunded or applied as a credit against required application fees.

**IT IS FURTHER RESOLVED AND ORDERED** that the proposed amendments to Rule 40 of Regulation III shall take effect on July 1, 2024.

**PASSED AND ADOPTED** by the Air Pollution Control District Governing Board of the San Diego County Air Pollution Control District, State of California, this 9<sup>th</sup> day of May, 2024, by the following votes:

**AYES:** Birkbeck-Garcia, Elo-Rivera, Gloria, Gomez, Martinez, Medina, Shu

**ABSENT:** Lawson-Remer, Sanchez, Vargas

APPROVED AS TO FORM AND LEGALITY  
COUNTY COUNSEL  
  
BY: RODNEY LORANG, SENIOR DEPUTY

-- -- --  
STATE OF CALIFORNIA)

County of San Diego)<sup>SS</sup>

I hereby certify that the foregoing is a full, true and correct copy of the Original Resolution entered in the Minutes of the San Diego County Air Pollution Control District Governing Board.



MARVICE MAZYCK

Clerk of the San Diego County Air Pollution Control District Governing Board





April 4, 2024

## Results of the FY24-25 Cost Recovery Analysis

The San Diego County Air Pollution Control District (SDAPCD or District) retained the Matrix Consulting Group to conduct an update to its Cost Recovery Study. The following memo provides a background of the project scope, the legal framework within which the cost recovery study was conducted, the methodology used to conduct the study, modifications to the current cost recovery model, the overall results, and the recommended cost recovery scenario.

### Project Background and History

The California Health and Safety Code Sections 41512 and 42311 allow the District to recover the full costs associated with the renewal, evaluation, and issuance of permits. These sections also provide limits on fee increases for permit to operate and authority to construct permits, restricting aggregate revenue increases to 15% annually. Based upon this legal authority, the District has a goal to review its fees every year to ensure that all fee-related costs are captured and maximum cost recovery is achieved.

In 2020, the State Auditor issued a report regarding SDAPCD, which identified that fee-related expenses were not being fully recovered. As a result of these findings, the SDAPCD conducted its first external fee evaluation in 2021, with study results presented and adopted by the SDAPCD Governing Board in May 2021<sup>1</sup>. Before implementing fee increases in 2021, the District had not raised fees in three years.

At the end of 2021, the Matrix Consulting Group worked with the District to conduct an update to the study conducted earlier in 2021. This update incorporated staffing and budgetary adjustments as well as several fee program modifications. The results of this analysis were presented and adopted by the Board for implementation on July 1, 2022. In September 2022, the Matrix Consulting Group began working with the District to conduct the next update to the Cost Recovery Analysis for implementation on July 1, 2023.

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<sup>1</sup> A link to the 2021 Matrix Consulting Group report can be found at: [Cost Recovery Report](#)

As part of the continuing effort to ensure that fees cover the costs associated with their activities, the District is now updating its fees for implementation on July 1, 2024. The goal of this study was to update the analysis from last year based on new inputs associated with staffing, costs, workload, and any changes in fee structures.

## 2 Legal Framework

The California Health and Safety Code and Proposition 26 are the two primary legal frameworks governing the fees and revenue requirements for Air Pollution Control Districts. Proposition 26 considers all charges imposed by a local government as a tax, except for the following seven exceptions:

1. **Fees and Charges for Specific Benefit Conferred or Privilege Granted:** This is in relation to a payor receiving a service that is only provided to that payor specifically, and the costs for this must not exceed the reasonable costs of providing that service.
2. **Fees and Charges for Specific Government Service or Product Provided:** This is similar to the first exception and is directly in relation to a service or tangible product received, and it must not exceed the reasonable cost of that service or product. This is the exception that is used for “user fees”.
3. **Regulatory Fees and Charges:** This is in relation to issuing licenses and permits, performing investigations, inspections, audits, and administrative enforcement of regulated activities. These charges must be based on reasonable regulatory costs.
4. **Use of Government Property:** This is in relation to using park or government facilities, so purchase, rental or lease of any government owned property.
5. **Fines and Penalties:** This is in relation to any charges that are imposed as a result of violation of local or state regulations.
6. **Fees and Charges Imposed as Condition of Development:** This is in relation to impact fees and requires a nexus of how the development has a specific correlation to the impact.
7. **Property Related Fees and Charges and Assessments:** This is in relation to utility / service fees that are imposed in relation to the property such as water, sewer, trash, etc.

The Air District’s fees fall under the exception #3 primarily with a handful of fees that are under exception #2. The language of Proposition 26, states that the local government must ensure that the fees imposed for any of these exceptions should be based upon the reasonable costs necessary to cover those activities or provide those services.

Additionally, there should be a reasonable relationship that exists between the cost and the benefit borne by the payors of these fees.

The Cost Recovery Model (provided under separate cover to the District) calculates the full cost of conducting regulatory activity and providing any fees for service. These costs include the direct (hands on staff conducting inspections for compliance and reviewing applications), as well as indirect support associated with those activities (i.e., permit processing, rule development, human resources, finance, IT, etc.). The District also ensures that it follows all state and federal guidelines in relation to conducting any compliance inspections or application reviews to ensure that the fee payor is only paying for their fair share of services received. Unnecessary application reviews and inspections are not imposed upon the facility. Any fines and violations for lack of compliance would be imposed separately outside of the fee process.

This study calculates the full cost (direct and indirect) associated with each fee line item assessed by the District. Therefore, for each individual fixed fee, renewal fee, source test fee, asbestos, or hearing board item, it is ensured that the total fee proposed or recommended does not exceed the full cost of providing the service.

For example, in Rule 40, for Schedule 1X there is a current fixed application fee of \$636. Through the FY24-25 Cost recovery study, the full cost calculated for this fee is \$900. The District is proposing to increase all fixed application fees by 15%, resulting in the recommended fee being \$731. The proposed fee of \$731 does not exceed the full cost of \$900. Conversely, Schedule 13A shows a fixed application current fee of \$3,569 and full cost of \$3,783. As a 15% fee increase would result in the recommended fee being \$4,104 the District is recommending this fee to be set at full cost (\$3,783) or a 6% increase.

Therefore, as the examples demonstrate, even though the District applies a recommended fee percentage increase across the board to a fee schedule, each individual fee is evaluated to ensure that it does not exceed the maximum justifiable full cost fee calculated through the cost recovery model.

## Methodology

The work accomplished by the Matrix Consulting Group, in partnership with District staff, to develop the full cost of fee-based services involved the following steps:

- **Staff Interviews:** The project team met with District staff to discuss and determine fee structure modifications and time estimate assumptions.

- Staff provided insight regarding changes that needed to be made to the current fee structure.
- Staff confirmed previous or provided updated time estimates associated with application processing, review, inspection, and source testing services. These estimates represent average times and exclude extremely difficult or abnormally simple projects.

All fee schedule modifications and time estimate assumptions were reviewed by the project team for “reasonableness”, as well as with District management.

- **Cost Analysis:** Fiscal Year 2023 / 2024 budget and staffing documents were provided by the District. This information was then entered into the Matrix Consulting Group’s analytical software model where several cost components were calculated for each fee or service. The components then build upon each other to comprise the total cost for providing the service.

The methodology employed by the Matrix Consulting Group is a widely accepted “bottom up” approach to cost analysis. This methodology evaluates each individual fee line item and calculates its full cost (direct and indirect) based upon two components:

1. **Time Estimates:** The time it takes to provide the individual service, regardless of how many are performed annually.
2. **Fully Burdened Hourly Rate:** The hourly rate consists of the salaries, benefits, productive working hours<sup>2</sup>, services and supplies<sup>3</sup>, program overhead<sup>4</sup>, and districtwide overhead<sup>5</sup>. It reflects the cost to the District of the position providing the service. It does not reflect the take home pay of the position.

The time estimates are multiplied by the fully burdened hourly rate to calculate the full cost for each individual line item on the fee schedule.

For example, for Schedule 1X the full cost for application evaluation is calculated by taking the estimated time associated with each position classification (0.30 hours for the Sr. Engineer and 2.5 hours for the Associate Engineer) and multiplying it by their

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<sup>2</sup> The productive working hours reflect a reduction from 2,080 annual hours to 1,610 hours to account for vacation, holiday, sick leave, breaks, and trainings.

<sup>3</sup> This captures the overhead costs associated with operating expenses for a program such as vehicles, fuel, software, etc.

<sup>4</sup> This reflects support from clerical and supervisory staff to oversee the activities, as well as general support activities related to permits, inspections, and applications.

<sup>5</sup> This reflects the support provided by the Board, Rule Development, Office of Environmental Justice, Support Services, and Administration.

respective fully burdened hourly rates (\$344.58 and \$318.55) to arrive at the full cost of \$900.

In order to calculate the estimated annual cost associated with these activities the \$900 is multiplied by the number of fixed fee applications processed during the previous fiscal year. This allows the District to represent the annual cost associated with administering the specific services for which fees are assessed and not the cost of the overall program.

## Modifications to Current Cost Recovery Model

All cost recovery studies are a snapshot in time. The FY22-23 study focused on FY21-22 adopted budget and staffing, as well as FY20-21 completed workload information. Due to the nature of fee studies, the cost assumptions utilized to develop the fees are typically backward looking and based upon the current adopted budget for future fee increases. The concept being that future costs should generally be reflective of current costs. For the FY24-25 Cost Recovery Model, the project team incorporated the following data and assumptions:

- FY23-24 Adopted Budget For District Programs showing personnel and operating expenditures
- FY23-24 Adopted Staffing Levels showing updated staffing levels and staffing costs
- FY22-23 Completed Workload Information
- July 2023 Adopted Fee Amounts
- Conversion of eight (8) fees from Fixed Fees to Time and Material (T&M) and one (1) T&M fee to Fixed Fee to represent the variation in level of effort more accurately
- 34C was consolidated into 34H to better reflect the level of effort and equipment type being reviewed and inspected by Engineering and Compliance staff
- Elimination of outdated Application Fee and Renewal Fees – 13D, 20G, 29A, 31A, 38D and 38F.
- Updated time assumptions for Source Testing, Permit Evaluation Services, Renewal, and Asbestos Fees.
- Combined standard and online asbestos notification fees into one set of fees along with RACM and No RACM demolition notifications fees to allow for more streamlined asbestos fee schedule. Additionally, Planned, Emergency, Revision,

and Cancellation fees for asbestos notifications were eliminated and captured in the general asbestos fee category.

These model inputs ensured that the FY24-25 model was updated consistently with the current cost recovery model methodology. It also ensures that future fee increases are based upon the most recent cost, organizational structure of the District, and fee-related processes.

## Cost Recovery Results

When comparing FY 23-24 fee-related expenditures<sup>6</sup> with fee-related revenue based upon FY22-23 workload, the District is currently providing a fee-related subsidy of approximately \$1.7 million or recovering approximately 87% of annual fee-related costs. The following table outlines the District's existing cost recovery levels by major fee category assessed by the District:

**Table 1: FY24 (Existing) Annual Cost Recovery Analysis**

Fee Category	Revenue at Current Fee	Total Fee-Related Annual Cost	Difference	Cost Recovery %
Initial Application Fees	\$746,829	\$895,240	(\$148,411)	83%
Renewal Fees	\$6,356,377	\$6,934,109	(\$577,732)	92%
Source Testing Fees	\$927,698	\$1,467,944	(\$540,246)	63%
Asbestos Fees	\$1,008,552	\$1,054,466	(\$45,914)	96%
Hearing Board Fees	\$10,914	\$58,704	(\$47,790)	19%
Time & Material	\$1,466,936	\$1,748,208	(\$281,271)	84%
Processing Fee	\$460,459	\$521,164	(\$60,705)	88%
<b>TOTAL</b>	<b>\$10,977,765</b>	<b>\$12,679,834</b>	<b>(\$1,702,069)</b>	<b>87%</b>

The revenue at current fee represents the projected current revenue based upon the District's current fee being assessed and prior year workload. In an earlier analysis, the revenue at current fee was based upon prior year workload information for all categories; however, in this analysis, the workload has been updated for Renewal and Asbestos fees to better reflect current trends associated with permit to operate and renewal activities. As such, the revenue at current fee is different than the previous FY24 cost recovery analysis.

It is important to stress that the fee categories above represent estimated revenue and costs for a range of services provided under each fee category and are not inclusive of other non-fee related components within a program. The annual cost is only reflective of

<sup>6</sup> Fee-related expenditures only refers to the annual costs associated with fee-related activities. It does not include other non-fee related components within a program. For example, Compliance has a Mobile Source unit, whose cost is not included in this calculation as that cost is not permit or fee-related.

fee-related support provided for those activities and does not encompass the entire program.

## Cost Recovery Recommendation

Last year, the Board adopted a fee increase scenario that was targeted at increasing all fees that are subject to the 15% aggregate fee rule. The California Health and Safety Code Section 41512.7(d)(2) states that the District has the ability to increase individual fees for service for permit to operate and authority to construct permits as long as the total revenue for those fee categories does not exceed more than 15% in a single fiscal year.

The District has traditionally followed this Health and Safety Code guideline by applying it to Application Fees, Renewal Fees, Time and Material, and Processing Fee categories as those fees fall under the “permit to operate” and “authority to construct” permit category. For all other fee categories – Source Testing, Asbestos, and Hearing Board the District is not bound to any limits on fee or revenue increases other than the requirement that the fee cannot exceed the cost of providing the service. Therefore, under this recommended fee increase, the District is able to apply different cost increases to the fee categories to allow for greater cost recovery for the District.

The Board adopted proposed percentage increases from last year are recommended to also be applied to this year, with two differences:

1. **Asbestos:** The Board increased Asbestos fees by 25% per year for 2 years, and last year increased them only by 15%. For this fiscal year, it is being proposed that fees only increase by 10% to bring the fees into alignment and get close to full cost recovery.
2. **Hearing Board:** Hearing Board fees comprise 0.1% of the revenue for the District and as such only 0.42% of its costs. Increasing these fees may result in the Hearing Board fees becoming cost prohibitive, without having a significant revenue impact upon the District. Therefore, it is being recommended that these fees see a 0% increase once again for FY24-25.

The following table summarizes by major fee category, the current estimated cost recovery percentage (FY23-24), whether it is subject to the Aggregate Fee increase of 15%, the projected fee increase percentage for FY24-25, and the resulting FY24-25 Cost Recovery percentage:

**Table 2: Proposed Cost Recovery Analysis by Fee Category for FY24-25**

Fee Category	Current Cost Recovery %	Subject to Aggregate Cap of 15%?	FY24-25 Fee Inc. %	FY24-25 Cost Recovery %
Initial Application Fees	83%	Yes	15%	91%
Renewal Fees	92%	Yes	15%	91%
Source Testing Fees	63%	No	15%	73%
Asbestos Fees	96%	No	10%	94%
Hearing Board Fees	19%	No	0%	19%
Time & Material Fees	84%	Yes	15%	96%
Processing Fees	88%	Yes	15%	99%

The highlighted rows in the table above represent those categories that are subject to the 15% revenue limit, meaning the total revenue for those fees combined cannot exceed 15%. As the table indicates, fee categories that are subject to the cap of 15% revenue increase, the fee increases are all set at 15%. For all other fee categories, other than Asbestos, the fee increase is the same as the last fiscal year and Board adopted increase. The following table shows for each of the major fee categories, the current revenue based on FY23-24 budgeted staffing and expenditure costs and FY22-23 workload, the projected revenue at the proposed FY24-25 fee percentage increase, and the resulting revenue change:

**Table 3: Proposed Revenue Increase Impacts**

Fee Category	Revenue at Current Fee	Total Projected Revenue	\$ Difference
Initial Application Fees	\$746,829	\$814,289	\$67,460
Renewal Fees	\$6,356,377	\$6,335,531	(\$20,846)
Source Testing Fees	\$927,698	\$1,065,388	\$137,690
Asbestos Fees	\$1,008,552	\$989,174	(\$19,378)
Hearing Board Fees	\$10,914	\$10,914	\$0
Time & Material Fees	\$1,466,936	\$1,676,659	\$209,723
Processing Fees	\$460,459	\$513,882	\$53,423
<b>TOTAL</b>	<b>\$10,977,765</b>	<b>\$11,405,837</b>	<b>\$428,071</b>

The District's total fee-related revenue would be projected to increase to approximately \$11.4 million. However, this projected increase in total revenue is limited due to a projected decrease in revenue from the Renewal and Asbestos Fee categories. This decrease is attributed to a comprehensive review of labor data related to renewal and asbestos inspections. Upon thorough review of updated inspection labor data, the District determined that the average time required to provide compliance verification services for various permit and asbestos renovation/demolition project types has changed. Those changes encompass both increases and decreases in inspection duration. Multiple factors can influence the time required to verify compliance, including streamlined processes, the enhanced expertise of District staff and regulated entities, regulatory changes, compliance determinations, response time from regulated entities, and



recordkeeping and reporting requirements. These fluctuations are particularly noticeable for less common industries or permit types where unique circumstances may impact inspection complexity and duration.

As a result, adjustments were made to several renewal and asbestos fees to account for the updated time assumptions. Fees for permit types with reduced inspection times are being decreased and fees for permit types with increased inspection times are being adjusted upwards by a maximum of 15%. However, the increased fees do not fully offset the projected revenue reduction from the categories where fees were decreased. These changes are necessary to ensure fairness and accuracy in the District’s fee structure while reflecting the evolving nature of the compliance processes and regulatory landscape.

When the District first started this study process in 2021, the fee-for-service cost recovery was calculated at approximately 66%. This is the District’s fourth year of conducting the study and update, and it is projected to increase fee-for-service cost recovery to approximately 90%. The original study had estimated that it would take the District more than 5 years to get to maximum cost recovery (barring any operational and major cost changes), and as such, the District remains on track toward achieving maximum fee-related cost recovery.

As the District gets closer to cost recovery, there will be less of a need for significant annual fee increases. Once fee-related cost recovery is achieved, annual fee increases will only need to match annual cost increases associated with personnel and operating expenditures.

The following table summarizes the advantages and disadvantages of the proposed fee increases from the perspective of internal (District) and external (permit and fee holders) stakeholders:

**Table 4: Cost Recovery Recommendation – Advantages and Disadvantages**

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• <b>Internal:</b> Increased revenue for the District.</li> <li>• <b>External:</b> Lower fee increases for Asbestos and no fee increases for Hearing Board.</li> <li>• <b>External:</b> Continued focus on ensuring that receivers of the service are paying for their fair share of the service.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>External:</b> Continued fee increase for rate payors.</li> </ul>

The proposed fee increases are consistent with previously adopted Board practices, enables the District to continue its movement towards increasing cost recovery, and applies fee increases based upon estimated level of cost recovery.

**REGULATION III: FEES**

**RULE 40. PERMIT AND OTHER FEES**

(Adopted ~~January 12, 2023~~ *(date of adoption)* & Effective July 1, ~~2023~~ *2024*)

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## **RULE 40. PERMIT AND OTHER FEES**

### **(a) APPLICABILITY**

(1) Notwithstanding any other provision of these rules, this rule shall be used to determine all fees charged by the San Diego County Air Pollution Control District (District), as authorized by the Air Pollution Control District Governing Board, except for those specified in Rule 42 – Hearing Board Fees. These include, but are not limited to, fees for: applications, permits, portable equipment registrations, renewals, source testing, asbestos demolition or renovation notifications, emergency episode plans, grid searches, technical consultations, new or modified power plants, Toxic Hot Spots, Title V Operating Permits, and Synthetic Minor Source Permits, and reviews, analyses, documents and procedures required or requested pursuant to the California Environmental Quality Act (CEQA).

(2) This rule shall be used to determine refunds, forfeitures and insufficient payment of fees, if applicable.

### **(b) DEFINITIONS**

The following definitions shall apply for terms used in this rule:

(1) **“Annual Operating Fee”** means all fees related to a permit that are paid on an annual basis. These include, but are not limited to, the following: Site Identification (ID) Processing and Handling Fee, Permit Processing Fee, Emission Unit Renewal Fee, Air Contaminant Emissions Fee, District and State Air Toxic Hot Spots Fee, and Annual Source Test Fee.

(2) **“Applicant”** means the owner of the emission unit or operation, or an agent specified by the owner.

(3) **“Initial Application Fees”** means all fees related to an application. These include, but are not limited to, a Non-refundable Processing Fee, Initial Evaluation Fee, Emission Unit Renewal Fee, Air Contaminant Emissions Fee, and if applicable, an Additional Engineering Evaluation Fee and/or Source Test Fee.

(4) **“Location”** means the same as “Stationary Source” as defined in Rule 2 – Definitions.

(5) **“Permit to Operate”** or **“permit”** means any District authority to operate, such as a Permit to Operate, Certificate of Registration, Title V or Synthetic Minor Source permit, unless otherwise specified.

(6) **“T+M”** means time and material costs.

(7) **“Valid Permit or Valid Authority to Construct”** means a Permit or Authority to Construct for which all fees are current.

All other terms mean the same as defined in Rule 2 – Definitions unless otherwise defined by an applicable rule or regulation.

**(c) GENERAL PROVISIONS**

(1) No application shall be considered received unless accompanied by the completed application and associated supplemental forms (if applicable) and the appropriate Initial Evaluation Fees.

(2) All time and material (T+M) costs shall be determined using the labor rates specified in Fee Schedule 94 – Time and Material (T+M) Labor Rates.

(3) If the Air Pollution Control Officer determines that the activities of any one company would cause an increase of at least 10% in any one Emission Unit Fee Schedule, the Air Pollution Control Officer may delete the costs attributed to that company from the cost data used to determine that type of Emission Unit Fee Schedule. The costs from such a company shall be recovered by development of a source-specific Emission Unit Fee Schedule. The specific Initial Evaluation or Emission Unit Renewal Fee Schedules shall be submitted to the Air Pollution Control District Governing Board for consideration and adoption.

(4) If the Air Pollution Control Officer determines that a person has under-reported material usage, emissions or other information necessary for calculating an emissions inventory, and such under-reporting has led to an Air Contaminant Emissions Fee less than what would have been due if correct usage, emissions or other information had been reported, then the person shall pay the difference between the original and corrected Air Contaminant Emissions Fee plus a charge equal to 30% of the difference. Such charge shall not apply if the permittee demonstrates to the Air Pollution Control Officer's satisfaction that the under-reporting was the result of inadvertent error or omission which the permittee took all reasonable steps to avoid. Required fees not paid within 30 days of the due date shall be assessed a late fee in the amount prescribed in Section (g) – Late Fees.

(5) Credit card payments for fees will be assessed a processing fee of 2.19% of the amount paid by credit card. This processing fee covers only costs assessed to the District by credit card providers. Payments made using the online application submittal system will not be assessed a processing fee but will be subject to fees charged by the online submittal system vendor for the service. These convenience fees are not remitted to the District.

**(d) AUTHORITY TO CONSTRUCT AND PERMIT TO OPERATE FEES**

(1) General Provisions

(i) Every applicant for an Authority to Construct/Permit to Operate for any article, machine, equipment or other contrivance shall pay the applicable fees as specified in this Section (d) Authority to Construct and Permit to Operate Fees for each emission unit.

(ii) A ~~\$113~~ \$130 Non-refundable Processing Fee shall be submitted with each application for an Authority to Construct/Permit to Operate, Change of Location, Change to an Existing Authority to Construct/Permit to Operate, Like-Kind Replacement or Banking Emission Reduction Credits. This fee does not apply to applications for a Change of Ownership, Identical Replacement, or Fee Schedules 49(a) or 49(b).

(iii) When additional evaluation fees are required, the applicant shall deposit the amount estimated to cover the evaluation costs upon receipt of such an invoice. The District may stop work on the application until the invoiced amount is fully paid.

(iv) Initial Evaluation Fees and Emission Unit Renewal Fees shall be determined using the amounts listed in Columns (1) and (2), respectively, of the Fee Schedules provided within this rule.

(2) Initial Application Fees for an Authority to Construct/Permit to Operate

The Initial Application Fees for an Authority to Construct/Permit to Operate application shall include a Non-refundable Processing Fee, Initial Evaluation Fee, Emission Unit Renewal Fee, Air Contaminant Emissions Fee, and if applicable, an Additional Engineering Evaluation Fee and/or Source Test Fee.

Calculation Worksheet for Initial Application Fees

Non-refundable Processing Fee	<del>\$113</del> <u>\$130</u>
Initial Evaluation Fee <sup>1</sup>	
Emission Unit Renewal Fee <sup>1</sup>	
Air Contaminant Emissions Fee <sup>2</sup>	
Additional Engineering Evaluation Fees <sup>3</sup>	
Source Test Fee <sup>4</sup>	
Total:	\$ _____

Notes:

1. See Fee Schedule. If T+M fee is indicated, ~~call the District for a fee estimate~~ visit [www.sdapcd.org](http://www.sdapcd.org) for the specific equipment type being requested and complete a fee estimate form to submit with the application materials.
2. See Subsection (d)(4) to determine applicable fee, based on total facility emissions.
3. See Subsection (d)(5) to determine if additional fees are required; ~~or call the District for a fee estimate~~ visit [www.sdapcd.org](http://www.sdapcd.org) for the specific equipment type being requested and complete a fee estimate form to submit with the application materials.
4. Call the District for a Source Test Fee estimate.

(3) Initial Evaluation Fee

The Initial Evaluation Fee shall be determined based on the specific type of equipment, process or operation for which an application is submitted, as listed in Column (1) of the Fee Schedules provided within this rule.

(i) Where the fee specified in Column (1) is T+M, the fee shall be the actual evaluation cost incurred by the District. The applicant shall deposit the amount estimated to cover the actual evaluation cost at the time of application submittal.

(ii) If the equipment, process or operation for which an application is submitted is not listed in the Fee Schedules, the Initial Evaluation Fee shall be on a T+M basis, including the Emission Unit Renewal Fee, as specified in Fee Schedule 91 – Miscellaneous – Hourly Rates.

(iii) If the equipment, process, or operation for which an application is required solely due to a change in Rule 11 – Exemptions from Rule 10 Permit Requirements, the evaluation fee shall be based on the actual evaluation cost incurred by the District, not to exceed the Initial Evaluation Fee, except as provided under Subsection (d)(5).

(4) Air Contaminant Emissions Fees

The Air Contaminant Emissions Fee is an annual fee based on total air contaminant emissions from the stationary source. This fee shall also apply to portable equipment permitted or registered under these Rules and Regulations. For purposes of this subsection, the term “facility” means either the stationary source, or collection of portable equipment permitted or registered under a single site ID.

(i) For existing facilities, an Air Contaminant Emissions Fee shall not be collected as part of an Initial Application Fee, if the Air Contaminant Emissions Fee was paid as part of the most recent Annual Operating Fees.

(ii) For new facilities, the Air Contaminant Emissions Fee shall be paid with the first permit application filed for the new facility and based upon actual expected air contaminant emissions from the facility, as estimated by the District, for the calendar year in which the Permit to Operate is issued, as specified below. This fee shall remain unchanged until revised to reflect the most recent District approved emissions inventory report.

(A) If the actual expected annual emissions of carbon monoxide (CO), oxides of nitrogen (NO<sub>x</sub>), oxides of sulfur, particulate matter (PM<sub>10</sub>) or volatile organic compounds (VOC) equal or exceed five tons, then the Air Contaminant Emissions Fee shall be based on the total expected emissions of all these contaminants for that calendar year, multiplied by an air contaminant emissions fee rate of \$116 per ton.

(B) For all other new facilities, a single Air Contaminant Emissions Fee shall be paid based on the following table using the Fee Schedule that is most representative of the nature of the activities at the stationary source:

<u>Fee Schedule</u>	<u>Source Category Description</u>	<u>Annual Emissions Fee</u>
26(a)	VOC dispensing facility - Phase I and Phase II controls required	\$9 per nozzle
28(k and l)	Contract service solvent cleaning units (for contract companies with 100 or more units)	\$7 per cleaning unit
28(f)	Facilities with only remote reservoir units and no other permits at the facility	\$7 per cleaning unit
27(e)	Industrial surface coating applications	\$580
27(k)	Metal parts and aerospace coating applications	\$580
27(v)	Adhesive application operations	\$580
Various	All other stationary sources	\$116

If the most representative nature of the activities cannot be determined for facilities with more than one source category description or fee schedule, the highest applicable annual emissions fee shall apply.

(5) Additional Evaluation and Processing Fees for New or Revised Applications or Revised Permits to Operate

If an application requires the District to evaluate the emission unit for compliance with Rule 51 – Nuisance, Rule 1200 – Toxic Air Contaminants-New Source Review, Rules 20.1 through 20.8 (New Source Review), Rules 26.0 through 26.10 (Emission Reduction Credits), pre-backfill inspections for gasoline dispensing facilities, Regulation X – New Source Performance Standards, Regulation XI – National Emission Standards for Hazardous Air Pollutants, Regulation XII – Toxic Air Contaminants, federal Prevention of Significant Deterioration (PSD) requirements, a federal National Emission Standard for Hazardous Air Pollutants (NESHAP), State Airborne Toxic Control Measure (ATCM), CEQA, to conduct additional application or permit to operate processing procedures in accordance with California Health and Safety Code Section 42301 or 42301.6, or to witness testing or conduct inspections to verify compliance with any State Vapor Recovery Executive Order as part of a Like Kind Replacement application processed according to Rule 11 (d)(5)(ii), the applicant shall pay the actual cost incurred by the District for such evaluation and processing procedures, and any additional fees specified by this rule. The applicant shall deposit the

amount estimated to cover the actual evaluation cost at the time of application submittal or upon request by the District.

(6) Fees for Revisions to Valid Permits

The owner of a valid permit, or ~~his~~their agent, may submit an application to propose the types of changes listed below. The evaluation fee for a revision shall be based on the actual evaluation cost incurred by the District, not to exceed the Initial Evaluation Fee, except as provided under Subsections (d)(5), (d)(6)(v), and (d)(6)(vi). The applicant shall deposit the amount estimated to cover the actual cost of evaluating the proposed change at the time of application submittal.

Calculation Worksheet for Modified Equipment Fees

Non-refundable Processing Fee	\$113-\$130
Initial Evaluation Fee <sup>1</sup>	
Additional Engineering Evaluation Fees <sup>2</sup>	

Total: \$ \_\_\_\_\_

Notes:

1. See Fee Schedules, use Column (1). If T+M fee is indicated, ~~call the District for a fee estimate~~ visit [www.sdapcd.org](http://www.sdapcd.org) for the specific equipment type being requested and complete a fee estimate form to submit with the application materials.
2. See Subsection (d)(5) to determine if additional fees are required; or ~~call the District for a fee estimate~~ visit [www.sdapcd.org](http://www.sdapcd.org) for the specific equipment type being requested and complete a fee estimate form to submit with the application materials.

(i) Operational Change: An application which proposes an operational change of a valid permit.

(ii) Condition Change: An application which proposes a condition change of a valid permit.

(iii) Additions, Alterations and Replacement of Equipment: An application which proposes an addition, alteration or replacement of an emission unit described in a valid permit.

(iv) Review for a Change of Location: An application which proposes a change of location for an emission unit with a valid permit. An application is not required for any change of location within a stationary source or for a portable emission unit.



(v) Ownership Change: An application which proposes an ownership change for a valid permit shall pay an administrative fee of ~~\$113~~ \$130. The applicant shall demonstrate to the District's satisfaction proof of entitlement to the Permit to Operate at the time of application submittal. Prior to an ownership change application being processed, payment of all outstanding charges that are normally due and associated with that permit must be paid.

(vi) Like-Kind Replacement Units per Rule 11 – Exemptions from Rule 10 Permit Requirements, Subsection (d)(5): An application for a permit change to reflect an eligible like-kind replacement emission unit pursuant to Rule 11 (d)(5)(ii), shall pay a fee of ~~\$430~~ \$495, in addition to the Non-refundable Processing Fee and any additional fees provided under Subsection (d)(5) of this rule.

(7) Fees for Revisions to Valid Authorities to Construct

The owner of a valid Authority to Construct, or ~~his~~ their agent, may submit an application to propose the types of changes listed in Subsections (d)(6)(i thru v). The evaluation fee for a revision shall be based on the actual evaluation cost incurred by the District, not to exceed the Initial Evaluation Fee, except as provided under Subsection (d)(5). The applicant shall deposit the amount estimated to cover the actual cost of evaluating the proposed change at the time of application submittal.

(8) Special Application Processing Provisions

(i) Reduced Fees for Similar Emission Units at a Single Stationary Source

If more than one application for an Authority to Construct/Permit to Operate is submitted at the same time for similar emission units at the same stationary source location, then the first emission unit shall be charged the Initial Application Fee as specified in Subsection (d)(2). Each additional emission unit shall be charged the Emission Unit Renewal Fee and the actual T+M costs incurred by the District to evaluate the emission unit and act upon the applications. The total cost for each additional emission unit shall not exceed the Initial Evaluation Fee (Column (1)), except as provided under Subsection (d)(5).

This provision only applies to the extent that each emission unit will be operated independently, and the evaluation for an Authority to Construct for the first emission unit can be applied to the additional units because of similarity in design and operation, and each emission unit can be evaluated and inspected for a Permit to

Operate at the same time. The provisions of this subsection shall not apply to Fee Schedules 3 and 26.

(ii) Reinspection Fees

If during an inspection for a Permit to Operate, an emission unit cannot be evaluated due to circumstances beyond the control of the District, the applicant shall pay the actual time and material costs of performing a reinspection. An estimated reinspection fee, as determined by the District, may be required to be deposited with the District prior to reinspection of the emission unit.

(iii) Split Fee Payments for Applications

An applicant may request, due to financial hardship, to split the payment of Initial Application Fees into two equal payments. This request must be made in writing. The first payment, equal to 50% of the Initial Application Fees, plus an administrative fee of \$75, must be deposited with the application. The second payment, equal to the remaining balance, is due no later than 60 days after filing the application. Failure to pay the Initial Application Fees in full within 60 days after filing the application, may result in cancellation of the application, as specified in Subsection (i)(7) – Insufficient Payment of Fees.

(iv) Fees for Expedited Application Processing

If an applicant requests expedited processing of an application and the District determines that such expedited processing is available through voluntary overtime work, the applicant shall pay fees equal to one and one-quarter times the labor rates specified in Fee Schedule 94 – Time and Material (T+M) Labor Rates for the overtime work. At the time of submittal of the application, the applicant shall deposit a fee equal to that otherwise specified by this rule. If the application receives expedited processing, no final action shall be taken on the application until the applicant has paid the remainder of the fees required by this paragraph.

(v) Requirement for Defense and Indemnification Agreement

On a case-by-case basis, where significant risk to the District is identified in connection with the processing of an application, the Air Pollution Control Officer may require a defense and indemnification agreement from the applicant. The agreement shall be in a form approved by the Air Pollution Control Officer.

On a case-by-case basis, the Air Pollution Control Officer may determine to require security from the applicant. A determination to require security shall only be made by the Air Pollution Control Officer, and shall not be delegable. The Air Pollution Control Officer shall establish the form and amount of the security, as well as the time the security is to be provided to the District.

(vi) Indemnification

Each applicant, to the extent the applicant is at fault in causing liability to the District, shall indemnify the District, its agents, officers and employees (collectively “District Parties”) from any claim, action, liability, or proceeding against the District Parties to attack, set aside, void or annul the applicant’s project or any of the proceedings, acts or determinations taken, done or made as a result of District’s processing and/or approval of the project, as specified below. Each applicant's obligation to indemnify shall apply to any lawsuit or challenge against the District Parties alleging failure to comply with the requirements of any federal, state, or local laws, including, but not limited to, requirements of these Rules and Regulations. This indemnification requirement shall be included in the application form provided to all applicants.

Each applicant's obligation to indemnify the District Parties shall include, but not be limited to, payment of all court costs and attorneys' fees, costs of any judgments or awards against the District, damages, and/or settlement costs, which arise out of District’s processing and/or approval of the applicant’s project, except that an applicant shall only be responsible for indemnifying the District Parties in the amount of liability which is equal to the proportion of fault caused by the applicant, as determined by a court. Where any court action results in a ruling for the plaintiff/petitioner, the applicant and the District shall request a determination on the percentage contribution of fault from the court which adjudicated the underlying challenge to the applicant’s project.

Notwithstanding this subsection, when a defense and indemnification agreement is required for a project under Subsection (d)(8)(v) above, the provisions of the defense and indemnification agreement shall apply to the applicant and not the provisions of this subsection.

(vii) Fees for Previously Permitted Emission Units Operating Without Valid Permits

In addition to the fees otherwise specified by this Section (d) Authority to Construct and Permit to Operate Fees, a person who is applying for an Authority to Construct and/or Permit to Operate for a previously permitted emission unit that was operated after the applicable permit expired, and is no longer eligible for reinstatement, shall pay the annual operating and late fees specified in Sections (e) Annual Operating Fees, Section (f) Specific Program Fees, and Section (g) Late Fees, that would have otherwise been due. Such payment shall not negate any fines and penalties that may be assessed for violations of the requirement to operate with a valid permit.

**(e) ANNUAL OPERATING FEES**

(1) General Provisions

(i) Annual Operating Fees are due on an annual basis and shall be paid by any person who is required to maintain a Permit to Operate or Temporary Authorization pursuant to Rule 10 – Permits Required, Section (b) – Permit to Operate.

(ii) Annual Operating Fees are due by 5 PM Pacific Time on the date the permit expires. Permits expire on the last day of the renewal month. Payments received after the permit expiration date are subject to the late fee provisions of Section (g) – Late Fees.

(2) Annual Operating Fees

The following applicable fees shall be paid as part of the Annual Operating Fees: Site ID Processing and Handling Fee, Permit Processing Fee, Emission Unit Renewal Fee, Air Contaminant Emissions Fee, and if applicable, District and State Air Toxic Hot Spots Fee and Annual Source Test Fee.

Calculation Worksheet for Annual Operating Fees

Site ID Processing and Handling Fee	\$43-\$48
Permit Processing Fee ( <del>\$33-\$36</del> x number of permitted units)	
Emission Unit Renewal Fee (See (iii) below)	
Air Contaminant Emissions Fee (See (iv) below)	
District and State Air Toxic Hot Spots Fee (See (v) below)	
Annual Source Test Fee (See (vi) below)	

Total: \$ \_\_\_\_\_

(i) Site ID Processing and Handling Fee: A site ID processing and handling fee of ~~\$43-\$48~~ per facility.

(ii) Permit Processing Fee: A permit processing fee of ~~\$33-\$36~~ per Permit to Operate.

(iii) Emission Unit Renewal Fee: An annual renewal fee, for each specific type of emission unit, as specified in the Fee Schedules (Column (2)).

(iv) Air Contaminant Emissions Fee: An annual Air Contaminant Emissions Fee based on total emissions from the stationary source. This fee shall also apply to portable equipment permitted or registered under these Rules and Regulations. For purposes of this subsection, the term “facility” means either the stationary source, or collection of portable equipment permitted or registered under a single site ID.

(A) For facilities with annual emissions of either carbon monoxide (CO), oxides of nitrogen (NO<sub>x</sub>), oxides of sulfur, particulate matter (PM<sub>10</sub>) or volatile organic compounds (VOC) that equal or exceed five tons, as indicated by the most recent District approved emission inventory report or an initial evaluation made pursuant to Subsection (d)(4)(ii), the Air Contaminant Emissions Fee shall

be based on the total calendar year emissions of all these contaminants, multiplied by an air contaminant emissions fee rate of \$116 per ton.

(B) For all other facilities, a single Air Contaminant Emissions Fee shall be paid based on the following table using the Fee Schedule that is most representative of the nature of the activities at the stationary source:

<u>Fee Schedule</u>	<u>Source Category Description</u>	<u>Annual Emissions Fee</u>
26(a)	VOC dispensing facility - Phase I and Phase II controls required	\$9 per nozzle
28 (k and l)	Contract service solvent cleaning units (for contract companies with 100 or more units)	\$7 per cleaning unit
28(f)	Facilities with only remote reservoir units and no other permits at the facility	\$7 per cleaning unit
27(e)	Industrial surface coating applications	\$580
27(k)	Metal parts and aerospace coating applications	\$580
27(v)	Adhesive application operations	\$580
Various	All other stationary sources	\$116

If the most representative nature of the activities cannot be determined for facilities with more than one source category description or fee schedule, the highest applicable annual emissions fee shall apply.

(v) District and State Air Toxic Hot Spots Fee: If applicable, the stationary source-specific fee required under the Air Toxics “Hot Spots” Information and Assessment Act as specified in Subsection (f)(6).

(vi) Annual Source Test Fee: If a periodic source test is required, the applicable source test fee, as specified in Fee Schedules 92 and/or 93.

### (3) Staggered Renewal Dates

The District may initiate, or the owner of a Permit to Operate may request in writing, to change the renewal month of all permits located at a single facility. When the established renewal month for a facility is changed to a new renewal month, the amount due for each permit shall be prorated to reflect the new renewal month. Revised permits will be issued after the prorated amount has been paid.

### (4) Split Payment of Annual Operating Fees

Owners or operators may request, due to financial hardship, to split the payment of the Annual Operating Fees into four equal payments. This request must be made in writing at least seven days prior to the due date. The first payment, equal to 25% of the Annual Operating Fees, plus an administrative fee of \$75, must be deposited by 5 PM Pacific Time on the last day of the renewal month. The subsequent three payments, equal to 25% each of the Annual Operating Fees, are due no later than 30, 60, and 90 days after the last day of the renewal month.

Permits with approved split payment requests will expire 120 days after the last day of the renewal month if the Annual Operating Fees are not paid in full or will be issued for the remainder of the annual period after full payment of the Annual Operating Fees is made. Failure to pay the Annual Operating Fees in full within 120 days after the last day of the renewal month, shall be assessed a late fee in the amount prescribed in Section (g) – Late Fees. Permits that have expired after the 120 days, pursuant to this subsection, will be renewed or reinstated if the requirements set out in Rule 10 – Permits Required Section (h) and this Rule 40 Section (h) are met.

(5) Inactive Status Permits

A person who holds a valid permit who desires to have that permit placed on inactive status pursuant to Rule 10 – Permits Required shall submit an application requesting such change and shall pay the Initial Evaluation Fee specified in Fee Schedule 49(a)(Column (1)). If such request is received at the time of annual renewal of the permit, the person shall also pay the annual Emission Unit Renewal Fee specified in Fee Schedule 49(a)(Column (2)). Thereafter, the annual Emission Unit Renewal Fee for the inactive status permit shall be as specified in Fee Schedule 49(a)(Column (2)). When a person who holds a valid inactive status permit applies, in accordance with Rule 10, for the condition prohibiting operation to be removed and the permit returned to active status, the owner or operator shall pay the Initial Evaluation Fee specified in Fee Schedule 49(b)(Column (1)), any Additional Engineering Evaluation Fees required pursuant to Subsection (d)(5), and the applicable Annual Operating Fee specified in this Section (e) Annual Operating Fees for that category of emission unit with an active status permit, prorated for the portion of the permit renewal year remaining.

(6) Expiration and Retirement of Permits

(i) Expiration of Permits due to Non-Payment of Annual Operating Fees

If Annual Operating Fees are not paid by the permit expiration date, the permit will expire on that date. An expired permit may be renewed within six months of the expiration date as provided in Subsection (h)(2).

(ii) Retirement of Permits due to Non-payment of Annual Operating Fees

If Annual Operating Fees are not paid within six months from the permit expiration date, the permit will be retired on the day following the last day of the six-month period from the permit expiration date. A retired permit may be reinstated within six months of the retirement date as provided in Subsection (h)(3). Emission units for which a permit was not reinstated within six months of the retirement date will require an application for a new Permit to Operate.

(iii) Retirement by Permittee Request

Owners or operators may, at any time, request retirement of a valid permit(s). This request must be made in writing. Retired permit(s) may be reinstated within six months of the date of retirement as provided in Subsection (h)(3).

**(f) SPECIFIC PROGRAM FEES**

**(1) General Provisions**

For all of the applicable programs listed below, a late fee as described in Section (g) – Late Fees shall be assessed if the required fees are not paid within 30 days after the due date.

**(2) Asbestos Demolition or Renovation Notification**

For each asbestos demolition or renovation notification subject to Rule 1206 – Asbestos Removal, Renovation, and Demolition, the owner or operator shall pay the applicable fees specified below. For projects where one notification is submitted for both renovation and demolition operations, the owner or operator shall pay both applicable renovation and demolition fees. Fees are due at the time a notification is submitted. Notifications or revisions thereof will not be considered received unless accompanied with the required fees. The terms used below are defined in Rule 1206.

<u>TYPE OF OPERATION</u>	<u>Notification Fee</u>	<u>Online Notification Fee <sup>1</sup></u>
1. Renovation Operations (excluding residential buildings having four or fewer dwelling units) <sup>2</sup>		
<100 sq. ft.	<del>\$900</del> <u>\$976</u>	<del>\$653</del> <del>\$708</del> <u>\$718</u>
100 sq. ft. to 500 sq. ft.	<del>\$930</del> <del>\$1008</del>	<del>\$683</del> <del>\$740</del> <u>\$751</u>
501 to 2,000 sq. ft.	<del>\$1000</del> <del>\$1085</del>	<del>\$753</del> <del>\$817</del> <u>\$826</u>
2,001 to 5,000 sq. ft.	<del>\$1128</del> <del>\$1223</del>	<del>\$881</del> <del>\$955</del> <u>\$865</u>
5,001 to 10,000 sq. ft.	<del>\$1167</del> <del>\$1265</del>	<del>\$920</del> <del>\$998</del> <u>\$997</u>
>10,000 sq. ft.	<del>\$1191</del> <del>\$1292</del>	<del>\$944</del> <del>\$1024</del> <u>\$1,038</u>
<del>2. Planned (Annual) Renovation Operations</del>		
<del>(add to appropriate renovation operation fee listed above)</del>	<del>\$133</del> <del>\$144</del>	<del>\$133</del> <del>\$144</del>
<del>3. Emergency Renovation Operations</del>		
<del>(add to appropriate renovation operation fee listed above)</del>	<del>\$133</del> <del>\$144</del>	<del>\$133</del> <del>\$144</del>
<del>4. Demolition Operations</del>		
<del>    Regulated Asbestos Containing Material (RACM) sites</del>	<del>\$1031</del> <del>\$1119</del>	<del>\$929</del> <del>\$872</del>
<del>    or Non-RACM sites or sites with no asbestos present</del>	<del>\$804</del> <del>\$884</del>	<del>\$731</del> <del>\$793</del> <u>\$804</u>
<del>5. Emergency Demolition Operations</del>		
<del>(add to demolition operation fee listed above)</del>	<del>\$133</del> <del>\$144</del>	<del>\$133</del> <del>\$144</del>
<del>6. Revised Notification Fee for Renovations, Demolitions, Planned Renovations, and Emergency Operations<sup>2</sup></del>		
<del>(NOTE: a revision is defined as a change in the original start date or when the amount of asbestos changes by greater than or equal to 20%.)</del>	<del>\$83</del> <del>\$91</del>	<del>N/A</del>
<del>7. Cancellation Fee for Renovations or Demolitions Operations</del>		
	<del>\$108</del> <del>\$119</del>	<del>N/A</del>

Notes:

1. Online notifications ~~fees apply when the notification is~~ may be submitted to the District using the online Citizen Access Portal.
2. Additional fees may be required if the revised amount of asbestos to be removed increases to a higher category. The additional fee will be the difference between the fee paid and the fee required for the new category.

(3) Air Pollution Emergency Episode Plan Fee

The owner or operator of a facility for which a plan or a plan update is required by District Regulation VIII – San Diego Air Pollution Emergency Plan shall pay a \$147 evaluation fee for each plan or plan update, at the time the plan is submitted for review.

(4) Grid Search

Any school district, individual, business or agency that submits a request for the District to conduct a grid search to identify all facilities with the potential to emit hazardous air contaminants (pollutants) shall deposit an initial fee of \$362 at the time the grid search is requested. If the actual costs incurred are greater than the amount deposited, the school district, individual, business or agency that made the request shall submit an additional amount as specified by the District to recover the remaining actual costs of performing the grid search.

(5) New or Modified Power Plants

Any source subject to the requirements of Rule 20.5 – Power Plants, shall reimburse the District for the actual costs incurred in order to comply with the provisions of Rule 20.5. The applicant shall deposit the amount estimated to cover the actual cost at the time of application submittal.

(6) Toxic Hot Spots

The owner or operator of a facility who has been identified by the District as being subject to the requirements of California Health and Safety Code Section 44300 et seq. (the Air Toxics “Hot Spots” Information and Assessment Act), shall deposit or pay the applicable fees specified below to the District.

(i) Upon receipt of a fee estimate or invoice from the District, deposit or pay the amount estimated or invoiced to cover the actual costs associated with the following requirements.

(A) Toxic air contaminant emissions source testing when necessary to determine emissions for inclusion in a toxic air contaminant emissions inventory.

(B) Health risk assessment or updated health risk assessment review, revision, and approval pursuant to California Health and Safety Code Section 44360 et seq. or Rule 1210 – Toxic Air Contaminant Health Risks-Public Notification and Risk Reduction.

(C) Public notification of health risks pursuant to California Health and Safety Code Section 44362 or Rule 1210 – Toxic Air Contaminant Health Risks-Public Notification and Risk Reduction.

(D) Facility toxic air contaminant risk reduction audit and plan pursuant to California Health and Safety Code Section 44390 or Rule 1210 – Toxic Air Contaminant Health Risks-Public Notification and Risk Reduction.



No health risk assessment or risk reduction audit and plan required pursuant to this provision shall be considered received unless accompanied by the appropriate fees as specified in Subsection (f)(6)(i).

(ii) An annual fee, as specified in Subsection (e)(1), for the recovery of State program costs. The amount of the annual State program fee for each facility shall be that specified by the California Air Resources Board in accordance with the State Air Toxics “Hot Spots” Fee Regulation contained in Title 17, California Code of Regulations, Section 90700 et seq.

(7) California Clean Air Act

The owner or operator of a stationary source who is required by Title 17, California Code of Regulations, Section 90800, et seq., to pay a fee adopted by the California Air Resources Board shall pay the required fee to the District within 30 days of receipt of an invoice for the required fees.

(8) Title V Operating Permit

The owner or operator of a stationary source subject to the requirements of Regulation XIV – Title V Operating Permits, shall pay the actual time and materials costs incurred by the District to review and act upon an application for initial permit, permit modification, administrative permit amendment, Section 502(b)(10) change (42 U.S.C. §7661a), Trading Under an Emissions Cap Operational Flexibility change, enhanced Authority to Construct and/or Title V operating permit renewal; to evaluate such source for compliance with Regulation XIV and the terms and conditions of a Title V operating permit, including, but not limited to, the costs incurred to document such evaluation, to prepare reports, and to take any actions necessary in cases of noncompliance; to reopen an existing Title V operating permit; and to cancel a Title V operating permit. All such applications shall also pay the Non-refundable Processing Fee of ~~\$113~~\$130.

(9) Synthetic Minor Source Permit

The owner or operator of a stationary source that submits an application to obtain a Synthetic Minor Source (SMS) Permit pursuant to Rule 60.2 – Limiting Potential to Emit-Synthetic Minor Sources, shall pay the fees specified below to recover the actual costs incurred by the District to review and act upon an application for initial permit, permit modification and/or permit renewal.

Non-refundable Processing Fee	<del>\$113</del> <u>\$130</u>
Application evaluation fee (new or modified permits)	T+M

SMS permit renewal fee

T+M

(10) Determination of Exemption

The owner or operator of any emission unit or process requesting a determination of exemption pursuant to Rule 11 – Exemptions from Rule 10 Permit Requirements, Subsection (d)(19), shall pay the Non-refundable Processing Fee of ~~\$113~~ \$130, plus an evaluation fee based on T+M to recover the actual costs incurred by the District to evaluate the emission unit or process.

(11) California Environmental Quality Act

Whenever the District is requested or required to conduct analyses, review or prepare documents, or conduct and/or participate in administrative procedures, meetings or hearings pursuant to CEQA, the District costs shall be paid by the persons requesting and/or receiving such services. District staff costs shall be determined using the labor rates specified in Fee Schedule 94 – Time and Material (T+M) Labor Rates. Costs to the District resulting from the activities of other agencies or consultants to the District necessary to provide such services shall be included in the total District costs. Persons requesting and/or receiving such services shall be charged the estimated cost of providing those services and shall deposit such amount to the District in advance of the service, unless prior arrangements for payment have been approved by the District. If the actual costs incurred are greater than the amounts deposited, the persons requesting and/or receiving the services shall deposit additional amounts as specified by the District to recover the remaining actual costs. Any funds deposited in excess of actual costs incurred shall be refunded.

**(g) LATE FEES**

(1) Late fees for Annual Operating Fees due to the District shall apply as follows:

(i) A late fee of 30% of the Annual Operating Fees due or \$250, whichever is less, shall be added for fees paid later than the last day of the renewal month.

(ii) An additional late fee of 10% of the Annual Operating Fees due shall be added for each additional month or portion thereof that the fees remain unpaid.

(iii) In no case shall the late fees exceed 100% of the total Annual Operating Fees.

(2) Late fees for any payments due to the District, except Annual Operating Fees, shall apply as follows:

(i) A late fee of 30% of the amount due shall be added for payments made more than 30 days after the due date.

(ii) An additional late fee of 10% of the amount due shall be added for each additional month or portion thereof that the payment is not received.

(iii) In no case shall the late fees exceed 100% of the amount due.

(3) On a case-by-case basis, upon written request, the Air Pollution Control Officer may waive late fees due to financial hardship during declared federal, State, or local emergencies provided that the Annual Operating Fees, and any other payments due to the District, have been made in full.

**(h) RENEWAL OF EXPIRED PERMIT(S) & REINSTATEMENT OF RETIRED PERMIT(S)**

(1) General Provisions

In addition to the Annual Operating Fees due for renewing an expired permit or reinstating a retired permit, any applicable fees pursuant to Subsection (d)(6), such as an ownership change, change of location, or modification, shall be paid concurrently.

New owners seeking to renew or reinstate a retired permit are responsible for payment of all outstanding charges that are normally due and associated with that retired or expired permit.

(2) Renewal of Expired Permit(s) to Operate

An expired permit can be renewed within six months of the expiration date by paying the applicable Annual Operating Fees and the late fees as specified in Section (g) – Late Fees.

(3) Reinstatement of Retired Permit(s) to Operate

A retired permit can be reinstated within six months of the retirement date by submitting a written request, and paying the applicable Annual Operating Fees, a reinstatement fee of \$75 and the late fees as specified in Section (g) – Late Fees.

**(i) REFUNDS, INSUFFICIENT PAYMENT OF FEES AND CANCELLATIONS**

(1) General Provisions

(i) No refunds shall be issued for amounts of less than \$25.

(ii) If an applicant does not sign, date and return a refund claim form within six months after receipt of the form, all rights to a refund shall be forfeited.

(2) Application Fee Refunds

(i) If an application for an Authority to Construct/Permit to Operate is withdrawn by the applicant:

(A) before the engineering evaluation has begun, the District will refund the entire Initial Application Fee, less the ~~\$113~~\$130 Non-refundable Processing Fee.

(B) after the engineering evaluation has begun, the District will refund the Initial Application Fee, less the ~~\$113~~\$130 Non-refundable Processing Fee, and all costs incurred by the District to evaluate the application.

(ii) If an application for an Authority to Construct/Permit to Operate is denied or cancelled, the District will refund the Initial Application Fee, less the ~~\$113~~\$130 Non-refundable Processing Fee, the Initial Evaluation Fee (if a dollar amount is listed in Column (1), and not T+M), and all other costs incurred by the District to evaluate the application.

(iii) Certificate of Registration Refunds: If an application for a Certificate of Registration is withdrawn by the applicant after the engineering evaluation has begun, or withdrawn seven days after the date of receipt, or the application is denied or cancelled, the District will refund the Initial Application Fee, less the ~~\$113~~\$130 Non-refundable Processing Fee, the Initial Evaluation Fee, and all other costs incurred by the District to evaluate the application.

(iv) Refund Due to Overpayment of T+M, Initial Evaluation Fees, Toxic Hot Spots Fees, or Additional Engineering Evaluation Fees: If the total cost incurred by the District to evaluate any application, health risk assessment, or risk reduction audit and plan involving T+M fees is less than the amount deposited by the applicant, the District will refund any overage beyond its actual evaluation costs and less the ~~\$113~~\$130 Non-refundable Processing Fee. This provision does not apply to Initial Evaluation Fees for which a fixed amount is established in the Fee Schedules or to any annual fee for the recovery of State Air Toxic Hot Spot program costs.

(v) Exempt Equipment Refunds: Except for requests for exemption processed according to Rule 40(f)(10), if the District determines that the article, machine equipment or other contrivance for which the application was submitted is not within the purview of state law or these Rules and Regulations, a full refund of the fees paid will be issued to the applicant. If a request for a determination of exemption is withdrawn by the applicant before the engineering evaluation has begun, the District

will refund the entire deposit and any other fees paid. If a request for a determination of exemption is withdrawn by the applicant after the engineering evaluation has begun, the District will refund the entire deposit and any other fees paid, less any costs incurred by the District to evaluate the request.

(3) Annual Operating Fee Refunds

A refund of the Annual Operating Fees shall not be issued unless the fees for the upcoming year are paid prior to the Permit to Operate renewal date and the request for a refund of these fees is made prior to the Permit to Operate renewal date. No refunds will be made for fees or late payments made after the due date.

(4) Air Contaminant Emissions Fee Refunds

(i) New Facilities: The Air Contaminant Emissions Fee portion of the Initial Application Fee shall only be refunded if the application is withdrawn or cancelled prior to the issuance of a Startup Authorization or Permit to Operate.

(ii) Existing Facilities: Air Contaminant Emissions Fees paid by existing facilities as part of their Annual Operating Fee or an Initial Application Fee shall not be refundable, unless all Permit(s) to Operate at the facility are retired.

(5) Other Fees

Asbestos Notifications: Refunds of asbestos notification fees shall be issued only if a cancellation notice is received by the District prior to the notification start date. A refund will not be issued if the notice of cancellation is received by the District on or after the notification start date.

(6) Cancellation Fees – Source Testing and Test Witnessing

Substitution of another facility for a scheduled test shall be considered a cancellation subject to the provisions listed below.

(i) Fee Schedule 92(a): If a source test cancellation notice is not received at least two working days prior to a scheduled source test date a cancellation fee of \$500 shall be charged.

(ii) Fee Schedules 92(b-z) and 93: If a source test or test witnessing cancellation notice is not received at least two working days prior to a scheduled source test date a cancellation fee of \$250 shall be charged.

(iii) Vapor Recovery (Phase I, II): If a VOC vapor recovery system test witness cancellation notice is not received at least two working days prior to a scheduled test date a cancellation fee of \$250 shall be charged.

(7) Insufficient Payment of Fees

(i) If the fees deposited by an applicant to cover the cost of evaluating an application for an Authority to Construct/Permit to Operate or other District evaluation is insufficient to complete the work in progress, the applicant shall deposit an amount deemed sufficient by the District to complete the work, except if the amount is \$25 or less.

(ii) The Air Pollution Control Officer may cancel an application when an applicant fails or refuses to deposit such amount within 45 days of demand or fails or refuses to deposit such amount by the date required by Rule 18 – Action on Applications for action to be taken on the application, whichever date is sooner.

(iii) If the applicant fails or refuses to deposit such amount upon demand, the District may recover the same through a collection agency or by action in any court of competent jurisdiction, including small claims court. Until such amount is paid in full, the District shall not further process the application unless the Air Pollution Control Officer determines that it is in the best interest of all parties concerned to proceed.

(iv) Returned Checks: Any person who issues a check to the District, which is returned by the bank upon which it is drawn without payment, shall pay a returned check fee of \$25.

(v) The Air Pollution Control Officer may refuse to process an application and/or refuse to renew a Permit to Operate if the applicant has any unpaid invoices more than 60 days overdue or has any late fees or outstanding court judgments which are owed to the District. The Air Pollution Control Officer may refuse to process an application if a prior applicant for the equipment or project which is the subject of the application has unpaid invoices or late fees related to that equipment or project.

In the event that processing of an application is stopped pursuant to this provision, the timelines for taking action on an application specified in Rule 18 – Action on Applications shall no longer apply to that application.

## ALPHABETICAL LIST OF FEE SCHEDULES BY EMISSION UNIT TYPE

Abrasive Blasting Cabinets, Rooms and Booths .....	Schedule 2
Abrasive Blasting Equipment - Excluding Rooms and Booths .....	Schedule 1
Acid Chemical Milling .....	Schedule 32
Adhesive Manufacturing .....	Schedule 38
Adhesive Materials Application Operations.....	Schedule 27
Air Stripping Equipment.....	Schedule 52
Anodizing Tanks.....	Schedule 55
Application of Materials Containing Organic Solvents (includes coatings, adhesives, and other materials containing volatile organic compounds (VOC)) .....	Schedule 27
Asbestos Control Equipment .....	Schedule 59
Asphalt Pavement Heaters/Recyclers .....	Schedule 40
Asphalt Roofing Kettles and Tankers used to Store, Heat, Transport, and Transfer Hot Asphalt.....	Schedule 3
Automotive Refinishing Operations .....	Schedule 27
Bakeries .....	Schedule 58
Boilers and Heaters.....	Schedule 13
Bulk Flour, Powdered Sugar Storage System.....	Schedule 35
Bulk Plants and Terminals (Volatile Organic Compounds).....	Schedule 25
Bulk Terminal Grain Transfer and Storage Facility Equipment.....	Schedule 23
Burn Out Ovens .....	Schedule 15
Cement Silo System (Separate from Plants).....	Schedule 8
Ceramic Deposition Spray Booths.....	Schedule 37
Ceramic Slip Casting .....	Schedule 43
Coffee Roasters.....	Schedule 50
Cold Solvent Cleaning Operations .....	Schedule 28
Concrete Batch Plants.....	Schedule 8
Concrete Mixers Over One Cubic Yard Capacity .....	Schedule 8
Concrete Product Manufacturing Plants .....	Schedule 9
Copper Etching .....	Schedule 32
Dielectric Paste Manufacturing .....	Schedule 38
Dry Chemical Mixing.....	Schedule 24
Dry Chemical Storage System.....	Schedule 35
Dry Chemical Transfer and Storage Facility Equipment.....	Schedule 23
Dry Cleaning Facilities .....	Schedule 31
Electronic Component Manufacturing.....	Schedule 42
Electric Deposition Spray Booths.....	Schedule 37
Engines - Internal Combustion .....	Schedule 34
Evaporators, Dryers, and Stills Processing Organic Materials.....	Schedule 44
Feed and Grain Mills and Kelp Processing Plants.....	Schedule 22
Filtration Membrane Manufacturing .....	Schedule 46
Gas Turbine Engines, Test Cells and Test Stands .....	Schedule 20
Gasoline Stations .....	Schedule 26
Grinding Booths and Rooms .....	Schedule 36
Hexavalent Chromium Plating .....	Schedule 55
Hot Dip Galvanizing.....	Schedule 32
Hot-Mix Asphalt Paving Batch Plants.....	Schedule 4
Industrial Coating Applications.....	Schedule 27

Alphabetical List of Fee Schedules by Emission Unit Type – continued

Industrial Waste Water Treatment.....	Schedule 51
Ink Manufacturing .....	Schedule 38
Intermediate Refueler Facilities (Volatile Organic Compounds) .....	Schedule 25
Internal Combustion Engines (Piston Type).....	Schedule 34
Internal Combustion Engines, Test Cells and Test Stands .....	Schedule 34
Kelp and Biogum Products Solvent Dryer .....	Schedule 30
Marine Coatings .....	Schedule 27
Metal Inspection Tanks.....	Schedule 28
Metal Melting Devices .....	Schedule 18
Municipal Waste Storage and Processing.....	Schedule 48
Non-Bulk Volatile Organic Compound Dispensing Facilities .....	Schedule 26
Non-Municipal Incinerators.....	Schedule 14
Non-Operational Status Equipment.....	Schedule 49
Oil Quenching .....	Schedule 19
Organic Gas Sterilizers .....	Schedule 47
Paint and Stain Manufacturing .....	Schedule 38
Paper Shredders or Grinders.....	Schedule 21
Perlite Processing.....	Schedule 41
Pharmaceutical Manufacturing.....	Schedule 54
Plasma Deposition Spray Booths.....	Schedule 37
Precious Metals Refining.....	Schedule 39
Rock Drills.....	Schedule 5
Salt Baths.....	Schedule 19
Sand, Rock, Aggregate Screens, and Other Screening Operations, when not used in Conjunction with other Permit Items in these Schedules.....	Schedule 6
Sand, Rock, and Aggregate Plants.....	Schedule 7
Sewage Treatment Facilities.....	Schedule 56
Soil Remediation Equipment.....	Schedule 52
Solder Paste Manufacturing.....	Schedule 38
<del>Soldering Equipment (Automated).....</del>	<del>Schedule 29</del>
Solvent Cleaning Operations .....	Schedule 28
Stills Processing Organic Materials.....	Schedule 44
Turbine Engines, Test Cells and Test Stands .....	Schedule 20
Vapor Solvent Cleaning Operations .....	Schedule 28
Wood Shredders or Grinders .....	Schedule 21



**CATEGORIZED LIST OF FEE SCHEDULES BY EMISSION UNIT TYPE**

**ABRASIVE BLASTING EQUIPMENT**

- Abrasive Blasting Cabinets, Rooms and Booths ..... Schedule 2
- Abrasive Blasting Equipment - Excluding Rooms and Booths ..... Schedule 1

**ASPHALT RELATED OPERATIONS, EQUIPMENT AND PROCESSES**

- Asphalt Pavement Heaters/Recyclers ..... Schedule 40
- Asphalt Roofing Kettles and Tankers used to Store, Heat, Transport,  
and Transfer Hot Asphalt..... Schedule 3
- Hot-Mix Asphalt Paving Batch Plants..... Schedule 4

**COATING, ADHESIVE AND INK APPLICATION EQUIPMENT & OPERATIONS**

- Adhesive Materials Application Operations..... Schedule 27
- Automotive Refinishing Operations ..... Schedule 27
- Graphic Arts Operations ..... Schedule 27
- Industrial Coating Applications..... Schedule 27
- Miscellaneous Parts Coatings..... Schedule 27
- Wood, Metal, Marine, Aerospace Coatings..... Schedule 27

**CONCRETE EQUIPMENT**

- Cement Silo System (Separate from Plants)..... Schedule 8
- Concrete Batch Plants..... Schedule 8
- Concrete Mixers Over One Cubic Yard Capacity ..... Schedule 8
- Concrete Product Manufacturing Plants..... Schedule 9

**COMBUSTION AND HEAT TRANSFER EQUIPMENT**

- Boilers and Heaters..... Schedule 13
- Gas Turbine Engines, Test Cells and Test Stands ..... Schedule 20
- Internal Combustion Engines (Piston Type)..... Schedule 34
- Internal Combustion Engines, Test Cells and Test Stands ..... Schedule 34
- Non-Municipal Incinerators..... Schedule 14

**DRY CHEMICAL OPERATIONS**

- Dry Chemical Mixing..... Schedule 24
- Dry Chemical Storage System..... Schedule 35
- Dry Chemical Transfer and Storage Facility Equipment..... Schedule 23

**ELECTRONIC MANUFACTURING**

- Electronic Component Manufacturing..... Schedule 42
- ~~Soldering Equipment (Automated)..... Schedule 29~~

**FOOD PROCESSING AND PREPARATION EQUIPMENT**

- Bakeries ..... Schedule 58
- Bulk Flour and Powdered Sugar Storage Systems ..... Schedule 35
- Coffee Roasters..... Schedule 50

Categorized List of Fee Schedules by Emission Unit Type – continued

FUEL STORAGE, TRANSFER AND DISPENSING EQUIPMENT

Bulk Plants and Terminals (Volatile Organic Compounds) .....	Schedule 25
Gasoline Stations .....	Schedule 26
Intermediate Refueler Facilities (Volatile Organic Compounds) .....	Schedule 25
Non-Bulk Volatile Organic Compound Dispensing Facilities .....	Schedule 26

MACHINING EQUIPMENT

Grinding Booths and Rooms .....	Schedule 36
Paper or Wood Shredders or Grinders.....	Schedule 21
Plasma, Electric and Ceramic Deposition Spray Booths.....	Schedule 37

METAL TREATMENT OPERATIONS

Acid Chemical Milling .....	Schedule 32
Copper Etching.....	Schedule 32
Hexavalent Chromium Plating and Anodizing Tanks .....	Schedule 55
Hot Dip Galvanizing.....	Schedule 32
Oil Quenching and Salt Baths.....	Schedule 19

METALLURGICAL PROCESSING EQUIPMENT

Acid Chemical Milling .....	Schedule 32
Copper Etching.....	Schedule 32
Hot Dip Galvanizing.....	Schedule 32
Metal Inspection Tanks.....	Schedule 28
Metal Melting Devices .....	Schedule 18
Oil Quenching and Salt Baths.....	Schedule 19
Plasma and Electric Deposition Spray Booths .....	Schedule 37
Precious Metals Refining.....	Schedule 39

MISCELLANEOUS MANUFACTURING AND PROCESSING

Ceramic Slip Casting .....	Schedule 43
Evaporators, Dryers, and Stills Processing Organic Materials.....	Schedule 44
Feed and Grain Mills and Kelp Processing Plants.....	Schedule 22
Filtration Membrane Manufacturing .....	Schedule 46
Ink Manufacturing .....	Schedule 38
Kelp and Biogum Products Solvent Dryer .....	Schedule 30
Municipal Waste Storage and Processing.....	Schedule 48
Non-Operational Status Equipment .....	Schedule 49
Organic Gas Sterilizers .....	Schedule 47
Paint, Adhesive, Stain, Ink, Solder Paste, and Dielectric Paste Manufacturing .....	Schedule 38
Perlite Processing.....	Schedule 41
Pharmaceutical Manufacturing.....	Schedule 54
Stills Processing Organic Materials.....	Schedule 44

MIXING, BLENDING AND PACKAGING EQUIPMENT

Concrete Mixers Over One Cubic Yard Capacity.....	Schedule 8
Dry Chemical Mixing .....	Schedule 24

Categorized List of Fee Schedules by Emission Unit Type – continued

OVENS

Burn Out Ovens ..... Schedule 15

SAND, ROCK AND AGGREGATE RELATED OPERATIONS

Rock Drills..... Schedule 5

Sand, Rock, Aggregate Screens, and Other Screening Operations..... Schedule 6

Sand, Rock, and Aggregate Plants..... Schedule 7

SOLVENT CLEANING OPERATIONS

Cold Solvent and Remote Reservoir Cleaning Operations..... Schedule 28

Dry Cleaning Facilities ..... Schedule 31

Vapor Solvent Cleaning Operations ..... Schedule 28

SPRAY BOOTH OPERATIONS

Coating, Adhesives and Painting Operations ..... Schedule 27

Plasma, Electric and Ceramic Deposition Spray Booths..... Schedule 37

STORAGE AND TRANSFER EQUIPMENT

Bulk Flour and Powdered Sugar Storage Systems ..... Schedule 35

Bulk Plants and Terminals (Volatile Organic Compounds) ..... Schedule 25

Bulk Terminal Grain Transfer and Storage Facility Equipment..... Schedule 23

Dry Chemical Storage Systems ..... Schedule 35

Dry Chemical Transfer and Storage Facility Equipment..... Schedule 23

TREATMENT AND REMEDIATION OPERATIONS

Air Stripping Equipment..... Schedule 52

Asbestos Control Equipment ..... Schedule 59

Evaporators, Dryers, and Stills Processing Organic Materials..... Schedule 44

Industrial Waste Water Treatment..... Schedule 51

Sewage Treatment Facilities..... Schedule 56

Soil Remediation Equipment..... Schedule 52

## FEE SCHEDULES

The Fee Schedules shall be used in determining the Initial Evaluation Fees and Emission Unit Renewal Fees using the amounts listed in Columns (1) and (2), respectively for each emission unit. The fees specified below do not include all applicable fees. See Sections (c), (d), (e), (f), (g), (h), and (i) for other required fees.

### SCHEDULE 1: Abrasive Blasting Equipment Excluding Rooms and Booths

Any permit unit consisting of air hoses, with or without water lines, with a single pot rated at 100 pounds capacity or more of sand regardless of abrasive used, and a nozzle or nozzles. (Equipment not operated solely in Schedule 2 facilities).

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Pot 100 pounds capacity or larger with no Peripheral Equipment	T+M	\$267 <del>\$209</del> <u>\$307</u>
(b) Each Pot 100 pounds capacity or larger loaded Pneumatically or from Storage Hoppers	<del>\$2065</del> T+M	\$227 <del>\$246</del> <u>\$261</u>
(c) Each Bulk Abrasive Blasting Material Storage System	T+M	\$213 <del>\$231</del> <u>\$245</u>
(d) Each Spent Abrasive Handling System	T+M	\$213 <del>\$231</del> <u>\$245</u>
(x) Each Portable Abrasive Blasting Unit, Registered Under Rule 12.1	<del>\$636</del> <u>\$731</u>	<del>\$320</del> <del>\$348</del> <u>\$368</u>

### SCHEDULE 2: Abrasive Blasting Cabinets, Rooms and Booths

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Abrasive Blasting Cabinet, Room or Booth	<del>\$5516</del> T+M	\$484 <del>\$525</del> <u>\$557</u>
(b) Each Cabinet, Room, or Booth with an Abrasive Transfer or Recycle System	<del>\$6374</del> T+M	\$523 <del>\$567</del> <u>\$540</u>

### SCHEDULE 3: Asphalt Roofing Kettles and Tankers used to Store, Heat, Transport, and Transfer Hot Asphalt

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Kettle or Tanker with capacity greater than 85 gallons	T+M	\$302 <del>\$328</del> <u>\$347</u>
(w) Each Kettle or Tanker, Registered Under Rule 12	<del>\$427</del> <u>\$491</u>	<del>\$266</del> <del>\$289</del> <u>\$306</u>

### SCHEDULE 4: Hot-Mix Asphalt Paving Batch Plant

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Hot-Mix Asphalt Paving Batch Plant	T+M	\$1733 <del>\$1881</del> <u>\$1,993</u>

**SCHEDULE 5: Rock Drills**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(w) Each Drill, Registered Under Rule 12.1	<del>\$719</del> <u>\$827</u>	<del>\$353</del> <del>\$383</del> <u>\$406</u>

**SCHEDULE 6: Sand, Rock, Aggregate Screens, and Other Screening Operations, when not used in Conjunction with other Permit Items in these Schedules**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Screen Set	<del>\$5168</del> <u>T+M</u>	<del>\$539</del> <del>\$585</del> <u>\$510</u>
(x) Each Portable Sand and Gravel Screen Set, Registered Under Rule 12.1	<del>\$739</del> <u>\$850</u>	<del>\$350</del> <del>\$380</del> <u>\$403</u>

**SCHEDULE 7: Sand, Rock, and Aggregate Plants**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Crusher System (involves one or more primary crushers forming a primary crushing system or, one or more secondary crushers forming a secondary crusher system and each serving a single process line)	T+M	<del>\$928</del> <del>\$1008</del> <u>\$968</u>
(b) Each Screening System (involves all screens serving a given primary or secondary crusher system)	T+M	<del>\$440</del> <del>\$478</del> <u>\$506</u>
(c) Each Loadout System (a loadout system is a set of conveyors chutes and hoppers used to load any single rail or road delivery container at any one time)	T+M	<del>\$433</del> <del>\$470</del> <u>\$498</u>
(x) Each Portable Rock Crushing System, Registered Under Rule 12.1	<del>\$739</del> <u>\$850</u>	<del>\$323</del> <del>\$351</del> <u>\$371</u>

**SCHEDULE 8: Concrete Batch Plants, Concrete Mixers over One Cubic Yard Capacity and Separate Cement Silo Systems**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Concrete Batch Plant (including Cement-Treated Base Plants)	T+M	<del>\$921</del> <del>\$1000</del> <u>\$1,029</u>
(b) Each Mixer over one cubic yard capacity	T+M	<del>\$327</del> <del>\$355</del> <u>\$376</u>
(c) Each Cement or Fly Ash Silo System not part of another system requiring a Permit	T+M	<del>\$522</del> <del>\$566</del> <u>\$600</u>
(x) Each Portable Concrete Batch Plant or stand-alone Cementitious Material Storage Silo, Registered Under Rule 12.1	<del>\$817</del> <u>\$940</u>	<del>\$382</del> <del>\$415</del> <u>\$439</u>

**SCHEDULE 9: Concrete Product Manufacturing Plants**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Plant	T+M	<del>\$648</del> <del>\$704</del> <u>\$693</u>

**SCHEDULE 10: RESERVED**

**SCHEDULE 11: RESERVED**

**SCHEDULE 12: RESERVED**

**SCHEDULE 13: Boilers and Heaters**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each 1 MM BTU/HR up to but not including 50 MM BTU/HR input	<del>\$3569</del> <u>\$3,783</u>	<del>\$467</del> <u>\$537</u>
(b) Each 50 MM BTU/HR up to but not including 250 MM BTU/HR	T+M	\$600 <del>\$651</del> <u>\$690</u>
<del>(c) Each 100 Megawatt output or greater (based on an average boiler efficiency of 32.5%)</del>	<del>T+M</del>	<del>\$1259</del> <u>\$1367</u>
(f) Each 1 MM BTU/HR up to but not including 50 MM BTU/HR input at a single site where more than 5 such units are located	T+M	\$368 <del>\$399</del> <u>\$423</u>
(w) Each unit greater than 2 MM BTU/HR to less than 5 MM BTU/HR, Registered Under Rule 12	<del>\$840</del> <u>\$934</u>	<del>\$250</del> <u>\$271</u> <u>\$284</u>

**SCHEDULE 14: Non-Municipal Incinerators**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Crematory or waste incinerator burning*	T+M	<del>\$952</del> <u>\$1,033</u> <u>\$1,095</u>
(c) Burning capacity up to and including 50 lbs/hr used exclusively for the incineration or cremation of animals	T+M	\$441 <del>\$479</del> <u>\$507</u>

\*Excluding units of 50 lbs/hr capacity or less used exclusively for incineration or cremation of animals.

**SCHEDULE 15: Burn-Out Ovens**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Electric Motor/Armature Refurbishing Oven	T+M	\$439 <del>\$477</del> <u>\$505</u>
<u>(d) USN SIMA (ID #APCD1981-SITE-02798)*</u>	<u>T+M</u>	<u>\$262</u> <u>\$271</u>

\*Pursuant to Subsection (c)(3)

**SCHEDULE 16: RESERVED**

**SCHEDULE 17: RESERVED**

**SCHEDULE 18: Metal Melting Devices**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(c) Each Pit or Stationary Crucible/Pot Furnace	T+M	\$451 <del>\$489</del> <u>\$519</u>

**SCHEDULE 19: Oil Quenching and Salt Baths**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Tank	T+M	\$257 <del>\$279</del> <u>\$296</u>

**SCHEDULE 20: Gas Turbine Engines, Test Cells and Test Stands**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
<b>GAS TURBINE, TURBOSHAFT, TURBOJET AND TURBOFAN ENGINE TEST CELLS AND STANDS</b>		
(a) Each Aircraft Propulsion Turbine, Turboshaft, Turbojet or Turbofan Engine Test Cell or Stand	T+M	\$433 <del>\$470</del> <u>\$498</u>
(b) Each Aircraft Propulsion Test Cell or Stand at a facility where more than one such unit is located	T+M	\$235 <del>\$255</del> <u>\$270</u>
(c) Each Non-Aircraft Turbine Test Cell or Stand	T+M	\$175 <del>\$189</del> <u>\$201</u>
<b>GAS TURBINE ENGINES</b>		
(d) Each Non-Aircraft Turbine Engine 1 MM BTU/HR up to but not including 50 MM BTU/HR input	T+M	\$1176 <del>\$1277</del> <u>\$1,163</u>
(e) Each Non-Aircraft Turbine Engine 50 MM BTU/HR up to but not including 250 MM BTU/HR input	T+M	\$1477 <del>\$1603</del> <u>\$1,699</u>
(f) Each Non-Aircraft Turbine Engine 250 MM BTU/HR or greater input	T+M	\$4280 <del>\$4647</del> <u>\$4,848</u>
<del>(g) Each Unit used solely for Peak Load Electric Generation</del>	<del>T+M</del>	<del>\$409</del> <del>\$443</del>
(h) Each Standby Gas Turbine used for Emergency Power Generation	T+M	\$286 <del>\$311</del> <u>\$329</u>

**SCHEDULE 21: Waste Disposal and Reclamation Units**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Paper or Wood Shredder or Hammermill Grinder	T+M	\$367 <del>\$398</del> <u>\$387</u>
(w) Each Paper Shredder with a maximum throughput capacity of greater than 600 pounds per hour, Registered Under Rule 12	<del>\$809</del> <u>\$900</u>	\$396 <del>\$430</del> <u>\$421</u>

**SCHEDULE 22: Feed and Grain Mills and Kelp Processing Plants**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Receiving System (includes Silos)	T+M	\$531 <del>\$576</del> <u>\$611</u>
(b) Each Grinder, Cracker, or Roll Mill	T+M	\$494 <del>\$536</del> <u>\$568</u>
(c) Each Shaker Stack, Screen Set, Pelletizer System, Grain Cleaner, or Hammermill	T+M	\$526 <del>\$571</del> <u>\$605</u>
(d) Each Mixer System	T+M	\$1130 <del>\$1226</del> <u>\$873</u>
(e) Each Truck or Rail Loading System	T+M	\$555 <del>\$603</del> <u>\$586</u>

**SCHEDULE 23: Bulk Terminal Grain and Dry Chemical Transfer and Storage Facility Equipment**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Receiving System (Railroad, Ship and Truck Unloading)	T+M	\$631 <del>\$685</del> <u>\$726</u>
(b) Each Storage Silo System	<del>\$2239</del> T+M	\$358 <del>\$389</del> <u>\$387</u>
(c) Each Loadout Station System	T+M	\$384 <del>\$417</del> <u>\$442</u>
(d) Each Belt Transfer Station	T+M	\$384 <del>\$417</del> <u>\$442</u>
(w) Each Grain Silo at beer breweries producing less than 100,000 barrels (3.1 million gallons) per year, Registered Under Rule 12	<del>\$809</del> <u>\$900</u>	\$372 <del>\$404</del> <u>\$409</u>

**SCHEDULE 24: Dry Chemical Mixing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(c) Each Dry Chemical Mixer with capacity over one-half cubic yard	T+M	\$278 <del>\$302</del> <u>\$320</u>

**SCHEDULE 25: Volatile Organic Compound Terminals, Bulk Plants and Intermediate Refueler Facilities**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
1. Bulk Plants and Bulk Terminals equipped with or proposed to be equipped with a vapor processor:		
(a) Per Tank	T+M	\$303 <del>\$328</del> <u>\$348</u>
(b) Tank Rim Seal Replacement	T+M	N/A
(c) Per Truck Loading Head <u>Permit</u>	T+M	\$1876 <del>\$2037</del> <u>\$1,979</u>
(d) Per Vapor Processor	T+M	\$439 <del>\$477</del> <u>\$505</u>
2. Bulk Plants not equipped with or not proposed to be equipped with a vapor processor:		
(e) Per <u>Bulk Tank Permit</u>	T+M	\$496 <del>\$538</del> <u>\$570</u>
(f) Per Truck Loading Head <u>Permit</u>	T+M	\$447 <del>\$485</del> <u>\$514</u>
“Vapor Processor” means a device which recovers or transforms volatile organic compounds by condensation, refrigeration, adsorption, absorption, incineration, or any combination thereof.		
3. Facilities fueling intermediate refuelers (IR’s) for subsequent fueling of motor vehicles, boats, or aircraft:		
(h) Per IR Loading Connector	T+M	\$524 <del>\$568</del> <u>\$603</u>

If a facility falls into Parts 1, 2, or 3 above and is equipped with dispensing nozzles for which Phase II vapor controls are required, additional fees equivalent to the “per nozzle” fees for Schedule 26(a) shall be assessed for each dispensing nozzle.



**SCHEDULE 26: Non-Bulk Volatile Organic Compound Dispensing Facilities**  
 Subject to District Rules 61.0 through 61.6

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Facilities where Phase I and Phase II controls are required (includes Phase I fee) Renewal Fee: Fee x number of nozzles	<del>\$3601</del> <u>\$4,141</u>	<del>\$332</del> <del>\$382</del> <u>\$258</u>
(c) Facilities where only Phase I controls are required (includes tank replacement) Fee Per Facility	<del>\$3347</del> <u>\$3,849</u>	<del>\$652</del> <del>\$708</del> <u>\$750</u>
(e) Non-retail facilities with 250-550 gallon tanks and no other non-bulk gasoline dispensing permits Fee Per Facility	<del>\$1042</del> <u>\$1,198</u>	<del>\$570</del> <del>\$619</del> <u>\$656</u>

**SCHEDULE 27: Application of Materials Containing Organic Solvents (includes coatings, adhesives, and other materials containing volatile organic compounds (VOC))**

**PART 1 - MARINE COATINGS**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Marine Coating application operation, except where Fee Schedule 27(t) applies	T+M	<del>\$904</del> <del>\$981</del> <u>\$1,040</u>
(t) Each Marine Coating application operation at facilities where combined coating and cleaning solvent usage is < 3 gallons/day and < 100 gallons/year	T+M	<del>\$604</del> <del>\$656</del> <u>\$695</u>

**PART 2 - INDUSTRIAL MATERIAL APPLICATIONS AND MANUFACTURING**

(Includes application stations for coatings such as paint spraying and dip tanks, printing, and manufacturing products with materials which contain VOCs, etc.)

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(d) Each Surface Coating Application Station w/o control equipment and not covered by other fee schedules at facilities using > 1 gallon/day of surface coatings and emitting ≤ 5 tons/year of VOC from equipment in this fee schedule	T+M	<del>\$1011</del> <del>\$1097</del> <u>\$1,163</u>
(e) Each Surface Coating Application Station w/o control equipment and not covered by other fee schedules at facilities emitting > 5 tons/year of VOC from equipment in this fee schedule	T+M	<del>\$1252</del> <del>\$1359</del> <u>\$1,440</u>
(f) Each Fiberglass, Plastic or Foam Product Process Line Except If Using Only Polyester Resin	T+M	<del>\$1118</del> <del>\$1213</del> <u>\$1,267</u>
(i) Each Surface Coating Application Station requiring Control Equipment	T+M	<del>\$1823</del> <del>\$1979</del> <u>\$1,099</u>
(j) Each Surface Coating Application Station subject to Rule 67.3 or 67.9 w/o Control Equipment at facilities emitting ≤ 5 tons/year of VOC from equipment in this fee schedule	<del>\$7404</del> T+M	<del>\$1042</del> <del>\$1131</del> <u>\$1,198</u>
(k) Each Surface Coating Application Station subject to Rule 67.3 or 67.9 w/o Control Equipment at facilities emitting > 5 tons/year of VOC from equipment in this fee schedule	T+M	<del>\$1074</del> <del>\$1165</del> <u>\$1,127</u>

**SCHEDULE 27: Application of Materials Containing Organic Solvents (includes coatings, adhesives, and other materials containing volatile organic compounds (VOC))**  
 – continued

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(l) Each Wood Products Coating Application Station w/o Control Equipment at facilities using > 500 gallons/year of wood products coatings	T+M	\$990 <del>\$1074</del> <u>\$1,139</u>
(n) Each Press or Operation at a Printing or Graphic Arts facility subject to Rule 67.16	T+M	\$580 <del>\$629</del> <u>\$656</u>
(o) Each Fiberglass, Plastic or Foam Product Process Line Using Only Polyester Resin	T+M	\$758 <del>\$823</del> <u>\$872</u>
(p) Each Surface Coating Application Station w/o control equipment (except automotive painting) where combined coating, and cleaning solvent usage is < 1 gallon/day or < 50 gallons/year	T+M	\$663 <del>\$719</del> <u>\$762</u>
(q) Each Wood Products Coating Application Station of coatings and stripper w/o control equipment at a facility using < 500 gallons/year for Wood Products Coating Operations	T+M	\$841 <del>\$913</del> <u>\$967</u>

**PART 3 – MOTOR VEHICLE AND MOBILE EQUIPMENT REFINISHING OPERATIONS**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(r) Each facility applying Coating Materials subject to Rule 67.20 (as applied or sprayed)	\$4278 <del>\$4,920</del>	\$1223 <del>\$1327</del> <u>\$1,406</u>

**PART 4 - ADHESIVE MATERIALS APPLICATION OPERATIONS**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(u) Each Adhesive Materials Application Station w/o control equipment at facilities emitting ≤ 5 tons/year of VOC from equipment in this fee schedule	T+M	\$717 <del>\$779</del> <u>\$825</u>
(v) Each Adhesive Materials Application Station w/o control equipment at facilities emitting > 5 tons/year of VOC from equipment in this fee schedule	T+M	\$1341 <del>\$1456</del> <u>\$1,289</u>
(w) Each Adhesive Materials Application Station w/o control equipment at facilities where adhesive materials usage is < 55 gallons/year	T+M	\$789 <del>\$856</del> <u>\$907</u>

**SCHEDULE 28: Vapor and Cold Solvent Cleaning Operations and Metal Inspection Tanks**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Vapor Degreaser with an Air Vapor Interfacial area > 5 square feet	T+M	\$494 <del>\$536</del> <u>\$568</u>
(b) Each Cold Solvent Degreaser with liquid surface area > 5 square feet	T+M	\$372 <del>\$403</del> <u>\$428</u>
(d) Each Paint Stripping Tank	T+M	\$367 <del>\$399</del> <u>\$363</u>
(f) Remote Reservoir Cleaners	T+M	\$351 <del>\$381</del> <u>\$387</u>

**SCHEDULE 28: Vapor and Cold Solvent Cleaning Operations and Metal Inspection Tanks**  
 – continued

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(h) Vapor Degreaser with an Air-Vapor Interfacial area ≤ 5 square feet	T+M	\$441 <del>\$478</del> <u>\$507</u>
(i) Cold Solvent Degreaser with a liquid surface area ≤ 5 square feet	T+M	\$326 <del>\$354</del> <u>\$375</u>
(j) Metal Inspection Tanks	T+M	\$303 <del>\$328</del> <u>\$348</u>
(k) Contract Service Remote Reservoir Cleaners with > 100 units	T+M	\$44 <del>\$48</del> <u>\$46</u>
(l) Contract Service Cold Degreasers with a liquid surface area of ≤ 5 square feet	T+M	\$18 <del>\$21</del>
(m) Each facility-wide Solvent Application Operation	T+M	\$907 <del>\$985</del> <u>\$760</u>

**SCHEDULE 29: Automated Soldering Equipment RESERVED**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
<del>(a) Each Solder Leveler</del>	<del>T+M</del>	<del>\$515</del> <u>\$558</u>

**SCHEDULE 30: Solvent and Extract Dryers**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Kelp and Biogum Products Solvent Dryer	T+M	\$1712 <del>\$1859</del> <u>\$1,969</u>

**SCHEDULE 31: Dry Cleaning Facilities**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
<del>(a) Each Facility using Halogenated Hydrocarbon Solvents required to install Control Equipment</del>	<del>T+M</del>	<del>\$893</del> <u>\$970</u>
(b) Each Facility using Petroleum Based Solvents	T+M	\$542 <del>\$588</del> <u>\$580</u>

**SCHEDULE 32: Acid Chemical Milling, Copper Etching and Hot Dip Galvanizing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Copper Etching Tank	T+M	\$714 <del>\$775</del> <u>\$821</u>
(b) Each Acid Chemical Milling Tank	T+M	\$612 <del>\$664</del> <u>\$704</u>
(c) Each Hot Dip Galvanizing Tank	T+M	\$723 <del>\$785</del> <u>\$363</u>

**SCHEDULE 33: RESERVED**

**SCHEDULE 34: Piston Type Internal Combustion Engines and Diesel Particulate Filter Cleaning Processes**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Cogeneration Engine or Waste Derived Fuel-Fired Engine with Add-on Control Equipment	T+M	<del>\$1137</del> <del>\$1234</del> <u>\$1,188</u>
(b) Each Cogeneration Engine or Waste Derived Fuel-Fired Engine without Add-on Control Equipment	T+M	<del>\$682</del> <del>\$740</del> <u>\$784</u>
<del>(c) Each Emergency Standby Engine (for electrical or fuel interruptions beyond control of Permittee)</del>	<del>\$4549</del>	<del>\$459</del>
(d) Each Engine for Non-Emergency, Non-Cogeneration, and Not Waste Derived Fuel-Fired Operation ≥ 200 horsepower	T+M	<del>\$734</del> <del>\$797</del> <u>\$844</u>
(e) Each Grouping of Engines for Dredging or Crane Operation with total engine horsepower > 200 HP	T+M	<del>\$675</del> <del>\$732</del> <u>\$776</u>
(f) Each Diesel Pile-Driving Hammer	T+M	<del>\$213</del> <del>\$231</del> <u>\$245</u>
<u>(g) Each Engine for Non-Emergency, Non-Cogeneration, and Not Waste Derived Fuel-Fired Operation &lt; 200 horsepower</u>	<u>\$3726</u> T+M	<u>\$449</u> <u>\$516</u>
(h) <del>Each California Certified</del> Emergency Standby Engine (for electrical or fuel interruptions beyond control of Permittee)	<del>\$3309</del> <del>\$3805</del>	<del>\$393</del> <del>\$427</del> <u>\$452</u>
(i) Each Internal Combustion Engine Test Cell and Test Stand	T+M	<del>\$433</del> <del>\$470</del> <u>\$498</u>
(l) Each Diesel Particulate Filter Cleaning Process	T+M	<del>\$590</del> <del>\$640</del> <u>\$659</u>
(w) Each Specified Eligible Engine, Registered Under Rule 12	<del>\$485</del> <del>\$558</del>	<del>\$373</del> <del>\$404</del> <u>\$429</u>
(x) Each Specified Eligible Portable Engine, Registered Under Rule 12.1	<del>\$797</del> <del>\$917</del>	<del>\$355</del> <del>\$385</del> <u>\$408</u>

**SCHEDULE 35: Bulk Flour, Powdered Sugar and Dry Chemical Storage Systems**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each System	T+M	<del>\$357</del> <del>\$387</del> <u>\$411</u>

**SCHEDULE 36: Grinding Booths and Rooms**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Booth or Room	T+M	<del>\$466</del> <del>\$505</del> <u>\$536</u>

**SCHEDULE 37: Plasma Electric and Ceramic Deposition Spray Booths**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Application Station	T+M	<del>\$594</del> <del>\$645</del> <u>\$683</u>
<u>(c) Flame Spray (ID #APCD1976-SITE-00274)*</u>	<u>T+M</u>	<u>\$433</u> <u>\$323</u>

\*Pursuant to Subsection (c)(3)

**SCHEDULE 38: Paint, Adhesive, Stain, Ink, Solder Paste, and Dielectric Paste Manufacturing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Process Line for Paint, Adhesive, Stain, or Ink Manufacturing at facilities producing > 10,000 gallons per year	T+M	\$348 <del>\$377</del> <u>\$400</u>
(b) Each Can Filling Line	T+M	\$371 <del>\$402</del> <u>\$427</u>
(c) Each Process Line for Solder Paste or Dielectric Paste Manufacturing	T+M	\$765 <del>\$830</del> <u>\$479</u>
<del>(d) Each Paint, Adhesive, Stain or Ink Manufacturing facility producing &lt; 10,000 gallons per year</del>	<del>T+M</del>	<del>\$1509</del> <del>\$1638</del>
(f) Ferro Electronic Material Systems (ID #APCD2001-SITE 04439)*	T+M	\$906

\*Pursuant to Subsection (c)(3)

**SCHEDULE 39: Precious Metals Refining**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Process Line	T+M	\$836 <del>\$908</del> <u>\$739</u>

**SCHEDULE 40: Asphalt Pavement Heaters/Recyclers**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(x) Each Portable Unheated Pavement Crushing and Recycling System, Registration Under Rule 12.1	T+M	\$1,091 <del>\$380</del> <del>\$412</del> <u>\$375</u>

**SCHEDULE 41: Perlite Processing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Process Line	T+M	\$506 <del>\$550</del> <u>\$582</u>
(b) Aztec Perlite (ID #APCD1978-SITE-01598)*	T+M	\$1166 <del>\$1266</del> <u>\$1,341</u>

\*Pursuant to Subsection (c)(3)

**SCHEDULE 42: Electronic Component Manufacturing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Process Line	T+M	\$779 <del>\$846</del> <u>\$693</u>
(b) Each Screen Printing Operation	T+M	\$641 <del>\$696</del> <u>\$737</u>
(c) Each Coating/Maskant Application Operation, excluding Conformal Operation	T+M	\$773 <del>\$839</del> <u>\$846</u>
(d) Each Conformal Coating Operation	T+M	\$988 <del>\$1073</del> <u>\$1,136</u>

**SCHEDULE 43: Ceramic Slip Casting**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Process Line	T+M	\$788 <del>\$856</del> <u>\$418</u>

**SCHEDULE 44: Evaporators, Dryers, & Stills Processing Organic Materials**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Evaporators and Dryers [other than those referenced in Fee Schedule 30 (a)] processing materials containing volatile organic compounds	T+M	\$451 <del>\$489</del> <u>\$519</u>
(b) Solvent Recovery Stills, on-site, batch-type, solvent usage > 350 gallons per day	T+M	\$460 <del>\$500</del> <u>\$529</u>

**SCHEDULE 45: RESERVED****SCHEDULE 46: Filtration Membrane Manufacturing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Process Line	T+M	\$735 <del>\$797</del> <u>\$785</u>

**SCHEDULE 47: Organic Gas Sterilizers**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Organic Gas Sterilizer/Aerator requiring control	T+M	\$774 <del>\$840</del> <u>\$372</u>

**SCHEDULE 48: Municipal Waste Storage and Processing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Municipal Waste Storage and Processing - not subject to the ARB Methane Emissions Regulation	T+M	\$1533 <del>\$1664</del> <u>\$1,763</u>
(c) Municipal Waste Storage and Processing - subject to the ARB Methane Emissions Regulation	T+M	\$5421 <del>\$5883</del> <u>\$6,234</u>

**SCHEDULE 49: Non-Operational Status Equipment**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Non-Operational Status Equipment	<del>\$319</del> <u>\$367</u>	\$375 <del>\$407</del> <u>\$431</u>
(b) Activating Non-Operational Status Equipment	<del>\$286</del> <u>\$329</u>	N/A

**SCHEDULE 50: Coffee Roasters**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Coffee Roaster	<del>\$4074</del> <u>T+M</u>	\$502 <del>\$544</del> <u>\$418</u>

**SCHEDULE 51: Industrial Waste Water Treatment**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each On-site Processing Line	T+M	<del>\$573</del> <del>\$622</del> <u>\$577</u>
(c) USN Air Station NORIS Public Works (ID #APCD1986-SITE-02755)*	T+M	<del>\$1558</del> <u>\$516</u>

\*Pursuant to Subsection (c)(3)

**SCHEDULE 52: Air Stripping and Soil Remediation Equipment**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Air Stripping Equipment	T+M	<del>\$763</del> <del>\$828</del> <u>\$877</u>
(b) Soil Remediation Equipment - On-site (In situ Only)	T+M	<del>\$890</del> <del>\$966</del> <u>\$1,024</u>

**SCHEDULE 53: RESERVED**

**SCHEDULE 54: Pharmaceutical Manufacturing**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Pharmaceutical Manufacturing Process Line	T+M	<del>\$1032</del> <del>\$1121</del> <u>\$1,187</u>

**SCHEDULE 55: Hexavalent Chromium Plating and Anodizing Tanks, and Chromate Conversion Coating Tanks**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Hard or Decorative Chrome Plating and/or Anodizing Tank or Group of Tanks Served by an Emission Control System	T+M	<del>\$2731</del> <del>\$2965</del> <u>\$1,252</u>
(b) Each Decorative Plating Tank without Add-on Emission Controls	T+M	<del>\$1471</del> <del>\$1597</del> <u>\$772</u>
(d) Each Chromate Conversion Coating Tank	T+M	<del>\$445</del> <del>\$483</del> <u>\$512</u>

**SCHEDULE 56: Sewage Treatment Facilities**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Each Wastewater Treatment Facility, or Each Water Reclamation Facility	T+M	<del>\$1460</del> <del>\$1585</del> <u>\$1,502</u>
(b) Each Wastewater Pump Station	T+M	<del>\$776</del> <del>\$842</del> <u>\$727</u>

**SCHEDULE 57: RESERVED**

**SCHEDULE 58: Bakeries**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Bakery Ovens at Facilities with Emission Controls Pursuant to Rule 67.24	T+M	<del>\$865</del> <del>\$939</del> <u>\$995</u>

**SCHEDULE 59: Asbestos Control Equipment**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(c) Portable Asbestos Mastic Removal Application Station	T+M	<del>\$423</del> <del>\$459</del> <u>\$479</u>

**SCHEDULES 60 THROUGH 90 RESERVED**

**SCHEDULE 91: Miscellaneous – Hourly Rates**

Fee Unit	(1) Initial Evaluation Fee	(2) Emission Unit Renewal Fee
(a) Miscellaneous Operations	T+M	<del>\$616</del> <del>\$669</del> <u>\$708</u>

**SCHEDULE 92: Source Testing Performed by the District**

The owner or operator of an emission unit which requires source testing to determine compliance shall pay the applicable source test fee(s) listed below if the source testing is performed by the District or a District contractor. If the source test requires significantly more on-site time than is provided by the fixed fees specified below (e.g., tall stacks), the additional costs incurred by the District shall be determined using the labor rates specified in Schedule 94 – Time and Material (T+M) Labor Rates and related material and other costs. The owner or operator shall pay such fees upon notification from the District that such fees are required.

Fee Unit	Fee
(c) Each Sulfur Oxides Source Test	T+M
(d) Annual Fee for each Biennial Cycle Test for NOx and CO (1/2 the cost of one test)	<del>\$1774</del> <u>\$2,040</u>
(e) Each Ethylene Oxide Source Test	T+M
(f) Each Carbon Monoxide and Nitrogen Oxides Source Test	<del>\$3547</del> <u>\$4,079</u>
(g) Each Nitrogen Oxides Source Test	<del>\$4090</del> <u>\$4,704</u>
(h) Each Incinerator Particulate Matter Source Test with Waste Burning Capacity of > 100 lbs Per Hour	T+M
(i) Each Ammonia Source Test	<del>\$1694</del> <u>\$1,948</u>
(j) Continuous Emission Monitor System Evaluation	T+M
(k) Incinerator Particulate Matter Source Test with Waste Burning Capacity of < 100 lbs Per Hour	T+M
(m) Each Mass Emissions Source Test	<del>\$1672</del> <u>\$1,923</u>
(o) Each Multiple Metals Source Test	T+M



**SCHEDULE 92: Source Testing Performed by the District – continued**

<u>Fee Unit</u>	<u>Fee</u>
(p) Each Chromium Source Test	T+M
(q) Each VOC Onsite Analysis	<del>\$7801</del> <u>\$8,971</u>
(r) Each VOC Offsite Analysis	<del>\$1828</del> <u>\$2,102</u>
(s) Each Hydrogen Sulfide Source Test	T+M
(t) Each Acid Gas Source Test	T+M
(v) Annual Fee for Optional Source Test Pilot Study	T+M
(w) Each Particulate Matter Source Test	<del>\$5014</del> <u>\$5,766</u>
(x) Each Particulate Matter and Nitrogen Oxides and Carbon Monoxide Source Test	<del>\$11185</del> <u>\$12,863</u>
(y) Each Particulate Matter and Carbon Dioxide and Oxygen Source Test	<del>\$8000</del> <u>\$9,200</u>
(z) Miscellaneous Source Test (Special Tests not Listed)	T+M

**SCHEDULE 93: Witness of Source Tests Performed by Independent Contractors**

The owner or operator of an emission unit which requires source testing to determine compliance for the purpose of quantifying emissions to determine whether a Permit to Operate shall be issued or if the emission unit is in compliance, and chooses to have the testing performed by an independent contractor, shall pay the actual T+M costs incurred by the District to observe such testing and review the resulting source test report.

Any person, company, agency that requests review of a test procedure shall pay the actual T+M costs incurred by the District to review such test procedures. Such requests shall be accompanied by an amount estimated to cover actual District costs.

<u>Fee Unit</u>	<u>Fee</u>
(a) Test Witness and Report Review	T+M
(c) Test Procedure Review	T+M
(d) Each VOC Bulk Terminal Test Witness	<del>\$3638</del> <u>\$3,695</u>
(e) Each Ethylene Oxide Test Witness Day	<del>\$3004</del> <u>\$3,455</u>

**SCHEDULE 94: Time and Material (T+M) Labor Rates**

<u>Service Category</u>	<u>Hourly Rate</u>
Compliance Services	<del>\$249</del> <del>\$270</del> <u>\$286</u>
Engineering Services	<del>\$274</del> <u>\$315</u>
Monitoring Services	\$173
Planning and Mobile Incentives Services	<del>\$193</del> <u>\$218</u>
Source Testing Services	<del>\$189</del> <u>\$217</u>

**SCHEDULE 95: Sampling and Analysis**

When the District determines a sample and/or analysis is needed for the purpose of determining potential emissions and/or determining compliance with District Rules and Regulations, the actual T+M costs incurred by the District for collection and analysis of samples, including preparing the reports, shall be paid by the permittee, applicant or other persons for activities for which a Permit is not required.

**SCHEDULE 96: Additional Costs Incurred by the District for Sources  
Not in Compliance**

Whenever the District is requested or required to provide consultation, testing or inspection to any person or facility, beyond the consultation testing and inspection covered by the permit fees, or related to a Notice of Violation and/or Notice to Comply, the person or facility shall pay the actual T+M costs incurred by the District for the cost of such services.

**SCHEDULE 97: Other Charges**

Whenever the District is requested or required to provide consultation, legally required testimony, testing, inspection, engineering or services, the cost of such services shall be determined using the labor rates specified in Fee Schedule 94 – Time and Material (T+M) Labor Rates. Persons requesting and/or receiving such services shall be charged the estimated cost of providing such services and shall deposit such amount to the District in advance of the service, unless prior arrangements for payment have been approved by the District. In the case of consultations requested prior to filing an application, any funds deposited in excess of actual costs incurred for such consultations shall be refunded or applied as a credit against required application fees.

**TABLE 1 - PROPOSED RULE 40 –  
SUMMARY OF REVISED FEE SCHEDULES 1 - 91**

Fee Sched.	Description	Application			Renewal		
		Current Initial Evaluation Fee	Proposed Initial Evaluation Fee	Increase/ (Decrease)	Current Emission Unit Renewal Fee	Proposed Emission Unit Renewal Fee	Increase/ (Decrease)
<b>Schedule 1: Abrasive Blasting Equipment Excluding Rooms and Booths</b>							
1 A	Each Pot 100 pounds capacity or larger with no Peripheral Equipment	T+M		\$ -	\$267	\$307	\$ 40
1 B	Each Pot 100 pounds capacity or larger loaded Pneumatically or from Storage Hoppers	\$2,065	T+M	\$ -	\$227	\$261	\$ 34
1 C	Each Bulk Abrasive Blasting Material Storage System	T+M		\$ -	\$213	\$245	\$ 32
1 D	Each Spent Abrasive Handling System	T+M		\$ -	\$213	\$245	\$ 32
1 X	Each Portable Abrasive Blasting Unit, Registered Under Rule 12.1	\$636	\$731	\$ 95	\$320	\$368	\$ 48
<b>Schedule 2: Abrasive Blasting Cabinets, Rooms and Booths</b>							
2 A	Each Abrasive Blasting Cabinet, Room or Booth	\$5,516	T+M	\$ -	\$484	\$557	\$ 73
2 B	Each Cabinet, Room, or Booth with an Abrasive Transfer or Recycle System	\$6,374	T+M	\$ -	\$523	\$540	\$ 17
<b>Schedule 3: Asphalt Roofing Kettles and Tankers used to Store, Heat, Transport, and Transfer Hot Asphalt</b>							
3 A	Each Kettle or Tanker with capacity greater than 85 gallons	T+M		\$ -	\$302	\$347	\$ 45
3 W	Each Kettle or Tanker, Registered Under Rule 12	\$427	\$491	\$ 64	\$266	\$306	\$ 40
<b>Schedule 4: Hot-Mix Asphalt Paving Batch Plant</b>							
4 A	Each Hot-Mix Asphalt Paving Batch Plant	T+M		\$ -	\$1,733	\$1,993	\$ 260
<b>Schedule 5: Rock Drills</b>							
5 W	Each Drill, Registered Under Rule 12 or 12.1	\$719	\$827	\$ 108	\$353	\$406	\$ 53
<b>Schedule 6: Sand, Rock, Aggregate Screens, and Other Screening Operations, when not used in Conjunction with other Permit Items in these Schedules</b>							
6 A	Each Screen Set	\$5,168	T+M	\$ -	\$539	\$510	\$ (29)
6 X	Each Portable Sand and Gravel Screen Set, Registered Under Rule 12.1	\$739	\$850	\$ 111	\$350	\$403	\$ 53
<b>Schedule 7: Sand, Rock, and Aggregate Plants</b>							
7 A	Each Crusher System (involves one or more primary crushers forming a primary crushing system or, one or more secondary crushers forming a secondary crusher system and each serving a single process line)	T+M		\$ -	\$928	\$968	\$ 40
7 B	Each Screening System (involves all screens serving a given primary or secondary crusher system)	T+M		\$ -	\$440	\$506	\$ 66
7 C	Each Loadout System (a loadout system is a set of conveyors chutes and hoppers used to load any single rail or road delivery container at any one time)	T+M		\$ -	\$433	\$498	\$ 65

**TABLE 1 - PROPOSED RULE 40 –  
SUMMARY OF REVISED FEE SCHEDULES 1 - 91**

Fee Sched.	Description	Application			Renewal		
		Current Initial Evaluation Fee	Proposed Initial Evaluation Fee	Increase/ (Decrease)	Current Emission Unit Renewal Fee	Proposed Emission Unit Renewal Fee	Increase/ (Decrease)
7 X	Each Portable Rock Crushing System, Registered Under Rule 12.1	\$739	\$850	\$ 111	\$323	\$371	\$ 48
<b>Schedule 8: Concrete Batch Plants, Concrete Mixers over One Cubic Yard Capacity and Separate Cement Silo Systems</b>							
8 A	Each Concrete Batch Plant (including Cement-Treated Base Plants)	T+M		\$ -	\$921	\$1,029	\$ 108
8 B	Each Mixer over one cubic yard capacity	T+M		\$ -	\$327	\$376	\$ 49
8 C	Each Cement or Fly Ash Silo System not part of another system requiring a Permit	T+M		\$ -	\$522	\$600	\$ 78
8 X	Each Portable Concrete Batch Plant or stand-alone Cementitious Material Storage Silo, Registered Under Rule 12.1	\$817	\$940	\$ 123	\$382	\$439	\$ 57
<b>Schedule 9: Concrete Product Manufacturing Plants</b>							
9 A	Each Plant	T+M		\$ -	\$648	\$693	\$ 45
<b>Schedule 10: RESERVED</b>							
<b>Schedule 11: RESERVED</b>							
<b>Schedule 12: RESERVED</b>							
<b>Schedule 13: Boilers and Heaters</b>							
13 A	Each 1 MM BTU/HR up to but not including 50 MM BTU/HR input	\$3,569	\$3,783	\$ 214	\$467	\$537	\$ 70
13 B	Each 50 MM BTU/HR up to but not including 250 MM BTU/HR	T+M		\$ -	\$600	\$690	\$ 90
13 D	Each 100 Megawatt output or greater (based on an average boiler efficiency of 32.5%)	T+M	Proposed for deletion	\$ -	\$1,259	Proposed for deletion	\$ -
13 F	Each 1 MM BTU/HR up to but not including 50 MM BTU/HR input at a single site where more than 5 such units are located	T+M		\$ -	\$368	\$423	\$ 55
13 W	Each 2 MM BTU/HR up to but not including 5 MM BTU/HR, Registered Under Rule 12	\$840	\$934	\$ 94	\$250	\$284	\$ 34
<b>Schedule 14: Non-Municipal Incinerators</b>							
14 A	Crematory or waste incinerator burning *	T+M		\$ -	\$952	\$1,095	\$ 143
14 C	Burning capacity up to and including 50 lbs/hr used exclusively for the incineration or cremation of animals	T+M		\$ -	\$441	\$507	\$ 66
*Excluding units of 50 lbs/hr capacity or less used exclusively for incineration or cremation of animals.							
<b>Schedule 15: Burn-Out Ovens</b>							
15 A	Each Electric Motor/Armature Refurbishing Oven	T+M		\$ -	\$439	\$505	\$ 66
15 D	USN SIMA (ID # APCD1981-SITE-02798) *	T+M		\$ -	\$262	\$271	\$ 9
* Pursuant to (c)(3)							
<b>Schedule 16: RESERVED</b>							

**TABLE 1 - PROPOSED RULE 40 –  
SUMMARY OF REVISED FEE SCHEDULES 1 - 91**

Fee Sched.	Description	Application			Renewal		
		Current Initial Evaluation Fee	Proposed Initial Evaluation Fee	Increase/ (Decrease)	Current Emission Unit Renewal Fee	Proposed Emission Unit Renewal Fee	Increase/ (Decrease)
<b>Schedule 17: RESERVED</b>							
<b>Schedule 18: Metal Melting Devices</b>							
18 C	Each Pit or Stationary Crucible	T+M		\$ -	\$451	\$519	\$ 68
<b>Schedule 19: Oil Quenching and Salt Baths</b>							
19 A	Each Tank	T+M		\$ -	\$257	\$296	\$ 39
<b>Schedule 20: Gas Turbine Engines, Test Cells and Test Stands</b>							
GAS TURBINE, TURBOSHAFT, TURBOJET AND TURBOFAN ENGINE TEST CELLS AND STANDS							
20 A	Each Aircraft Propulsion Turbine, Turboshift, Turbojet or Turbofan Engine Test Cell or Stand	T+M		\$ -	\$433	\$498	\$ 65
20 B	Each Aircraft Propulsion Test Cell or Stand at a facility where more than one such unit is located	T+M		\$ -	\$235	\$270	\$ 35
20 C	Each Non-Aircraft Turbine Test Cell or Stand	T+M		\$ -	\$175	\$201	\$ 26
GAS TURBINE ENGINES							
20 D	Each Non-Aircraft Turbine Engine 1 MM BTU/HR up to but not including 50 MM BTU/HR input	T+M		\$ -	\$1,176	\$1,163	\$ (13)
20 E	Each Non-Aircraft Turbine Engine 50 MM BTU/HR up to but not including 250 MM BTU/HR input	T+M		\$ -	\$1,477	\$1,699	\$ 222
20 F	Each Non-Aircraft Turbine Engine 250 MM BTU/HR or greater input	T+M		\$ -	\$4,208	\$4,848	\$ 640
20 G	Each Unit used solely for Peak Load Electric Generation	T+M	Proposed for deletion	\$ -	\$409	Proposed for deletion	\$ -
20 H	Each Standby Gas Turbine used for Emergency Power Generation	T+M		\$ -	\$286	\$329	\$ 43
<b>Schedule 21: Waste Disposal and Reclamation Units</b>							
21 A	Each Paper or Wood Shredder or Hammermill Grinder	T+M		\$ -	\$367	\$387	\$ 20
21 W	Each Paper Shredder	\$809	\$900	\$ 91	\$396	\$421	\$ 25
<b>Schedule 22: Feed and Grain Mills and Kelp Processing Plants</b>							
22 A	Each Receiving System (includes Silos)	T+M		\$ -	\$531	\$611	\$ 80
22 B	Each Grinder, Cracker, or Roll Mill	T+M		\$ -	\$494	\$568	\$ 74
22 C	Each Shaker Stack, Screen Set, Pelletizer System, Grain Cleaner, or Hammermill	T+M		\$ -	\$526	\$605	\$ 79
22 D	Each Mixer System	T+M		\$ -	\$1,130	\$873	\$ (257)
22 E	Each Truck or Rail Loading System	T+M		\$ -	\$555	\$586	\$ 31
<b>Schedule 23: Bulk Terminal Grain and Dry Chemical Transfer and Storage Facility Equipment</b>							
23 A	Each Receiving System (Railroad, Ship and Truck Unloading)	T+M		\$ -	\$631	\$726	\$ 95
23 B	Each Storage Silo System	\$2,239	T+M	\$ -	\$358	\$387	\$ 29

**TABLE 1 - PROPOSED RULE 40 –  
SUMMARY OF REVISED FEE SCHEDULES 1 - 91**

Fee Sched.	Description	Application			Renewal		
		Current Initial Evaluation Fee	Proposed Initial Evaluation Fee	Increase/ (Decrease)	Current Emission Unit Renewal Fee	Proposed Emission Unit Renewal Fee	Increase/ (Decrease)
23 C	Each Loadout Station System	T+M		\$ -	\$384	\$442	\$ 58
23 D	Each Belt Transfer Station	T+M		\$ -	\$384	\$442	\$ 58
23 W	Each Grain Silo	\$809	\$900	\$ 91	\$372	\$409	\$ 37
<b>Schedule 24: Dry Chemical Mixing</b>							
24 C	Each Dry Chemical Mixer with capacity over one-half cubic yard	T+M		\$ -	\$278	\$320	\$ 42
<b>Schedule 25: Volatile Organic Compound Terminals, Bulk Plants and Intermediate Refueler Facilities.</b>							
1	Bulk Plants and Bulk Terminals equipped with or proposed to be equipped with a vapor processor:						
25 A	Per Tank	T+M		\$ -	\$303	\$348	\$ 45
25 B	Tank Rim Seal Replacement	T+M		\$ -	N/A	N/A	\$ -
25 C	Per Truck Loading Head <u>Permit</u>	T+M		\$ -	\$1,876	\$1,979	\$ 103
25 D	Per Vapor Processor	T+M		\$ -	\$439	\$505	\$ 66
2	Bulk Plants not equipped with or not proposed to be equipped with a vapor processor:						
25 E	Per <u>Bulk Tank Permit</u>	T+M		\$ -	\$496	\$570	\$ 74
25 F	Per Truck Loading Head <u>Permit</u>	T+M		\$ -	\$447	\$514	\$ 67
Vapor Processor means a device which recovers or transforms volatile organic compound by condensation, refrigeration, adsorption, absorption, incineration, or any combination thereof.							
3	Facilities fueling intermediate refuelers (IR's) for subsequent fueling of motor vehicles, boats, or aircraft:						
25 H	Per IR Loading Connector	T+M		\$ -	\$524	\$603	\$ 79
If a facility falls into Part 1, 2 or 3 above and is equipped with dispensing nozzles for which Phase II vapor controls are required, additional fees equivalent to the "per nozzle" fees for Schedule 26(a) shall be assessed for each dispensing nozzle.							
<b>Schedule 26: Non-Bulk Volatile Organic Compound Dispensing Facilities. Subject to District Rules 61.0 through 61.6</b>							
26 A	Facilities where Phase I and Phase II controls are required (includes Phase I fee)	\$3,601	\$4,141	\$ 540	\$332	\$258	\$ (74)
26 C	Facilities where only Phase I controls are required (includes tank replacement)	\$3,347	\$3,849	\$ 502	\$652	\$750	\$ 98
26 E	Non-retail facilities with 250-550 gallon tanks and no other non-bulk gasoline dispensing permits Fee Per Facility	\$1,042	\$1,198	\$ 156	\$570	\$656	\$ 86
<b>Schedule 27: Application of Materials Containing Organic Solvents (includes coatings, adhesives, and other materials containing volatile organic compounds (VOC))</b>							
<b>PART 1 - MARINE COATINGS</b>							

TABLE 1 - PROPOSED RULE 40 – SUMMARY OF REVISED FEE SCHEDULES 1 - 91							
Fee Sched.	Description	Application			Renewal		
		Current Initial Evaluation Fee	Proposed Initial Evaluation Fee	Increase/ (Decrease)	Current Emission Unit Renewal Fee	Proposed Emission Unit Renewal Fee	Increase/ (Decrease)
27 A	Each Marine Coating application operation, except where Fee Schedule 27(t) applies	T+M		\$ -	\$904	\$1,040	\$ 136
27 T	Each Marine Coating application operation at facilities where combined coating and cleaning solvent usage is < 3 gallons/day and < 100 gallons/year	T+M		\$ -	\$604	\$695	\$ 91
	<b>PART 2 - INDUSTRIAL MATERIAL APPLICATIONS AND MANUFACTURING</b> (Includes application stations for coatings such as paint spraying and dip tanks, printing, and manufacturing products with materials which contain VOCs, etc.)						
27 D	Each Surface Coating Application Station w/o control equipment and not covered by other fee schedules at facilities using > 1 gallon/day of surface coatings and emitting ≤ 5 tons/year of VOC from equipment in this fee schedule	T+M		\$ -	\$1,011	\$1,163	\$ 152
27 E	Each Surface Coating Application Station w/o control equipment and not covered by other fee schedules at facilities emitting > 5 tons/year of VOC from equipment in this fee schedule	T+M		\$ -	\$1,252	\$1,440	\$ 188
27 F	Each Fiberglass, Plastic or Foam Product Process Line	T+M		\$ -	\$1,118	\$1,267	\$ 149
27 I	Each Surface Coating Application Station requiring Control Equipment	T+M		\$ -	\$1,823	\$1,099	\$ (724)
27 J	Each Surface Coating Application Station subject to Rule 67.3 or 67.9 w/o Control Equipment at facilities emitting ≤ 5 tons/year of VOC from equipment in this fee schedule	\$7,404	T+M	\$ -	\$1,042	\$1,198	\$ 156
27 K	Each Surface Coating Application Station subject to Rule 67.3 or 67.9 w/o Control Equipment at facilities emitting > 5 tons/year of VOC from equipment in this fee schedule	T+M		\$ -	\$1,074	\$1,127	\$ 53
27 L	Each Wood Products Coating Application Station w/o Control Equipment at facilities using > 500 gallons/year of wood products coatings and emitting ≤ 5 tons/year of VOC from Wood Products Coating Operations	T+M		\$ -	\$990	\$1,139	\$ 149
27 N	Each Press or Operation at a Printing or Graphic Arts facility subject to Rule 67.16	T+M		\$ -	\$580	\$656	\$ 76
27 O	Each Fiberglass, Plastic or Foam Product Process Line Using Only Polyester Resin	T+M		\$ -	\$758	\$872	\$ 114
27 P	Each Surface Coating Application Station w/o control equipment (except automotive painting) where combined coating, and cleaning solvent usage is < 1 gallon/day or < 50 gallons/year	T+M		\$ -	\$663	\$762	\$ 99
27 Q	Each Wood Products Coating Application Station of coatings and stripper w/o control equipment at a facility using < 500 gallons/year for Wood Products Coating Operations	T+M		\$ -	\$841	\$967	\$ 126
	<b>PART 3 - MOTOR VEHICLE AND MOBILE EQUIPMENT REFINISHING OPERATIONS</b>						

**TABLE 1 - PROPOSED RULE 40 –  
SUMMARY OF REVISED FEE SCHEDULES 1 - 91**

Fee Sched.	Description	Application			Renewal		
		Current Initial Evaluation Fee	Proposed Initial Evaluation Fee	Increase/ (Decrease)	Current Emission Unit Renewal Fee	Proposed Emission Unit Renewal Fee	Increase/ (Decrease)
27 R	Each facility applying Coating Materials subject to Rule 67.20 (as applied or sprayed)	\$4,278	\$4,920	\$ 642	\$1,223	\$1,406	\$ 183
	<b>PART 4 - ADHESIVE MATERIALS APPLICATIONS OPERATIONS</b>						
27 U	Each Adhesive Materials Application Station w/o control equipment at facilities emitting ≤ 5 tons/year of VOC from equipment in this fee schedule	T+M		\$ -	\$717	\$825	\$ 108
27 V	Each Adhesive Materials Application Station w/o control equipment at facilities emitting > 5 tons/year of VOC from equipment in this fee schedule	T+M		\$ -	\$1,341	\$1,289	\$ (52)
27 W	Each Adhesive Materials Application Station w/o control equipment where adhesive materials usage is < 55 gallons/year	T+M		\$ -	\$789	\$907	\$ 118
	<b>Schedule 28: Vapor and Cold Solvent Cleaning Operations and Metal Inspection Tanks</b>						
28 A	Each Vapor Degreaser with an Air Vapor Interfacial area > 5 square feet	T+M		\$ -	\$494	\$568	\$ 74
28 B	Each Cold Solvent Degreaser with liquid surface area > 5 square feet	T+M		\$ -	\$372	\$428	\$ 56
28 D	Each Paint Stripping Tank	T+M		\$ -	\$367	\$363	\$ (4)
28 F	Remote Reservoir Cleaners	T+M		\$ -	\$351	\$387	\$ 36
28 H	Vapor Degreaser with an Air-Vapor Interfacial area ≤ 5 square feet	T+M		\$ -	\$441	\$507	\$ 66
28 I	Cold Solvent Degreaser with a liquid surface area ≤ 5 square feet	T+M		\$ -	\$326	\$375	\$ 49
28 J	Metal Inspection Tanks	T+M		\$ -	\$303	\$348	\$ 45
28 K	Contract Service Remote Reservoir Cleaners with > 100 units	T+M		\$ -	\$44	\$46	\$ 2
28 L	Contract Service Cold Degreasers with a liquid surface area of ≤ 5 square feet	T+M		\$ -	\$18	\$21	\$ 3
28 M	Each facility-wide Solvent Application Operation	T+M		\$ -	\$907	\$760	\$ (147)
	<b>Schedule 29: Automated Soldering Equipment</b>						
29 A	Each Solder Leveler	T+M	Proposed for deletion	\$ -	\$515	Proposed for deletion	\$ -
	<b>Schedule 30: Solvent and Extract Dryers</b>						
30 A	Kelp and Biogum Products Solvent Dryer	T+M		\$ -	\$1,712	\$1,969	\$ 257
	<b>Schedule 31: Dry Cleaning Facilities</b>						
31 A	Each Facility using Halogenated Hydrocarbon Solvents required to install Control Equipment	T+M	Proposed for deletion	\$ -	\$893	Proposed for deletion	\$ -
31 B	Each Facility using Petroleum Based Solvents	T+M		\$ -	\$542	\$580	\$ 38
	<b>Schedule 32: Acid Chemical Milling, Copper Etching and Hot Dip Galvanizing</b>						
32 A	Each Copper Etching Tank	T+M		\$ -	\$714	\$821	\$ 107
32 B	Each Acid Chemical Milling Tank	T+M		\$ -	\$612	\$704	\$ 92



**TABLE 1 - PROPOSED RULE 40 –  
SUMMARY OF REVISED FEE SCHEDULES 1 - 91**

Fee Sched.	Description	Application			Renewal		
		Current Initial Evaluation Fee	Proposed Initial Evaluation Fee	Increase/ (Decrease)	Current Emission Unit Renewal Fee	Proposed Emission Unit Renewal Fee	Increase/ (Decrease)
32 C	Each Hot Dip Galvanizing Tank	T+M		\$ -	\$723	\$363	\$ (360)
<b>Schedule 33: RESERVED</b>							
<b>Schedule 34: Piston Type Internal Combustion Engines</b>							
34 A	Each Cogeneration Engine or Waste Derived Fuel-Fired Engine with Add-on Control Equipment	T+M		\$ -	\$1,137	\$1,188	\$ 51
34 B	Each Cogeneration Engine or Waste Derived Fuel-Fired Engine without Add-on Control Equipment	T+M		\$ -	\$682	\$784	\$ 102
34 C	Each Emergency Standby Engine (for electrical or fuel interruptions beyond control of Permittee)**	\$4,549	Proposed for deletion	\$ -	\$459	Proposed for deletion	\$ -
** Combining with 34H							
34 D	Each Engine for Non-Emergency, Non-Cogeneration, and Not Waste Derived Fuel-Fired Operation	T+M		\$ -	\$734	\$844	\$ 110
34 E	Each Grouping of Engines for Dredging or Crane Operation with total engine horsepower > 200 HP	T+M		\$ -	\$675	\$776	\$ 101
34 F	Each Diesel Pile-Driving Hammer	T+M		\$ -	\$213	\$245	\$ 32
34 G	Each Engine for Non-Emergency, Non-Cogeneration, and Not Waste Derived Fuel-Fired Operation < 200 horsepower***	\$3,726	T+M	\$ -	\$449	\$516	\$ 67
34 H	Each Emergency Standby Engine (for electrical or fuel interruptions beyond control of Permittee)	\$3,309	\$3,805	\$ 496	\$393	\$452	\$ 59
34 I	Each Internal Combustion Engine Test Cell and Test Stand	T+M		\$ -	\$433	\$498	\$ 65
34 L	Each Diesel Particulate Filter Cleaning Process	T+M		\$ -	\$590	\$659	\$ 69
34 W	Each Specified Eligible Engine, Registered Under Rule 12	\$485	\$558	\$ 73	\$373	\$429	\$ 56
34 X	Each Specified Eligible Portable Engine, Registered Under Rule 12.1	\$797	\$917	\$ 120	\$355	\$408	\$ 53
<b>Schedule 35: Bulk Flour, Powdered Sugar and Dry Chemical Storage Systems</b>							
35 A	Each System	T+M		\$ -	\$357	\$411	\$ 54
<b>Schedule 36: Grinding Booths and Rooms</b>							
36 A	Each Booth or Room	T+M		\$ -	\$466	\$536	\$ 70
<b>Schedule 37: Plasma Electric and Ceramic Deposition Spray Booths</b>							
37 A	Each Application Station	T+M		\$ -	\$594	\$683	\$ 89
37 C	Flame Spray (ID # APCD1976-SITE-00274) *	T+M		\$ -	\$433	\$323	\$ (110)
* Pursuant to Subsection (c)(3)							
<b>Schedule 38: Paint, Adhesive, Stain, Ink, Solder Paste, and Dielectric Paste Manufacturing</b>							
38 A	Each Process Line for Paint, Adhesive, Stain, or Ink Manufacturing at facilities producing > 10,000 gallons per year	T+M		\$ -	\$348	\$400	\$ 52
38 B	Each Can Filling Line	T+M		\$ -	\$371	\$427	\$ 56
38 C	Each Process Line for Solder Paste or Dielectric Paste Manufacturing	T+M		\$ -	\$765	\$479	\$ (286)

**TABLE 1 - PROPOSED RULE 40 –  
SUMMARY OF REVISED FEE SCHEDULES 1 - 91**

Fee Sched.	Description	Application			Renewal		
		Current Initial Evaluation Fee	Proposed Initial Evaluation Fee	Increase/ (Decrease)	Current Emission Unit Renewal Fee	Proposed Emission Unit Renewal Fee	Increase/ (Decrease)
38 D	Each Paint, Adhesive, Stain or Ink Manufacturing facility producing <10,000 gallons per year	T+M	Proposed for deletion	\$ -	\$1,509	Proposed for deletion	\$ -
38 F	Ferro Electronic Material Systems (ID # APCD2001-SITE-04439) *	T+M	Proposed for deletion	\$ -	\$906	Proposed for deletion	\$ -
* Subsection (c)(3) no longer applicable							
<b>Schedule 39: Precious Metals Refining</b>							
39 A	Each Process Line	T+M		\$ -	\$836	\$739	\$ (97)
<b>Schedule 40: Asphalt Pavement Heaters/Recyclers</b>							
40 X	Each Portable Unheated Pavement Crushing and Recycling System, Registration Under Rule 12.1	T+M	\$1,091	\$ -	\$380	\$375	\$ (5)
<b>Schedule 41: Perlite Processing</b>							
41 A	Each Process Line	T+M		\$ -	\$506	\$582	\$ 76
41 B	Aztec Perlite (ID # APCD1978-SITE-01598) *	T+M		\$ -	\$1,166	\$1,341	\$ 175
* Pursuant to Subsection (c)(3)							
<b>Schedule 42: Electronic Component Manufacturing</b>							
42 A	Each Process Line	T+M		\$ -	\$779	\$693	\$ (86)
42 B	Each Screen Printing Operation	T+M		\$ -	\$641	\$737	\$ 96
42 C	Each Coating/Maskant Application Operation, excluding Conformal Operation	T+M		\$ -	\$773	\$846	\$ 73
42 D	Each Conformal Coating Operation	T+M		\$ -	\$988	\$1,136	\$ 148
<b>Schedule 43: Ceramic Slip Casting</b>							
43 A	Each Process Line	T+M		\$ -	\$788	\$418	\$ (370)
<b>Schedule 44: Evaporators, Dryers, &amp; Stills Processing Organic Materials</b>							
44 A	Evaporators and Dryers [other than those referenced in Fee Schedule 30 (a)] processing materials containing volatile organic compounds	T+M		\$ -	\$451	\$519	\$ 68
44 B	Solvent Recovery Stills, on-site, batch-type, solvent usage > 350 gallons per day	T+M		\$ -	\$460	\$529	\$ 69
<b>Schedule 45: RESERVED</b>							
<b>Schedule 46: Filtration Membrane Manufacturing</b>							
46 A	Each Process Line	T+M		\$ -	\$735	\$785	\$ 50
<b>Schedule 47: Organic Gas Sterilizers</b>							
47 A	Each Organic Gas Sterilizer/Aerator requiring control	T+M		\$ -	\$774	\$372	\$ (402)
<b>Schedule 48: Municipal Waste Storage and Processing</b>							
48 A	Municipal Waste Storage and Processing - not subject to the ARB Methane Emissions Regulation	T+M		\$ -	\$1,533	\$1,763	\$ 230
48 C	Municipal Waste Storage and Processing - subject to the ARB Methane Emissions Regulation	T+M		\$ -	\$5,421	\$6,234	\$ 813
<b>Schedule 49: Non-Operational Status Equipment</b>							

**TABLE 1 - PROPOSED RULE 40 –  
SUMMARY OF REVISED FEE SCHEDULES 1 - 91**

Fee Sched.	Description	Application			Renewal		
		Current Initial Evaluation Fee	Proposed Initial Evaluation Fee	Increase/ (Decrease)	Current Emission Unit Renewal Fee	Proposed Emission Unit Renewal Fee	Increase/ (Decrease)
49 A	Non-Operational Status Equipment	\$319	\$367	\$ 48	\$375	\$431	\$ 56
49 B	Activating Non-Operational Status Equipment	\$286	\$329	\$ 43	N/A	N/A	\$ -
<b>Schedule 50: Coffee Roasters</b>							
50 A	Each Coffee Roaster	\$4,074	T+M	\$ -	\$502	\$418	\$ (84)
<b>Schedule 51: Industrial Waste Water Treatment</b>							
51 A	Each On-site Processing Line	T+M		\$ -	\$573	\$577	\$ 4
51 C	USN Air Station NORIS Public Works (ID # APCD1986-SITE-02755) *	T+M		\$ -	\$1,558	\$516	\$ (1,042)
* Pursuant to Subsection (c)(3)							
<b>Schedule 52: Air Stripping &amp; Soil Remediation Equipment</b>							
52 A	Air Stripping Equipment	T+M		\$ -	\$763	\$877	\$ 114
52 B	Soil Remediation Equipment - On-site (In situ Only)	T+M		\$ -	\$890	\$1,024	\$ 134
<b>Schedule 53: RESERVED</b>							
<b>Schedule 54: Pharmaceutical Manufacturing</b>							
54 A	Each Pharmaceutical Manufacturing Process Line	T+M		\$ -	\$1,032	\$1,187	\$ 155
<b>Schedule 55: Hexavalent Chromium Plating and Anodizing Tanks, and Chromate Conversion Coating Tanks</b>							
55 A	Each Hard or Decorative Chrome plating and/or Anodizing Tank or Group of Tanks Served by an Emission Control System	T+M		\$ -	\$2,731	\$1,252	\$ (1,479)
55 B	Each Decorative Plating Tank without Add-on Emission Controls	T+M		\$ -	\$1,471	\$772	\$ (699)
55 D	Each Chromate Conversion Coating Tank	T+M		\$ -	\$445	\$512	\$ 67
<b>Schedule 56: Sewage Treatment Facilities</b>							
56 A	Each Wastewater Treatment Facility, or Each Water Reclamation Facility	T+M		\$ -	\$1,460	\$1,502	\$ 42
56 B	Each Wastewater Pump Station	T+M		\$ -	\$776	\$727	\$ (49)
<b>Schedule 57: RESERVED</b>							
<b>Schedule 58: Bakeries</b>							
58 A	Bakery Ovens at Facilities with Emission Controls Pursuant to Rule 67.24	T+M		\$ -	\$865	\$995	\$ 130
<b>Schedule 59: Asbestos Control Equipment</b>							
59 C	Portable Asbestos Mastic Removal Application Station	T+M		\$ -	\$423	\$479	\$ 56
<b>Schedule 91: Miscellaneous – Hourly Rates</b>							
91 A	Miscellaneous – Hourly Rates	T+M		\$ -	\$616	\$708	\$ 92

# **FINAL STAFF REPORT**

## **EXISTING RULE 40 PERMIT AND OTHER FEES**

April 2024

San Diego County Air Pollution Control District  
Rule Development Section

Completed by: Mike Watt, Deputy Director  
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## EXECUTIVE SUMMARY

The mission of the San Diego County Air Pollution Control District (District) is to improve air quality to protect public health and the environment. Accordingly, the District operates a county-wide permitting program for stationary (fixed) sources of air pollution pursuant to federal and State law. Stationary sources encompass large industrial facilities including power plants and landfills and smaller commercial establishments such as gas stations and dry cleaners. A facility's permit outlines the required actions to comply with air pollution control requirements and protect air quality, the environment, and public health. District Rule 40 – Permit and Other Fees sets the fees for District permitting and other services, such as inspections and source testing, related to the implementation of the stationary source permitting, source testing, and asbestos programs.

District staff worked with Matrix Consulting Group (Consultant) to update the Cost Recovery Study analysis for Fiscal Year 2023-24 based upon new inputs associated with staffing, costs, and workload, as well as any changes in fee structures. The Consultant recommended and District staff proposes implementation of a Fiscal Year 2024-25 cost recovery scenario detailed in the FY 2024-25 Cost Recovery Analysis Report April 2024).<sup>1</sup> This recommendation is consistent with the Governing Board's December 8, 2022, direction on fee increases that was adopted on January 12, 2023, and became effective on July 1, 2023.

Proposed Fiscal Year 2024-25 amendments to Rule 40 include: consolidating two initial evaluation and renewal fees for engines into one fee; clarifying language related to online fee estimates and permit revisions, health risk assessment, risk reduction audit, and risk reduction plan submittal requirements and refunds; eliminating six outdated initial evaluation and renewal fees that were site-specific or no longer active; converting eight fixed (flat) application fees to time & material; converting one time & material fee to a fixed fee; combining standard and online asbestos notification fees into one set of fees; combining demolition notification fees; eliminating four asbestos notification fees; and updating various fees consistent with the recommendations from the Consultant, as summarized in the table below. Increases in stationary source permitting fees are limited as required by Health and Safety Code Section 41512.7. This limitation is being met by limiting the proposed increases for fixed permit application fees, permit renewal fees, time & material charges, and processing fees, to not more than 15%.

<b>Fee Category</b>	<b>Permit Application Fixed</b>	<b>Permit Renewal</b>	<b>Source Testing</b>	<b>Asbestos Notifications</b>	<b>Hearing Board</b>	<b>Time &amp; Material</b>	<b>Processing Fee</b>
<b>Proposed % Fee Increase</b>	6% to 15%	1% to 15%	2% to 15%	8% to 10%	0%	0% to 15%	10% to 15%

There are no revisions proposed to Rule 42 – Hearing Board Fees at this time. Increasing these fees at the previously adopted rate may result in the Hearing Board fees becoming cost prohibitive, without having a significant revenue impact upon the District since these fees comprise a very small amount of the revenue and costs for the District.

The following statements summarize important elements of the proposed rulemaking:

### Comparative Analysis

An analysis comparing proposed amended Rule 40 with applicable requirements of federal and local regulations (“Comparative Analysis”) is not required because the proposed amendments do

not impose a new emission limit or standard, make an existing emission limit or standard more stringent, or impose new or more stringent monitoring, reporting, or recordkeeping requirements.

#### Socioeconomic Impact Assessment

An assessment of the socioeconomic impacts of proposed amended Rule 40 is not required because it will not significantly affect air quality or emissions limitations.

#### California Environmental Quality Act (CEQA)

The proposed administrative amendments to Rule 40 are categorically exempt from the provisions of CEQA pursuant to California Code of Regulations, Title 14, Section 15273, which exempts projects that involve the establishment or modification of charges by public agencies for the purpose of meeting operating expenses, purchasing supplies and equipment, or meeting financial reserve needs.

#### Environmental Justice

The proposed amendments to Rule 40 promote public engagement and transparency; and will help to fund the District's commitments to advancing policies, programs, and services that achieve environmental justice and equity. Fees for the District recover costs for permitting, and other programs and services, and support the District's vision of "Clean Air for All".

## **I. INTRODUCTION**

Rule 40 – Permit and Other Fees is used to establish all fees charged by the San Diego County Air Pollution Control District (District), as authorized by the Air Pollution Control District Governing Board, except for those specified in Rule 42 – Hearing Board Fees. These include, but are not limited to, fees for: applications, permits and registrations, renewals, source testing, asbestos demolition or renovation notifications, and various other program specific fees. Rule 40 is also used to determine refunds, forfeitures, and insufficient payment of fees, as applicable. Given that estimated costs and revenues for these services will fluctuate year to year due to shifts in staffing levels, program costs, level of effort, and other factors, Rule 40 is periodically updated to ensure that District fees are appropriately recovering costs associated with providing these services.

## **II. BACKGROUND**

California Health and Safety Code Sections 41512 and 42311 allow the District to recover the full costs applicable to emission sources not included within a permit system such as asbestos fees, source testing fees, and Hearing Board fees as well as costs associated with the renewal, evaluation, and issuance of permits. These sections also provide limits on fee increases for permit to operate and authority to construct permits, restricting aggregate revenue increases to 15% annually. Based upon this legal authority, the District has a goal to review its fees every year to ensure that all fee-related costs are captured, and maximum cost recovery is achieved.

In 2020, the State Auditor issued a report regarding the District,<sup>2</sup> which identified that fee-related expenses were not being fully recovered. As a result of these findings, the District conducted its first external fee evaluation in 2021,<sup>3</sup> with study results presented and adopted by the District Governing Board in May 2021. Before implementing associated fee increases which took effect on January 1, 2022, the District had not raised fees in three years.

At the end of 2021, the District worked with Matrix Consulting Group to prepare an update to the study conducted earlier in 2021. This update incorporated staffing and budgetary adjustments as well as several fee program modifications. The results of this analysis were presented and adopted by the Board for implementation on July 1, 2022. In September 2022, the District began working with Matrix Consulting Group to conduct the next update to the Cost Recovery Analysis for implementation on July 1, 2023.

As part of the continuing effort to ensure that fees cover the costs associated with their activities, the District is now updating its fees for implementation on July 1, 2024, and has updated the analysis from last year based on new inputs associated with staffing, costs, workload, and any changes in fee structures.

## **III. CONTROL TECHNOLOGIES**

This section is not applicable to Rule 40. Rule 40 is an administrative rule that does not control nor impact any emissions; therefore, no control technologies apply to this rule.

## **IV. SUMMARY OF PROPOSED RULE REQUIREMENTS**

A summary of proposed Fiscal Year 2024-25 amendments to Rule 40 are included below:

- Consolidation of two initial evaluation and renewal fees for engines in Fee Schedule 34 into one fee:
  1. Fee Schedule 34C with 34H
- Clarifying language related to online fee estimates in Sections (d)(2) and (d)(6).



- Clarifying language related to permit revisions in Section (d)(5).
- Clarifying language related to health risk assessment, risk reduction audit, and risk reduction plan submittal requirements and refunds in Sections (d)(6) and (i)(2).
- Eliminating six outdated initial evaluation and renewal fees that were site-specific or no longer active (Fee Schedules 13D, 20G, 29A, 31A, 38D, and 38F).
- Converting the following eight fixed (flat) application fees to time & material:
  1. Fee Schedule 1B – Abrasive Blasting Equipment
  2. Fee Schedule 2A – Abrasive Blasting Cabinets, Rooms and Booths
  3. Fee Schedule 2B – Abrasive Blasting Cabinets, Rooms and Booths w/ Transfer or Recycling System
  4. Fee Schedule 6A – Sand, Rock, Aggregate Screens
  5. Fee Schedule 23B – Bulk Terminal Grain and Dry Chemical Transfer and Storage Facility Equipment
  6. Fee Schedule 27J – Surface Coating Application Station
  7. Fee Schedule 34G – Piston Type Internal Combustion Engines
  8. Fee Schedule 50A – Coffee Roasters
- Combining standard and online asbestos notification fees into one set of fees.
- Combining Regulated Asbestos Containing Material (RACM) and Non-RACM demolition fees.
- Eliminating planned, emergency, revision, and cancellation fees for asbestos notifications.
- Converting Fee Schedule 40X – Asphalt Pavement Heaters/Recyclers, from a time & material fee to a fixed fee.
- Updating various fees consistent with the recommendations from the Consultant, as summarized in the following table:

<b>Fee Category</b>	<b>Permit Application Fixed</b>	<b>Permit Renewal</b>	<b>Source Testing</b>	<b>Asbestos Notifications</b>	<b>Hearing Board</b>	<b>Time &amp; Material</b>	<b>Processing Fee</b>
<b>Proposed % Fee Increase</b>	6% to 15%	1% to 15%	2% to 15%	8% to 10%	0%	0% to 15%	10% to 15%

As many individual permit renewal and asbestos fee categories are approaching maximum cost recovery, District staff determined that a comprehensive review of labor data related to inspection services provided for these fee categories was necessary to ensure fairness and accuracy in the District’s fee structure while also reflecting the evolving nature of the compliance processes and regulatory landscape. As a result, the proposed amendments to Rule 40 have been revised since initially presented to the Governing Board on January 11, 2024, to better reflect current trends associated with these services. Upon thorough review of updated inspection labor data, the District determined that the average time required to provide compliance verification services for various permits (renewals) and asbestos renovation/demolition project types has changed. Those changes encompass both increases and decreases in inspection duration. Accordingly, adjustments were made to several proposed renewal and asbestos fees to account for the updated time assumptions. Proposed fees for permit types with reduced inspection times are being decreased and proposed fees for permit and asbestos project types with increased inspection times are being adjusted upwards by a maximum of 15%. The initial proposal presented in January included increases ranging from 8% to 15% for 142 renewal fees and increases ranging from 8% to 10% for 20 asbestos fees with a decrease to 1 asbestos fee. The updated proposal includes increases ranging from 1% to 15% for 120 renewal fees as well as decreases for 21 renewal fees and increases ranging from 8% to 10% for 6 asbestos fees with a decrease to 1 asbestos fee. (Note: some renewal and asbestos fees are proposed for consolidation or deletion) The change copy of Rule 40 posted to the District’s website and included as Attachment C in the Board Package, shows the initial proposed revisions to the rule using single-strikeout/single-underline and

proposed modifications made after the January 11, 2024, Board Hearing using double-strikeout/double-underline.

There are no revisions proposed to Rule 42 – Hearing Board Fees at this time. Increasing these fees at the previously adopted rate may result in the Hearing Board fees becoming cost prohibitive, without having a significant revenue impact upon the District since these fees comprise a very small amount of the revenue and costs for the District.

A line-by-line comparison between existing and proposed fee schedules 1-91 can be reviewed on the District’s website at:

<https://www.sdapcd.org/content/dam/sdapcd/documents/rules/rule-workshops/050924/Comparison-Current-Proposed-Fee-Schedules.pdf>.

## **V. NUMBER OF SOURCES AND EMISSIONS SUBJECT TO THE RULE AND EMISSION IMPACTS**

There are approximately 8,000 active permits that are subject to the annual operating fees in District Rule 40. Additionally, the District receives approximately 500 permit applications and 1,300 asbestos notifications annually that are subject to initial application fees and asbestos demolition and renovation fees. District staff also conducts over 200 source tests annually for emission units which require source testing to determine compliance and are subject to the applicable source test fees. The proposed amendments to Rule 40 will result in no emission impacts, as this is an administrative rule.

## **VI. COMPARATIVE ANALYSIS**

### Statutory Requirements

Prior to adopting, amending, or repealing a rule or regulation, California Health and Safety Code Section 40727 requires findings of necessity, authority, clarity, consistency, non-duplication, and reference, as defined therein. As part of the consistency finding and to ensure proposed rule requirements do not conflict with or contradict other District or federal regulations, Health and Safety Code Section 40727.2(a) requires the District to perform a written analysis identifying and comparing the air pollution control standards and other provisions of proposed amended Rule 40 with existing or proposed District rules and guidelines and existing federal rules, requirements, and guidelines applying to the same source category. Health and Safety Code Section 40727.2(g) further finds that if proposed new or amended rule or regulation does not impose a new emission limit or standard, make an existing emission limit or standard more stringent, or impose new or more stringent monitoring, reporting, or recordkeeping requirements, an air district may elect to comply with subdivision (a) by finding that the proposed new or amended rule or regulation falls within one or more of the categories specified in this subdivision.

### Analysis

The District finds that an analysis comparing proposed amended Rule 40 with applicable requirements of federal and local regulations (“Comparative Analysis”) is not required pursuant to Section 40727.2(g) of the California Health and Safety Code because the proposed amendments do not impose a new emission limit or standard, make an existing emission limit or standard more stringent, or impose new or more stringent monitoring, reporting, or recordkeeping requirements. The proposed amendments to Rule 40 are intended to ensure that District fees are appropriately recovering costs associated with the services provided.

## **VII. ECONOMIC IMPACTS AND COST-EFFECTIVENESS**

### Statutory Requirements

California Health & Safety Code [40703](#) requires that in adopting any regulation, a district shall consider, pursuant to Section 40922, and make available to the public, its findings related to the cost effectiveness of a control measure, as well as the basis for the findings and the considerations involved. A district shall make reasonable efforts, to the extent feasible within existing budget constraints, to make specific reference to the direct costs expected to be incurred by regulated parties, including businesses and individuals. The district shall also comply with California Health & Safety Code [40920.6\(a\)](#) pertaining to cost-effectiveness of best available retrofit control technology as applicable.

### Analysis

Cost effectiveness accounts for the cost of emission reductions, typically expressed in dollars spent per pound or ton of emissions reduced. The District finds that a cost effectiveness evaluation (including an evaluation of incremental cost-effectiveness and other costs) is not applicable to Rule 40 pursuant to Section 40920.6(a), since it is an administrative rule that does not require emission reduction, nor does it require new or additional control equipment installation.

## **VIII. SOCIOECONOMIC IMPACT ASSESSMENT (IF APPLICABLE)**

### Statutory Requirements

Per California Health & Safety Code [40728.5](#) (if applicable), whenever a district intends to propose the adoption, amendment, or repeal of a rule or regulation that will significantly affect air quality or emissions limitations, that agency shall, to the extent data are available, perform an assessment of the socioeconomic impacts of the adoption, amendment, or repeal of the rule or regulation. The district board shall actively consider the socioeconomic impact of regulations and make a good faith effort to minimize adverse socioeconomic impacts, as defined below. This section does not apply to the adoption, amendment, or repeal of any rule or regulation that results in any less restrictive emissions limit if the action does not interfere with the district's adopted plan to attain ambient air quality standards or does not result in any significant increase in emissions.

### Analysis

The District finds that an assessment of the socioeconomic impacts of proposed amended Rule 40 is not required pursuant to Section 40728.5(a) of the California Health and Safety Code, as the proposed amendments will not significantly affect air quality or emissions limitations. The proposed amendments will not impact any emissions as Rule 40 is an administrative rule.

## **IX. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION / PROCESS**

CEQA is a state law that requires state and local agencies to identify the significant environmental impacts of projects and to avoid or mitigate those impacts, if feasible. CEQA requires environmental review of certain actions, including rule development projects. District staff conducted a review of whether CEQA applies to the adoption of proposed amended Rule 40. The District finds that proposed administrative amendments to Rule 40 are categorically exempt from the provisions of CEQA pursuant to California Code of Regulations, Title 14, Section 15273, which exempts projects that involve the establishment or modification of charges by public agencies for the purpose of meeting operating expenses, purchasing supplies and equipment, or meeting financial reserve needs, as described in the FY 2024-25 Cost Recovery Analysis Report (January 2024).<sup>4</sup>

## **X. ENVIRONMENTAL ANALYSIS**

### Statutory Requirements – Environmental Analysis of the Expected Methods of Rule Compliance

Pursuant to California Public Resources Code Section [21159](#), an agency listed in Section 21159.4 (i.e., air districts) shall perform an environmental analysis of the reasonably foreseeable methods of compliance at the time of adopting a rule of regulations of the following types:

- Installation of pollution control equipment.
- Performance standard (i.e., process or raw material changes or product reformulation) or treatment requirement, including a rule or regulation that requires the installation of pollution control equipment or a performance standard or treatment requirement pursuant to California Global Warming Solutions Act of 2006 (Division 25.5 (comment with Section 38500) of the Health and Safety Code).

In the preparation of the analysis, the District may utilize numerical ranges or averages where specific data is not available; however, the District shall not be required to engage in speculation or conjecture. The environmental analysis shall, at minimum, include all of the following:

- An analysis of the reasonably foreseeable environmental impacts of the methods of compliance.
- An analysis of reasonably foreseeable feasible mitigation measures.
- An analysis of reasonably foreseeable alternative means of compliance with the rule or regulation.
- For a rule or regulation that requires the installation of pollution control equipment adopted pursuant to the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code), the analysis shall also include reasonably foreseeable greenhouse gas emission impacts of compliance with the rule or regulation.
- The environmental analysis shall take into account a reasonable range of environmental, economic, and technical factors, population and geographic areas, and specific sites.

Other factors for consideration include the following:

- Pursuant to California Public Resources Code Section 21159(b), the preparation of an Environmental Impact Report (EIR) at the time of adopting a rule or regulation shall be deemed to satisfy this section.
- Pursuant to California Public Resources Code Section 21159(d), a project-level analysis is not required.
- Pursuant to California Public Resources Code Section 21159(f), the analysis is not intended, and may not be used, to delay the adoption of any rule or regulation for which an analysis is required to be performed pursuant to Section 21159.

### Analysis – Environmental Analysis of the Expected Methods of Rule Compliance

District Rule 40 is an administrative rule that sets fees for District permitting and other services, such as inspections and source testing, related to the implementation of the stationary source permitting, source testing, and asbestos programs. Therefore, an analysis of expected methods of compliance is not required.

## **XI. ENVIRONMENTAL JUSTICE / UNDER-RESOURCED COMMUNITY ANALYSES**

The proposed amendments to Rule 40 promote public engagement and transparency; and will help to fund the District's commitments to advancing policies, programs, and services that achieve environmental justice and equity. Fees for the District recover costs for permitting, and other programs and services, and support the District's vision of "Clean Air for All".

## **XII. RULE DEVELOPMENT / PUBLIC PARTICIPATION PROCESS**

Pursuant to California Health and Safety Code Section 41512.5, the District is required to hold two Governing Board hearings for the adoption or revision of fees applicable to emission sources not included within a permit system, such as asbestos fees, source testing fees, and Hearing Board fees:

- The first Governing Board hearing shall be held at least 30 days prior to the Governing Board meeting at which the adoption or revision of the proposed fee schedule is to be considered.
- California Health and Safety Code Section 42311 also requires:
  - Sending out a Public Notice through the mail at least 14 days in advance of a Governing Board meeting to adopt or revise fees for the evaluation, issuance, and renewal of permits, to all interested parties (e.g., permit holders, applicants, Chambers of Commerce in the region).
  - The District to make available to the public information indicating the amount of cost, or estimated cost, required to provide the service for which the fee is charged, and the revenue sources anticipated to provide the service.

On the day the Public Notice is mailed, the Public Notice along with the supporting cost information is posted on the District's website and the link is distributed to interested parties through the District's electronic mail service and posted on various District social media accounts.

- Pursuant to H&SC 40725, the noticing requirements for all rule-adoption/amendment hearings shall include the following:
  - Publishing the Public Notice in the newspaper 30 days prior to the adoption hearing.

On the day the Public Notice is published in the newspaper, the Public Notice along with the supporting information is also posted on the District's website, distributed to interested parties through the District's electronic mail service, posted on various District social media accounts, and sent to CARB. If amendments to Rule 40 have been adopted, an email is distributed to interested parties through the District's electronic mail service with links to amended rule(s) and to the District's website where the Governing Board adoption package can be found. Finally, the complete Governing Board package is submitted to CARB for approval.

On November 21, 2023, a Public Notice regarding the first Governing Board hearing on January 11, 2024, was sent to approximately 15,000 recipients including each air quality permit holder and chamber of commerce in the region, subscribers to the District's email notification service, CARB, and was posted to the District's website providing an opportunity to submit written comments. On December 4, 2023, a reminder public notice was sent to the subscribers of the District's email notification system. Included in both notices was an invitation to participate in a virtual public workshop on December 6, 2023, to provide input regarding proposed amendments to Rule 40.

### Public Workshop

During the December 6, 2023, public workshop, the District provided an overview of the draft Rule 40 changes, the cost recovery analysis methodology, and next steps to 19 attendees. Input and feedback from workshop attendees were solicited and encouraged to continue until the second Governing Board Hearing for adoption. Spanish interpretation services were provided during the workshop which was recorded and posted to the District's website. A summary of the comments from the December 6 workshop and District responses are provided below:

#### **1. WORKSHOP COMMENT**

If the proposed fees are approved by the District Governing Board, when would they become effective?

### **DISTRICT RESPONSE**

If adopted, the proposed amendments to Rule 40 will become effective on July 1, 2024.

### **2. WORKSHOP COMMENT**

Commenter indicated that they are not in support of proposed fee increases.

### **DISTRICT RESPONSE**

The District acknowledges the comment. The proposed fee increases are consistent with a multi-year cost-recovery plan adopted by the Governing Board on May 21, 2021.<sup>5</sup>

### **1<sup>st</sup> Governing Board Hearing**

During the January 11, 2024, public hearing, the District provided an overview of the draft Rule 40 changes, the cost recovery analysis methodology, and estimated costs and revenues associated with the proposed revisions to the Governing Board and members of the public in attendance. Input and feedback from hearing attendees was solicited and encouraged to continue until the second Governing Board Hearing for adoption. Spanish interpretation services were provided during the hearing which was recorded and posted to the District's website. A summary of the comments from the January 11 Public Hearing and corresponding District responses, are provided below:

### **1. PUBLIC COMMENT**

Fees for asbestos notifications have increased by 25%, 25%, and 15% over the last three years. Continued asbestos notification fee increases could create a disincentive for regulated entities to comply with the notification and safe work practice requirements in District Rule 1206 and result in asbestos abatement being conducted by unqualified contractors, particularly for small residential projects, which could cause unnecessary exposure to asbestos containing materials. The District should ensure that appropriate compliance efforts are in place to help maintain a level playing field for abatement contractors that follow Rule 1206 requirements and that enforcement action is taken for property owners and contractors who are not in compliance with these requirements. Outreach and education efforts should be increased so that property owners and contractors understand the requirements as well as the potential health risks and penalties associated with noncompliance.

### **DISTRICT RESPONSE**

The District's asbestos program is essential to protect public health and enhance the quality of the environment by reducing exposure to hazardous air pollutant emissions. District staff routinely conduct inspections of regulated abatement activities in response to renovation and demolition notifications as well as complaints to ensure compliance with District rules. The asbestos notification fees in Rule 40 are used to cover the costs associated with conducting these inspections along with program outreach efforts and enforcement actions taken when noncompliance is identified. Penalties associated with asbestos violations are typically among the most severe levied by the District to help deter non-compliance and minimize exposure to hazardous asbestos containing materials. District staff regularly holds trainings with affected stakeholders to educate them on the requirements of Rule 1206 and has recently updated the asbestos program website<sup>6</sup> to provide more information on frequently asked questions. The District is currently evaluating the feasibility of potential amendments to Rule 1206 and is exploring potential opportunities for enhanced community outreach on asbestos awareness.

### **2. PUBLIC COMMENT**

The District should exhaust its budget to deliver services for public good and take a science-based approach to determine costs for implementing clean air programs, including increased outreach on District programs and air pollution concerns.

### **DISTRICT RESPONSE**

The District uses a comprehensive cost recovery analysis model that has been consistently used over the past several years and is a widely accepted approach to cost analysis which takes into account direct and indirect costs associated with providing services to support the District's stationary source permitting, inspection, source testing, and asbestos programs. District staff works with an independent external consulting firm to update the cost recovery study analysis annually based upon new inputs associated with staffing, costs, and workload, as well as any changes in fee structures.

On April 9, 2024, a Public Notice regarding the second Board hearing on May 9, 2024, was published in a local newspaper, posted on the District's website, and sent to all interested parties who have subscribed to the District's email notification service. On April 24, 2024, a public notice regarding the second Board hearing was sent to approximately 15,000 recipients (including each air quality permit holder and chamber of commerce in the region, subscribers to the District's email notification service, and the California Air Resources Board) providing an opportunity to submit written comments.

On April 25, 2024, District staff provided an update to the San Diego County Air Pollution Control District Planning and Policy Committee (PPC) on the proposed amendments to Rule 40. There was one public comment in support of the proposed amendments and one written comment submitted in opposition of proposed fee increases. The PPC voted to recommend approval of the proposed amendments to the Governing Board.

### **XIII. OTHER RULE AMENDMENTS (IF APPLICABLE)**

There are no other ongoing rule amendments that are directly tied to the proposed amendments to Rule 40.

### **XIV. CONCLUSIONS, FINDINGS, AND RECOMMENDATIONS**

#### **Statutory Requirements**

Pursuant to California Health & Safety Code [40727](#), before adopting, amending, or repealing a rule or regulation, the district board shall make findings of necessity, authority, clarity, consistency, nonduplication, and reference, as defined in this section, based upon information developed pursuant to Section 40727.2, information in the rulemaking record maintained pursuant to Section 40728, and relevant information presented at the hearing. As used in this section, the terms listed below have the following meaning:

- “Necessity” means that a need exists for the regulation, or for its amendment or repeal, as demonstrated by the record of the rulemaking authority.
- “Authority” means that a provision of law or of a state or federal regulation permits or requires the regional agency to adopt, amend, or repeal the regulation.
- “Clarity” means that the regulation is written or displayed so that its meaning can be easily understood by the persons directly affected by it.
- “Consistency” means that the regulation is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations.
- “Nonduplication” means that a regulation does not impose the same requirements as an existing state or federal regulation unless a district finds that the requirements are necessary or proper to execute the powers and duties granted to, and imposed upon, a district.
- “Reference” means the statute, court decision, or other provision of law that the district implements, interprets, or makes specific by adopting, amending, or repealing a regulation.

## Analysis

Proposed amended Rule 40 is not expected to negatively impact affected residents or industries including small businesses, nor affect employment or the economy of San Diego County. Findings made pursuant to H&SC Section 40727 for the list noted above have been included in the Governing Board Resolution for the proposed amended rule. Furthermore, if adopted, the proposed amendments are projected to increase fee-related revenues to approximately \$11.4 million per fiscal year, which would increase the District's estimated aggregate fee-for-service cost recovery percentage for its stationary source permitting, source testing, asbestos, and Hearing Board programs to approximately 90% and would reduce projected annual program related estimated revenue deficits to approximately \$1.3 million. The proposed amendments to Rule 40 are in line with the State Auditor's 2020 recommendations and will facilitate continued progress towards maximum cost recovery for the District's stationary source regulatory programs. Decreased reliance on other revenue sources to cover the costs of implementing these stationary source programs creates potential opportunities to utilize those revenues to support other clean air programs and advance the District's Vision of Clean Air for All. As such, District staff recommends the Governing Board find that the proposed amendments are exempt from the requirements of CEQA, and to adopt the corresponding Board Resolution to amend Rule 40 as proposed.

This Staff Report addresses all the requirements specified in Health and Safety Code Sections 40725 through 40728.5 for rule development.

## **XV. REFERENCES**

<sup>1</sup> April 2024 Matrix Consulting Group Report:\*

<https://www.sdapcd.org/content/dam/sdapcd/documents/rules/rule-workshops/050924/FY24-25-Cost-Recovery-Analysis-Report-Apr2024.pdf> \*Note: An updated version of this report was prepared subsequent to the January 11, 2024, public hearing to reflect revised fee proposals and is included in the Board Package for the May 9, 2024, hearing.

<sup>2</sup> 2020 State Auditors Report:

<https://www.auditor.ca.gov/pdfs/reports/2019-127.pdf>

<sup>3</sup> 2021 Matrix Consulting Group Report:

[https://www.sdapcd.org/content/dam/sdapcd/documents/governing-board/meetings/120921/Item3\\_Attachment%20B-Rules%2040%2042%20Cost%20Recovery%20Fee%20Analysis%20Report.pdf](https://www.sdapcd.org/content/dam/sdapcd/documents/governing-board/meetings/120921/Item3_Attachment%20B-Rules%2040%2042%20Cost%20Recovery%20Fee%20Analysis%20Report.pdf)

<sup>4</sup> April 2024 Matrix Consulting Group Report:\*

<https://www.sdapcd.org/content/dam/sdapcd/documents/rules/rule-workshops/050924/FY24-25-Cost-Recovery-Analysis-Report-Apr2024.pdf> \*Note: An updated version of this report was prepared subsequent to the January 11, 2024, public hearing to reflect revised fee proposals and is included in the Board Package for the May 9, 2024, hearing.

<sup>5</sup> May 21, 2021 Air Pollution Control District Governing Board Agenda Item #1:

[https://www.sdapcd.org/content/dam/sdapcd/documents/governing-board/meetings/052121/Item%201\\_052121\\_Cost%20Recovery%20Taskforce\\_Board%20Letter.pdf](https://www.sdapcd.org/content/dam/sdapcd/documents/governing-board/meetings/052121/Item%201_052121_Cost%20Recovery%20Taskforce_Board%20Letter.pdf)

<sup>6</sup> SDAPCD Asbestos Program:

<https://www.sdapcd.org/content/sdapcd/compliance/compliance-requirements/asbestos-program.html>





## **Item E1 - Public Communication**



USA Cab LTD \* 2660 Imperial Ave. \* San Diego, CA 92102 \* T: 619.231.1144 \* F. 619.231.7066

April 24, 2024

Stephanie Nicholas  
Chief  
San Diego County  
Air pollution Control district  
10124 Old Grove Road  
San Diego Ca, 92131

Re: Proposed Fee Increases for Fiscal year 2024-25

Dear Chief Nicholas and Governing Board Members:

We are writing to because we have received your recent notice of the proposed rate increases. We are making it known to you and board members that we are objecting to any increase in our fees. Our business was severely impacted by the costs of the new types of paint formulas and previous rate increases. Furthermore, we are still recovering from the COVID shutdowns, that nearly destroyed our business. It was unprecedented that our government would force us to shut down and violate our alienable right to the pursuit of happiness and to provide for our families. It may be true that our federal government provided some support, but it was insufficient compared to our losses.

Furthermore, the state has made it more costly to paint a vehicle today by mandating more expensive paints. If anyone intends to paint any car today the paint supplies alone will cost \$400.00 or more depending on the color and type of paint, and now you want to add more burdens on us by increasing your fees. What is your justification for this increase in our fees? Are we going to get better service? It is very easy for our government to simply say that we have to increase fees, and then charge it to the rate payers. What about looking at ways that you can cut waste and inefficiencies. We have had to cut our staff, and make due with less, but our government is constantly increasing our fees.

#### CONCLUSION

We sincerely hope that you reconsider your rate increase or at least look a ways that you can cut waste and inefficiency. Thank you for your attention to this matter.

Respectfully,

  
Alfredo Hueso  
Manager  
USA CAB