

NOTICE OF PROPOSED RULEMAKING
MARICOPA COUNTY AIR POLLUTION CONTROL REGULATIONS
REGULATION II – PERMITS AND FEES
RULE 280: FEES

PREAMBLE

- | | |
|------------------------------------|---------------------------------|
| <u>1. Sections affected</u> | <u>Rulemaking action</u> |
| Rule 280 (Fees) | Amend |
-
- 2. Statutory authority for the rulemaking:**
Authorizing statutes: A.R.S. §§ 49-402, 49-473, 49-476.01, 49-479, 11-251.08(A)
Implementing statutes: A.R.S. §§ 49-480, 49-112, 11-251.08(B)
- 3. List of all previous notices appearing in the register addressing the proposed rule:**
Notice of Rulemaking Docket Opening: [to be completed by Sec. of State: A.A.R. ____, October __, 2009]
- 4. The name and address of department personnel with whom persons may communicate regarding the rulemaking:**
Name: David Bruce
Address: Planning and Analysis Division
Maricopa County Air Quality Department
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5. An explanation of the rule, including the department’s reasons for initiating the rulemaking:

Summary:

The Maricopa County Air Quality Department (department) is proposing to amend a limited number of the fees it charges to owners and operators of sources of air pollution and clarify language regarding the applicability of certain rule provisions. The fees that would be affected include dust control permit fees, asbestos notification and plan review filing fees, as well as clarification of the dust control training class fees and the “fees for billable permit actions” sections. The department is also proposing a general permit application fee for air curtain destructors to correspond to the existing general permit annual administrative fee for air curtain destructors.

Background:

The need for permit fees is based on the department's mandate to comply with state law and the federal Clean Air Act (CAA). The department is required to develop and implement a permit program in which fees paid by sources will support program development and implementation costs. The program fee requirement is statutorily mandated by Arizona Revised Statutes (A.R.S.) §§ 49-480(D)(1) and (D)(2). A.R.S. § 49-480(D)(1) requires the department to establish a fee system for Title V sources that is consistent with and equivalent to that prescribed under § 502 of the CAA. A.R.S. § 49-480(D)(2) requires the department to determine a permit fee for Non-Title V sources based on all reasonable direct and indirect costs required to administer the permit, but not to exceed twenty-five thousand dollars. Furthermore, A.R.S. § 49-480(D)(2) requires the department to establish an annual inspection fee, not to exceed the average cost of services. Arizona law and the CAA both provide for increasing permit fees based on the consumer price index. The proposed revisions to Rule 280 (Fees) conform to these mandates.

In addition, A.R.S. § 49-112(A) allows the department to adopt rules that are more stringent than state requirements if necessary to address a peculiar local condition and to either prevent a significant threat to public health or the environment or are required under a federal statute or regulation. Any fee adopted under the rule may not exceed the reasonable costs to issue and administer that permit or plan approval program. In addition, A.R.S. § 49-112(B) allows the department to adopt rules in lieu of a state program that are as stringent as state requirements if the cost of obtaining similar permits or approvals is "approximately equal or less than" the fee the state may charge. "Approximately equal" is defined in A.R.S. § 49-101 as "not greater than ten percent more than the fees or costs charged by the state for similar state permits or approvals" if they exist. If the state has not adopted a fee for similar permits, the county may adopt a fee that does not exceed the reasonable costs to issue and administer that permit or plan approval program.

In May 2005, the Maricopa County Board of Supervisors (board) approved new fees based on a January 2005 fee study conducted by Deloitte Consulting that concluded fee increases were necessary to provide sufficient revenue to cover the costs of the air quality program and to maintain compliance with federal and state law. The fee model developed by Deloitte Consulting calculated the department's direct and indirect costs for each of the fees charged using a series of Microsoft Excel workbooks where budgeted costs are allocated to the different fee categories in each departmental activity based on criteria such as workload. The fee model developed rates to recover the total costs of each activity, including indirect costs such as county-wide, departmental, and divisional overhead.

In 2007, the U.S. Environmental Protection Agency (EPA) found that the Phoenix nonattainment area failed to attain the 24-hour PM₁₀ national ambient air quality standard by the required attainment date of December 31, 2006. Due to the failure to attain the PM₁₀ standard there is now a mandate to reduce emissions by five percent per year until the nonattainment area reaches the standard. A SIP revision, referred to as the Five Percent Plan,

was prepared by the Maricopa Association of Governments (MAG) and submitted by the Arizona Department of Environmental Quality (ADEQ) to the EPA in December 2007. The board approved the department's commitments for the MAG 2007 Five Percent Plan on September 10, 2007. These commitments resulted in increased activity and staffing levels and consequently the fee rule was revised to provide adequate revenues to cover the costs of the air quality program and to maintain compliance with federal and state law. The revised Rule 280 (Fees) was approved by the board on March 26, 2008.

Issues Addressed During This Rulemaking Process:

Late in the 2008 Rule 280 (Fees) rulemaking process, it became apparent that the dust control permit fee for large parcels (1 acre or greater) would generate surplus revenue while the permit fee for small parcels (0.1 acre to less than 1 acre) would generate a revenue deficit. Unfortunately, this discovery came too late in the process to fully correct. However, the department implemented a temporary fix which capped the total fee on large parcels to limit the generation of surplus revenue. The department was unable to establish a corresponding fee increase for small parcels to compensate for the anticipated revenue deficit. The amendments proposed in this rulemaking will correct the revenue deficit from small parcels and adjust the cap that was originally created for the purpose of limiting the total fee for large parcels by separating the large parcel category into two fee categories and utilizing a cap, set at a higher rate, to better accommodate the allocation of expenses to the appropriate parcel sizes.

Following approval of the 2008 Rule 280 (Fees), the department received input from internal and external stakeholders that the asbestos notification and plan review filing fee structure was too complicated, had too many levels or tiers, and the fees for large projects were too high. The amendments proposed in this rulemaking will change the fee structure of the asbestos notification and plan review filing fees for renovation and demolition projects from the multi-tiered sliding scale to a flat fee with a provision for small renovation projects.

The department conducted two public workshops to explain the proposed rule amendments and to receive input from stakeholders. A description of proposed rule amendments is provided below.

Description of Proposed Amendments:

Section 200: Definitions:

The amendment proposed in this section would clarify the definitions section and treatment of inconsistencies.

Section 301.1: Fees for Billable Permit Actions:

The amendment proposed in this section would clarify that the requirement for the owner or operator of a Title V source to pay the costs of public participation conducted according to Rule 210 may include costs to perform

permit process activities associated with a public hearing and these permit processing activities will be charged at the rate of \$133.50 per hour, adjusted annually under Section 304 of the rule.

Section 302.1: Fees for Billable Permit Actions:

The amendments proposed in this section would clarify two requirements. First, the requirement for the owner or operator of a Non-Title V source to pay the costs of public participation conducted according to Rule 220 for the renewal of an existing permit. Second, the amendments proposed in this section also clarify that the requirement to pay the costs of public participation conducted according to Rule 220 may include costs to perform permit process activities associated with a public hearing and these permit processing activities will be charged at the rate of \$133.50 per hour, adjusted annually under Section 304 of the rule.

Section 303.1: Fees Due With an Application:

The amendment proposed in this section would establish an application fee for a Title V General Permit for air curtain destructors that corresponds to the annual administrative fee in Section 301.2(a) of these rules. Absent this change an air curtain destructor could be required to pay a \$7,000 application fee which was not the intention of the department.

Section 310: Dust Control Permit Fee, 310.1:

The amendments proposed in this section would change the maximum fee for a dust control permit from \$15,750 to \$32,384 and raise the dust control permit fees as shown below:

Total Surface Area Disturbed	Fee
Annual Block Permit fee	\$2,000
0.1 to less than one acre	\$350 <u>\$770</u>
One acre or greater to less than 10 acres	\$77 per acre plus \$350 <u>\$885</u>
<u>10 acres or greater</u>	<u>\$77 per acre plus \$1,584</u>

New Section 311.4: “Train the Trainer” Class Fee:

The amendment proposed in this section establishes a new “train the trainer” class fee of \$125 for dust training for trainers offered by the county.

Section 313.1: Renovation:

The amendments proposed in this section would change the fee structure of the asbestos notification and plan review filing fee from the multi-tiered sliding to a flat fee with a provision for small renovation projects as shown below:

Amount of Regulated Asbestos-Containing Materials (RACM) Removed			Fee*
Linear Feet	Square Feet	Cubic Feet	
0-259	0-159	0-34	\$0
260-499	160-499	35-109	\$200 <u>\$600</u>
500-999	500-999	110-218	<u>\$350</u>

1,000 2,499	1,000 2,499	219 547	\$800
2,500 4,999	2,500 4,999	548 1,094	\$1,500
5,000 9,999	5,000 9,999	1,095 2,188	\$3,100
10,000 14,999	10,000 14,999	2,189 4,499	\$6,200
15,000 500 or more	15,000 500 or more	4,500 110 or more	\$7,500 \$1,770
*If materials are reported on the notification in more than one category, the highest fee will apply.			

Section 313.2: Demolition:

The amendments proposed in this section would change the fee structure of the asbestos notification and plan review filing fee for demolition projects from the existing multi-tiered sliding scale to a flat fee of \$600.

Section 401: Effective Date of Fees:

The effective date for the proposed amended fees would be the first day of the month approximately 30 days after approval by the Board of Supervisors. All fees that are not being amended retain their effective dates as established in the March 26, 2008 Rule 280 (Fees) revision.

New Section 402.5: Fees in Effect:

The amendment proposed in this section would clarify that a fee is charged at the rate in effect at the time the fee is charged.

New Section 402.6: Payment Applied to Delinquent Penalties and Fees:

The amendment proposed in this section would clarify that when a payment is made it will first be applied to delinquent penalties and fees that are owed.

Other Proposed Amendments:

In addition, the proposed amendments will also correct typographical or other clerical errors; make minor grammatical changes to improve readability or clarity; modify the format, numbering, order, capitalization, punctuation, or syntax of certain text to increase standardization within and among rules; or make various other minor changes of a purely editorial nature. As these amendments do not alter the sense, meaning, or effect of the rule, they are not described in detail here, but can be readily discerned in the “strikeout and underline” version of the rule contained in Item 14 of this notice.

6. Demonstration of compliance with A.R.S. § 49-112:

A.R.S. § 49-112(A)

When authorized by law, a county may adopt a rule, ordinance, or other regulation that is more stringent than or in addition to a provision of this title or rule adopted by the director or any board or commission authorized to adopt rules pursuant to this title if all the following conditions are met:

1. The rule, ordinance or other regulation is necessary to address a peculiar local condition.
2. There is credible evidence that the rule, ordinance or other regulation is either:

(a) Necessary to prevent a significant threat to public health or the environment that results from a peculiar local condition and is technically and economically feasible.

(b) Required under a federal statute or regulation, or authorized pursuant to an intergovernmental agreement with the federal government to enforce federal statutes or regulations if the county rule, ordinance or other regulation is equivalent to federal statutes or regulations.

The department affirms that Rule 280 (Fees) meets the requirements of A.R.S. §§ 49-112(A)(1) and (2)(b). Rule 280 (Fees) meets A.R.S. § 49-112(A)(1), necessary to address a peculiar local condition, in that Maricopa County fails to meet the National Ambient Air Quality Standards for both ozone and particulates. A portion of Maricopa County and Apache Junction in Pinal County is designated serious nonattainment for the PM₁₀ 24-hour standard. This is the only serious PM₁₀ nonattainment area in Arizona.

In June 2007, EPA found that the Phoenix Nonattainment Area did not attain the 24-hour PM₁₀ standard by the deadline mandated in the CAA, December 31, 2006 (72 FR 31183, June 6, 2007). Consequently stronger regulations were required to be adopted in this area to address a serious health threat. Under Section 189(d) of the CAA, serious PM₁₀ nonattainment areas that fail to attain are required to submit within 12 months of the applicable attainment date, “plan revisions which provide for attainment of the PM₁₀ air quality standard and, from the date of such submission until attainment, for an annual reduction in PM₁₀ or PM₁₀ precursor emissions within the area of not less than 5 percent of the amount of such emissions as reported in the most recent inventory prepared for such area.” The Phoenix Nonattainment Area is one of three areas in the entire country for which the EPA has issued a finding that Section 189(d) has been triggered and that are currently still in nonattainment status. In accordance with the CAA section 179(d)(3), the attainment deadline applicable to an area that misses the serious area attainment date is as soon as practicable. The deadline to submit to a Five Percent Plan for PM₁₀ was December 31, 2007. The plan revision was prepared by the Maricopa Association of Governments and submitted to the EPA by the deadline. The department is in compliance with A.R.S. § 49-112 (A) in that the proposed revisions to fees fund programs implementing control measures included in the State Implementation Plan (SIP) for the Maricopa County PM₁₀ Nonattainment Area.

Rule 280 (Fees) also meets the requirements of A.R.S. § 49-112 (A)(2)(b), required under a federal statute or regulation, or authorized pursuant to an intergovernmental agreement, in that the asbestos/NESHAP program is authorized pursuant to a federal delegation agreement to enforce federal NESHAP regulations. For these reasons, this rule revision complies with A.R.S. §§ 49-112(A)(1) and 49-112(A)(2)(b).

B. The A.R.S. § 49-112(B) demonstration does not apply because these proposed rule revisions pertain to programs either necessary to address a peculiar local condition (A.R.S. § 49-112(A)(1)) or authorized pursuant to a federal delegation agreement to enforce federal regulations (A.R.S. § 49-112(A)(2)(b)).

7. A reference to any study relevant to the rule that the department reviewed and either proposes to rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:

Deloitte Consulting LLP Fee Analysis, February 2005 (updated August 2009).

Available for review by contacting the person listed in item 4 of this notice.

8. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision:

Not applicable

9. The preliminary summary of the economic, small business, and consumer impact:

A. Rule Identification

This rulemaking proposes to amend Maricopa County Air Pollution Control Regulations Rule 280 (Fees).

B. Executive Summary

The goal of this rulemaking is to provide sufficient revenue to cover the costs of the air quality program, maintaining compliance with federal and state law. This includes increasing dust control permit fees as well as changing the structure of the asbestos notification and plan review filing fee to better accommodate the needs of the business community and the department. The creation of the “train the trainer” category for dust control training fees and clarification of public participation requirements for Title V and Non-Title V permits ensure that costs incurred by the department are recovered.

The incremental cost to the regulated community is represented by the change in fees for dust control permits, asbestos/NESHAP notifications for renovation and demolition activities, and the new fee for dust control “train the trainer” classes. Incremental cost to the regulated community also includes costs resulting from the requirement for Non-Title V permit renewals to pay for costs incurred by the department to meet public participation requirements including costs to perform permit processing activities associated with a public hearing to be charged at the rate of \$133.50 per hour.

The proposed changes would become effective the first day of the month approximately 30 days after approval by the board and are expected to result in approximately \$5.4 million of revenue from dust control permit fees (which does not include revenue from dust control training or subcontractor registration fees) and \$818,000 from asbestos notification and plan review filing fees. Total annual fee revenue for the department is estimated to be just over \$13.1 million with the proposed changes noted above. The department’s annual expenditures attributed to fee-based activities are estimated to be almost \$13.7 million. This includes just over \$5.3 million for the dust control compliance program (excluding dust control training and subcontractor registration

programs) and \$817,000 for the asbestos/NESHAP compliance program. Fees assessed to meet the public participation requirements of Rule 220 will simply offset any costs incurred by the Control Officer as they occur therefore the department is unable to estimate these amounts at this time.

C. Background

Prior Fee Studies 2005–2008:

In May 2005, the board approved new fees based on a January 2005 fee study conducted by Deloitte Consulting that concluded fee increases were necessary to provide sufficient revenue to cover the costs of the air quality program and to maintain compliance with federal and state law. The fee model developed by Deloitte Consulting calculated the department's direct and indirect costs for each of the fees charged using a series of Microsoft Excel workbooks where budgeted costs are allocated to the different fee categories in each departmental activity based on criteria such as workload. The fee model developed rates to recover the total costs of each activity, including indirect costs such as county-wide, departmental, and divisional overhead.

In 2007, the U.S. Environmental Protection Agency (EPA) found that the Phoenix nonattainment area failed to attain the 24-hour PM₁₀ national ambient air quality standard by the required attainment date of December 31, 2006. Due to the failure to attain the PM₁₀ standard there is now a mandate to reduce emissions by five percent per year until the nonattainment area reaches the standard. A SIP revision, referred to as the Five Percent Plan, was prepared by the Maricopa Association of Governments (MAG) and submitted by the Arizona Department of Environmental Quality (ADEQ) to the EPA in December 2007. The board approved the department's commitments for the MAG 2007 Five Percent Plan on September 10, 2007. These commitments resulted in increased activity and staffing levels and consequently the fee rule was revised to provide adequate revenues to cover the costs of the air quality program and to maintain compliance with federal and state law. The revised Rule 280 (Fees) was approved by the board on March 26, 2008.

Late in the 2008 Rule 280 (Fees) rulemaking process, it became apparent that the dust control permit fee for large parcels (1 acre or greater) would generate surplus revenue while the permit fee for small parcels (0.1 acre to less than 1 acre) would generate a revenue deficit. Unfortunately, this discovery came too late in the process to fully correct. However, the department implemented a temporary fix which capped the total fee on large parcels to limit the generation of surplus revenue. The department was unable to establish a corresponding fee increase for small parcels to compensate for the anticipated revenue shortfall. The amendments proposed in this rulemaking will correct the revenue shortfall from small parcels and adjust the cap that was originally created for the purpose of limiting the total fee for large parcels by separating the large parcel category into two fee categories and utilizing a cap, set at a higher rate, to better accommodate the allocation of expenses to the appropriate parcel sizes.

The proposed revisions to Rule 280 (Fees):

The workload for the dust control permit program was re-evaluated using fiscal year 2009 activity levels. Based on this re-evaluation the department reduced expenses and the number of full-time equivalent positions (FTE) for the FY2010 budget. Specifically, the budgeted expenses for the dust control permit program were reduced \$1.7 million to approximately \$5.3 million from the \$7.0 million estimated in the March 26, 2008 rule revision. The number of FTEs was reduced by 32. The adjusted expenses for the dust control permit program were apportioned to the FY2009 activity level which had decreased by 1,758 issued dust control permits and 34,367 acres, from the activity level used for the March 26, 2008 rule revision. If the existing dust control permit fees were to be retained the program fee revenue is estimated to result in a \$1.6 million deficit with an additional \$600,000 deficit attributable to the existing fee cap on large parcels for a total deficit of \$2.2 million.

Following approval of the 2008 Rule 280 (Fees), the department received input from internal and external stakeholders that the asbestos notification and plan review filing fee structure was too complicated, had too many levels or tiers, and the fees for large projects were too high. The amendments proposed in this rulemaking will change the fee structure of the asbestos notification and plan review filing fees for renovation and demolition projects from the multi-tiered sliding scale to a flat fee with a provision for small renovation projects. The expenses for the asbestos/NESHAP program were reduced from the \$1.2 million used in the March 26, 2008 rule revision to \$817,000. This included a reduction in program expenses, reduction of one FTE, and removal of air monitoring expenses that were previously allocated to the asbestos program. The number of chargeable notifications decreased as well, from 870 in the March 26, 2008 rule revision to 800 using more recent data. The proposed asbestos notification and plan review filing fees would correct a \$120,000 revenue deficit based on the FY2010 budget if the present fee structure is retained.

Table 1 presents the department's estimated FY2010 expenditures and estimated revenue with the proposed fees by activity. The department estimates that annual revenue with the proposed fees will be approximately \$22.4 million of which \$13.1 million (59%) is attributed to fees and \$9.3 million comes from other sources of revenue.

Table 1: Maricopa County Air Quality Department (MCAQD) Estimated Annual Revenue and Expenditures

Activity	Estimated Fiscal Year 2010 Expenditures	+ Allocation of Indirect Costs	= Estimated Expenditures after Allocation	Estimated Revenue with Proposed Fees
Asbestos/NESHAP Compliance	\$446,388	\$370,749	\$817,137	\$817,680
Dust Control Permit Compliance	\$3,198,997	\$2,555,950	\$5,754,947	\$5,971,153
Other Permit Activities (Title V, Small Source)	\$3,858,880	\$3,224,705	\$7,083,585	\$6,320,948
Subtotal of Permit Activities	\$7,504,265	\$6,151,404	\$13,655,669	\$13,109,781
Maricopa County Overhead (Office of Management and Budget, Finance, Human Resources, County Counsel, etc.)	\$869,630	(\$869,630)	\$0	
MCAQD Administrative Services (IT, Finance, Office of the Director, Human Resources, etc.)	\$4,150,007	(\$4,150,007)	\$0	
Air Quality Monitoring (includes Mobile Monitoring)	\$1,661,717	(\$1,231,696)	\$430,021 ²	
Planning and Analysis	\$954,297	(\$954,297)	\$0	
Small Business Resources	\$98,933	(\$98,933)	\$0	
Enforcement	\$860,951	\$406,998	\$1,267,949	
Dust Control Vacant Lot	\$1,089,815	\$339,165	\$1,428,980	
Trip Reduction Program	\$1,836,154	\$366,298	\$2,202,452	
Voluntary Vehicle Repair and Retrofit	\$721,823	\$40,700	\$762,523	
Non-recurring Expenditures	\$2,608,000	\$0	\$2,608,000	
Subtotal of Other Department Activities¹	\$14,851,327	(\$6,151,402)	\$8,699,925	\$9,245,811
Total	\$22,355,592	\$0	\$22,355,592	\$22,355,592

1. Includes recurring and non-recurring expenditures funded by grants, penalties, interest income, and fund balance appropriations.
2. Balance of expenditures for air quality monitoring funded by grant(s).

D. Entities Directly Affected

The department anticipates that this proposed rulemaking would directly impact approximately 4,200 sources that are permitted by the department or are required to submit asbestos/NESHAP notifications for renovation or demolition activities.

Entities impacted include those using air curtain destructors (Title V general permit application fee for air curtain destructors), construction companies and home builders (dust control permit fee), asbestos removal contractors (asbestos notification and plan review filing fee), trainers required to be certified by Maricopa County to conduct dust control training classes (“train the trainer” class fee), and owners or operators of Non-Title V sources required to meet the public participation requirements for the renewal of an existing permit.

The department also anticipates that revisions to the asbestos notification and plan review filing fees may impact State of Arizona agencies, municipal governments, other Maricopa County departments, and any other public agency conducting renovation or demolition projects within Maricopa County because contractors will

likely pass on any cost differential to these entities. The effect could be either an increase or a decrease in costs due to the nature of the revised fee structure of the asbestos notification and plan review filing fees for renovation and demolition projects from the multi-tiered sliding scale to a flat fee with a provision for small renovation projects.

E. Potential Cost and Benefits

The department expects an increase in revenue generated from these rule changes that will be sufficient to efficiently and effectively operate the air quality program and maintain compliance with federal and state law.

Regulatory Agencies: The workload for the dust control permit program was re-evaluated using fiscal year 2009 activity levels. Based on this re-evaluation the department reduced expenses and the number of full-time equivalent positions (FTE) for the fiscal year 2010 budget. Specifically, the budgeted expenses for the dust control permit program were reduced \$1.6 million from the \$7.0 million estimated in the March 26, 2008 rule revision. The number of FTEs was reduced by 32.

The department also anticipates that revisions to the asbestos notification and plan review filing fees may impact State of Arizona agencies, municipal governments, other Maricopa County departments, and any other public agency conducting renovation or demolition projects within Maricopa County because contractors will likely pass on any cost differential to these entities. The effect could be either an increase or a decrease in costs due to the nature of the revised fee structure of the asbestos notification and plan review filing fees for renovation and demolition projects from the multi-tiered sliding scale to a flat fee with a provision for small renovation projects.

Regulated Community: Entities impacted include those using air curtain destructors (Title V general permit application fee for air curtain destructors), construction companies and home builders (dust control permit fee), asbestos removal contractors (asbestos notification and plan review filing fee), trainers required to be certified by Maricopa County to conduct dust control training classes (“train the trainer” class fee), and owners or operators of Non-Title V sources required to meet the public participation requirements for the renewal of an existing permit.

The department does not expect to negatively impact employment. Further, the department does not expect this rulemaking to impact industrial production or growth, and no source is expected to reduce or halt its output as a result of the increased fees. Finally, the department anticipates no adverse impact to source revenues or payrolls.

Existing Fees Compared to Proposed Fees: Amendments proposed in Section 310.1 increase the dust control permit fees for individual parcels and change the maximum fee from \$15,750 to \$32,384. The following table compares the existing dust control permit fees to the proposed fees:

Fee Category	Fee Effective 05/01/2008	Proposed Fee	Increase/ (Decrease)	Percent Change
Dust Control Permit Fee				
Annual Block Permit	\$2,000	\$2,000	\$0	0.0%
0.1 to less than one acre	\$350	\$770	\$420	120.0%
One acre to less than 10 acres: fixed fee	\$350	\$885	\$535	152.9%
One acre to less than 10 acres: per acre	\$77	\$77	\$0	0.0%
10 acres or greater: fixed fee	\$350	\$1,584	\$1,234	352.6%
10 acres or greater: per acre	\$77	\$77	\$0	0.0%

Amendments to Sections 313.1 and 313.2 change the structure of the asbestos notification and plan review filing fees and the impact will depend on the project size and type. Many projects' fees will be lower than under the present structure; however, smaller and medium size projects will have higher fees. The following table compares the existing asbestos notification and plan review filing fee to the proposed fee structure:

Fee Type	Fee Effective 05/01/2008				Proposed Fee Schedule
	Amount of Regulated Asbestos Containing Materials (RACM) Removed			Fee*	
	Linear Feet	Square Feet	Cubic Feet		Fee*
Renovation Fee	0-259	0-159	0-34	\$0	\$1,770
	260-499	160-499	35-109	\$200	
	500-999	500-999	110-218	\$350	
	1,000-2,499	1,000-2,499	219-547	\$800	
	2,500-4,999	2,500-4,999	548-1,094	\$1,500	
	5,000-9,999	5,000-9,999	1,095-2,188	\$3,100	
	10,000-14,999	10,000-14,999	2,189-4,499	\$6,200	
	15,000 or more	15,000 or more	4,500 or more	\$7,500	
	*If materials are reported on the notification in more than one category, only the highest fee will apply.				
Demolition Fee	Building Size (square feet)		Fee		\$600
	0-999		\$150		
	1,000-2,499		\$300		
	2,500-4,999		\$450		
5,000 or more		\$525			
Annual Operation and Maintenance Fee			\$1,250	\$1,250	

Previously the dust control training fee section did not include a category specifically for a "train the trainer" class; the addition of Section 311.4 would create the named category and assign the same fee amount established for the comprehensive dust control training class as the classes are similar in terms of resources required.

The amendment proposed for Section 303.1 would establish an application fee for a Title V General Permit for air curtain destructors that corresponds to the annual administrative fee of \$840 in Section 301.2(a) of these

rules. Previously an air curtain destructor could be required to pay a \$7,000 application fee which was not the intention of the department.

Sections 301.1 and 302.1 are proposed to be amended to clarify the public participation cost recovery provisions that apply to Title V and Non-Title V fees for billable permit actions. Permit processing activities that are performed by the department in association with a public hearing are specified to be charged at the rate of \$133.50 per hour.

Consumers and Public: The department expects a minimal net negative impact to consumers and the general public. Although some sources may absorb any higher cost of doing business, others may pass on higher costs to consumers, depending on market conditions and elasticity of buyers and sellers to pricing changes. Maintaining revenue streams sufficient for department staffing levels of inspections, compliance, and enforcement increases incentives for compliance, actual compliance levels, and timely response to complaints. All of these reduce emissions from regulated sources, which in turn prevent adverse health effects that cost the public in medical care and lost productivity.

F. Potential Impacts to Small Businesses

State law requires agencies to reduce the impact of a rule on small businesses when legal and feasible. The department considered each of the methods prescribed in A.R.S. §§ 41-1035 and 41-1055(B) for reducing the impact of this rule on small businesses: (1) exempt them from any or all rule requirements, (2) establish performance standards that would replace any design or operational standards, or (3) institute reduced compliance or reporting requirements, such as establishing less stringent requirements, consolidating or simplifying them or setting less stringent schedules or deadlines.

The statutory directive that permit fees must be related to costs prohibits the department from implementing almost any of these methods for determining fees for small businesses. As a result, permit fees are based on regulatory costs rather than size of the source. In the case of dust control permits this means that, while the fee for small parcels (0.1 acre to less than 1 acre) covers all of the costs associated with the activities required for these projects, only small parcel costs are included. The allocation of costs to the small parcel category contains no medium or large parcel costs, and the converse is true as well.

One alternative that reduces costs for small businesses is for eligible sources to apply for a general permit under Rule 230. General permits tend to be used by smaller sources and may reduce costs when compared to individual permits because general permitted sources would not be required to pay an hourly permit-processing fee nor the emissions-based fee. Additionally, the department's proposed asbestos notification and plan review filing fee would establish a lower fee of \$600 for smaller renovation projects (i.e., 160–499 square feet, 260–499 linear feet, and 35–109 cubic feet).

10. Name and address of department personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

The department welcomes all interested parties to provide additional relevant information and documentation on the anticipated costs and benefits resulting from the proposed rule revisions.

To submit or request additional data on the information included in the economic, small business and consumer impact statement, please contact:

Name: David Bruce
Address: Planning and Analysis Division
Maricopa County Air Quality Department
1001 N. Central Ave., Suite 595
Phoenix, AZ 85004
Telephone: (602) 506-0169
Fax: (602) 506-6179
E-mail: davidbruce@mail.maricopa.gov

11. The time, place and nature of the proceedings for the amendment of the rule:

Written comments will be accepted if received between the date of this publication and Wednesday, November 25, 2009, 5:00 p.m. Written comments may be mailed, e-mailed, faxed, or hand delivered to the department (see Item 4 of this notice). Written comments received during the comment period will be considered formal comments to the proposed rule and will be responded to in the Notice of Final Rulemaking.

An oral proceeding will be held on Tuesday, November 24, 2009 at 9:00 a.m. at the Maricopa County Air Quality Department, 1001 N. Central Ave. (ninth floor classroom), Phoenix, AZ 85004. All comments made at this oral proceeding will be considered formal comments and will be recorded and transcribed. All formal comments will be addressed in the Notice of Final Rulemaking.

12. Any other matters prescribed by the statute that are applicable to the specific department or to any specific rule or class of rules:

Not applicable

13. Incorporations by reference and their location in the rules:

Incorporation by Reference:	Location:
40 CFR 60, Appendix F	Rule 280, Section 305.1(b)(1)
40 CFR 75, and all accompanying appendices	Rule 280, Section 305.1(b)(1)

14. The full text of the rule follows:

REGULATION II – PERMITS AND FEES

**RULE 280
FEES**

INDEX

SECTION 100 – GENERAL

- 101 PURPOSE
- 102 APPLICABILITY

SECTION 200 – DEFINITIONS

- 201 ANNUAL ADMINISTRATIVE FEE
- 202 BILLABLE PERMIT ACTION
- 203 EXISTING SOURCE
- 204 ITEMIZED INVOICE
- 205 NON-MAJOR TITLE V SOURCE
- 206 REGULATED AIR POLLUTANT
- 207 SOURCES REQUIRED TO HAVE A TITLE V PERMIT

SECTION 300 – STANDARDS

- 301 TITLE V PERMIT FEES
- 302 NON-TITLE V PERMIT FEES
- 303 GENERAL PERMIT FEES
- 304 ANNUAL ADJUSTMENT OF FEES
- 305 CALCULATION AND PAYMENT OF EMISSIONS-BASED FEES
- 306 HEARING BOARD FILING FEE
- 307 CONDITIONAL ORDER FEE
- 308 GASOLINE DELIVERY VESSEL DECAL FEE
- 309 OPEN BURN FEE
- 310 DUST CONTROL PERMIT FEE
- 311 DUST CONTROL TRAINING CLASS FEE
- 312 SUBCONTRACTOR REGISTRATION FEE
- 313 ASBESTOS NOTIFICATION AND PLAN REVIEW FILING FEES
- 314 LATE FEE
- 315 DELINQUENCY FEE
- 316 SUBSCRIPTION FEE FOR RULE REVISIONS
- 317 ACCELERATED PERMIT PROCESSING FEE
- 318 FAILURE TO PAY REQUIRED FEES
- 319 INFORMAL REVIEW OF PERMIT PROCESSING HOURS
- 320 HAZARDOUS AIR POLLUTANTS TIER 4 RISK MANAGEMENT ANALYSIS FEE

SECTION 400 – ADMINISTRATIVE REQUIREMENTS

- 401 EFFECTIVE DATE OF FEES
- 402 PAYMENT OF FEES
- 403 FEE TABLE A, B, C, D, E, F, G, H, AND I SOURCES

SECTION 500 – MONITORING AND RECORDS (NOT APPLICABLE)

Revised 07/13/88
Revised 08/05/91
Revised 11/15/93
Revised 08/19/98
Revised 03/15/00
Revised 05/21/03
Revised 04/07/04
Revised 05/18/05
Revised 07/12/06
Revised 03/26/08

**MARICOPA COUNTY
AIR POLLUTION CONTROL REGULATIONS
REGULATION II – PERMITS AND FEES**

**RULE 280
FEES**

SECTION 100 – GENERAL

- 101 PURPOSE:** To establish fees to be charged to owners and operators of sources of air pollution subject to these rules.
- 102 APPLICABILITY:** Every person owning/operating equipment or engaged in activities that may cause or contribute to air pollution is subject to the prescribed fees in this rule.

SECTION 200 – DEFINITIONS: For the purpose of this rule, the following definitions ~~shall apply~~; in addition to those definitions found in Rule 100: General Provisions And Definitions of these rules. In the event of any inconsistency between any of the Maricopa County air pollution control rules, the definitions in this rule take precedence.

- 201 ANNUAL ADMINISTRATIVE FEE** – Paid annually by a source to recover the average cost of services required to administer the permit and conduct inspections. For a Non-Title V permitted source, the annual administrative fee also covers the cost of renewing the Non-Title V permit. For a General permitted source, the annual administrative fee also covers the cost of reapplying for authorization to operate under a General Permit.
- 202 BILLABLE PERMIT ACTION** – The review, issuance or denial of a new permit, significant permit revision, or minor permit revision, or the renewal of an existing permit.
- 203 EXISTING SOURCE** – A source that has commenced construction and has been issued a permit pursuant to A.R.S. § 49-480 after September 1, 1993.
- 204 ITEMIZED INVOICE** – A breakdown of the permit processing time into the categories of pre-application activities, completeness review, substantive (technical) review, and public involvement activities, and within each category, a further breakdown by employee name.
- 205 NON-MAJOR TITLE V SOURCE** – A source required to obtain a Non-Title V permit under Rule 200 to which both of the following apply:
- 205.1** The source is classified as a Synthetic Minor Source, and
- 205.2** The source has a permit that contains allowable emissions greater than or equal to 50% of the major source threshold.

206 REGULATED AIR POLLUTANT – For the purposes of Section 305 of this rule, regulated air pollutant consists of the following air pollutants:

- 206.1** Any conventional air pollutant as defined in A.R.S. § 49-401.01, which means any pollutant for which the Administrator of EPA has promulgated a primary or a secondary national ambient air quality standard (NAAQS) except carbon monoxide (i.e., for nitrogen oxides [NO_x], lead, sulfur oxides [SO_x] measured as sulfur dioxide [SO₂], ozone, and particulates).
- 206.2** Nitrogen oxides (NO_x) and volatile organic compounds (VOCs).
- 206.3** Any air contaminant that is subject to a standard contained in Rule 360 (New Source Performance Standards) of these rules or promulgated under Section 111 (Standards of Performance for New Stationary Sources) of the Act.
- 206.4** Any hazardous air pollutant (HAP) as defined in A.R.S. § 49-401.01 or listed in Section 112(b) (Hazardous Air Pollutants; List of Pollutants) of the Act.
- 206.5** Any Class I or II substance listed in Section 602 (Stratospheric Ozone Protection; Listing of Class I and Class II Substances) of the Act.

207 SOURCES REQUIRED TO HAVE A TITLE V PERMIT – The following sources shall be considered sources required to have a Title V permit:

- 207.1** Any source required to have a Title V permit under Rule 200, Section 302 of these rules;
- 207.2** Any source that qualifies for a Non-Title V permit but that elects to have a Title V permit under Rule 200, Section 302 of these rules.

SECTION 300 – STANDARDS

301 TITLE V PERMIT FEES: The owner or operator of a source required to have a Title V permit shall pay fees according to the following provisions:

301.1 Fees for Billable Permit Actions: The owner or operator of a Title V source shall pay to the Control Officer \$133.50 per hour, adjusted annually under Section 304 of this rule, for all permit processing time required for a billable permit action. The owner or operator of a Title V source shall also pay the Control Officer the actual costs incurred by the Control Officer to meet the public participation requirements of Rule 210 of these rules; including Costs incurred to meet the public participation requirements of Rule 210 of these rules may include, but are not limited to, costs incurred by the Control Officer to publish public notice of a public hearing and/or draft permit, to hire a hearing officer, to hire transcription or court reporting services, and to rent meeting room space, and to perform permit processing activities associated with a public hearing, such as time spent by a permit engineer(s) to participate in the public hearing and to prepare responses to comments. Permit processing activities associated with a public hearing shall be charged at the rate of \$133.50 per hour, adjusted annually under Section 304 of this rule. The fees shall be paid as follows:

a. An application shall be submitted with the applicable fee from the table below:

Type of Application	Application Fee
New permit application	\$7,000
Significant permit revision application that is a result of a major modification	\$7,000
Other significant permit revision applications	\$1,000
Minor permit revision application	\$150
Permit renewal application	\$3,500

- b. At any time after submittal of the application, the Control Officer may request additional application fees based on the cost to date of reviewing and acting on the application, minus all fees previously submitted for the application.
- c. When permit processing is completed for a facility, the Control Officer shall send an itemized invoice. The invoice shall indicate the total actual cost of reviewing and acting upon the application, the actual costs incurred by the Control Officer to meet the public participation requirements of Rule 210 of these rules, minus all fees previously submitted, and the balance due.
- d. The Control Officer shall not issue a permit, permit revision, or permit renewal until the balance due on the itemized invoice is paid in full. The Control Officer may deny a permit, a permit revision, or a permit renewal in accordance with Rule 200 of these rules if the applicant does not pay fees required for billable permit actions within 90 days of the invoice date.

301.2 Annual Fees: The owner or operator of a Title V source shall pay an annual administrative fee plus an emissions-based fee as follows:

- a. The applicable annual administrative fee from the table below, as adjusted annually under Section 304 of this rule. The fee is due on the first anniversary date of the initial permit covering construction and startup of operations and annually thereafter on that date.

Title V Source Category	Annual Administrative Fee
Aerospace	\$18,320
Air Curtain Destructors	\$840
Cement Plants	\$68,590
Combustion/Boilers	\$16,680
Compressor Stations	\$13,630
Expandable Foam	\$14,800
Landfills	\$18,140
Lime Plants	\$64,790
Copper & Nickel Mines	\$16,150
Gold Mines	\$16,150
Paper Mills	\$22,060
Petroleum Products Terminal Facilities	\$25,800
Polymeric Fabric Coaters	\$18,140
Reinforced Plastics	\$13,630
Semiconductor Fabrication	\$29,010
Copper Smelters	\$68,590
Utilities—Primary Fuel Natural Gas	\$9,500 + \$16,480 per turbine installed/modified after May 10, 1996 and subject to annual source testing or CEM RATA* certifications
Utilities—Fossil Fuel Except Natural Gas	\$35,080
Vitamin/Pharmaceutical Manufacturing	\$17,020
Wood Furniture	\$15,010
Others	\$18,130
Others With Continuous Emissions Monitoring	\$22,070

* Continuous emissions monitoring relative accuracy test audit (CEM RATA)

- b. An emissions-based fee of \$38.25 per ton of actual emissions of all regulated pollutants emitted during the previous calendar year as determined by Section 305 of this rule. The fee is adjusted annually under Section 304 of this rule.

302 NON-TITLE V PERMIT FEES: The owner or operator of a source required to have a Non-Title V permit under Rule 200, Section 303 of these rules shall pay fees according to the following provisions:

302.1 Fees for Billable Permit Actions: ~~Except for the renewal of an existing permit, the~~ The owner or operator of a Non-Title V source shall pay to the Control Officer \$133.50 per hour, adjusted annually under Section 304 of this rule, for all permit processing time required for a billable permit action, ~~except for the renewal of an existing permit. The~~ In addition, the owner or operator of a Non-Title V source shall ~~also~~ pay the Control Officer the actual costs incurred by the Control Officer to meet the public participation requirements of Rule 220 of these rules, ~~including costs incurred to meet the public participation requirements for the renewal of an existing permit. including~~ Costs incurred to meet the public participation requirements of Rule 220 of these rules may include, but are not limited to, costs incurred by the Control Officer to publish public notice of a public hearing ~~and/or~~ draft permit, to hire a hearing officer, to hire transcription or court reporting services, ~~and~~ to rent meeting room space, ~~and to perform permit processing activities associated with a public hearing, such as time spent by a permit engineer(s) to participate in the public hearing and to prepare responses to comments.~~ Permit processing activities associated with a public hearing shall be charged at the rate of \$133.50 per hour, adjusted annually under Section 304 of this rule. The minimum fee due shall be \$200.00. The fees shall be paid as follows:

- a. An application shall be submitted with an application fee of \$200.00.
- b. At any time after the submittal of an application the Control Officer may request an additional application fee based on the cost to date of reviewing and acting on the application, minus all fees previously submitted for the application.
- c. When permit processing is completed and final costs are greater than the fee submitted with the application under Section 302.1(a) of this rule, the Control Officer shall send an itemized invoice. The invoice shall indicate the total cost of reviewing and acting upon the application, the actual costs incurred by the Control Officer to meet the public participation requirements of Rule 220 of these rules, minus all fees previously submitted, and the balance due.
- d. The maximum fee for processing permit applications listed in Section 302.1 of this rule is \$25,000.00.
- e. The Control Officer shall not issue a permit or permit revision until the balance due on the itemized invoice is paid in full. The Control Officer may deny a permit or a permit revision in accordance with Rule 200 of these rules if the applicant does not pay fees required for billable permit actions within 90 days of the invoice date.

302.2 Annual Administrative Fees: The owner or operator of an existing Non-Title V source shall pay the applicable annual administrative fee from the table below, as adjusted annually under Section 304 of this rule. The fee is due on the first anniversary date of the initial permit covering construction and startup of operations and annually thereafter on that date.

Fee Table Source categories designated as Fee Tables A–I are listed in Sections 403.1–403.9 of this rule	Annual Administrative Fee
Sources listed in Fee Table A (see Section 403.1)	\$5,980
Sources listed in Fee Table B (see Section 403.2)	\$1,550
Sources listed in Fee Tables C–D (see Sections 403.3 and 403.4)	\$610
Sources listed in Fee Table E (see Section 403.5)	\$320
Sources listed in Fee Table F (see Section 403.6)	\$7,940
Sources listed in Fee Table G (see Section 403.7)	\$4,790
Sources listed in Fee Table H (see Section 403.8)	\$7,940
Sources listed in Fee Table I (see Section 403.9)	\$4,790

303 GENERAL PERMIT FEES: The owner or operator of a source required to obtain a permit pursuant to these rules who elects to be covered by a general permit shall pay fees according to the following provisions:

303.1 Fees Due With an Application: The owner or operator of a source initially applying for authorization to operate under a General Permit shall pay the applicable fee from the table below with the submittal of the application.

Fee Table Source categories designated as Fee Tables A–I are listed in Sections 403.1–403.9 of this rule	Application Fee
Title V General Permits <u>except Air Curtain Destructors</u>	Fee from Section 301.1(a) table for Title V source category
<u>Air Curtain Destructors</u>	<u>\$840</u>
Sources listed in Fee Table A (see Section 403.1)	\$4,870
Sources listed in Fee Table B (see Section 403.2)	\$3,250
Sources listed in Fee Tables C–D (see Sections 403.3 and 403.4)	\$320
Sources listed in Fee Table E (see Section 403.5)	\$240
Sources listed in Fee Table F (see Section 403.6)	\$6,970
Sources listed in Fee Table G (see Section 403.7)	\$4,170
Sources listed in Fee Table H (see Section 403.8)	\$6,970
Sources listed in Fee Table I (see Section 403.9)	\$4,170

303.2 Annual Administrative Fee: The owner or operator of a source with an authorization to operate under a General Permit shall pay the applicable annual administrative fee from the table below, as adjusted annually under Section 304 of this rule. The fee is due on the first anniversary date of the initial approval to operate under a General Permit and annually thereafter on that date.

Fee Table Source categories designated as Fee Tables A–I are listed in Sections 403.1–403.9 of this rule	Annual Administrative Fee
Title V General Permits	Fee from Section 301.2(a) table for Title V source category
Sources listed in Fee Table A (see Section 403.1)	\$4,870
Sources listed in Fee Table B (see Section 403.2)	\$3,250
Sources listed in Fee Tables C–D (see Sections 403.3 and 403.4)	\$320
Sources listed in Fee Table E (see Section 403.5)	\$240
Sources listed in Fee Table F (see Section 403.6)	\$6,970
Sources listed in Fee Table G (see Section 403.7)	\$4,170
Sources listed in Fee Table H (see Section 403.8)	\$6,970
Sources listed in Fee Table I (see Section 403.9)	\$4,170

304 ANNUAL ADJUSTMENT OF FEES:

304.1 The Control Officer shall adjust the hourly rate every January 1, to the nearest 10 cents per hour, beginning on January 1, 2009. The Control Officer will multiply \$133.50 by the Consumer Price Index (CPI) for the most recent year as described in Section 304.4 of this rule, and then divide by the CPI for the year 2008.

- 304.2** The Control Officer shall adjust the administrative or permit processing fees listed in Sections 301–303 of this rule every January 1, to the nearest \$10, beginning on January 1, 2009. The Control Officer will multiply the administrative or permit processing fee by the Consumer Price Index (CPI) for the most recent year as described in Section 304.4 of this rule, and then divide by the CPI for the year 2008.
- 304.3** The Control Officer shall adjust the rate for emissions-based fees every January 1, beginning on January 1, 2009. The Control Officer will multiply \$38.25 by the Consumer Price Index (CPI) for the most recent year as described in Section 304.4, and then divide by the CPI for the year 2008.
- 304.4** The Consumer Price Index (CPI) for any year is the average of the monthly CPI for all urban consumers published by the United States Department of Labor, as of the close of the 12-month period ending on August 31 of that year.

305 CALCULATION AND PAYMENT OF EMISSIONS-BASED FEES:

- 305.1** For purposes of this section, actual emissions means the actual quantity of regulated air pollutants emitted over the preceding calendar year or any other period determined by the Control Officer to be representative of normal source operations, determined as follows:
- a.** Emissions quantities, including fugitive emissions, reported under Rule 100, Section 500 of these rules shall be used for purposes of calculating the emissions-based fee.
 - b.** Actual emissions quantities calculated under Rule 100, Section 500 of these rules shall be determined using the following methods:
 - (1)** Whenever available, emissions estimates shall be calculated from continuous emissions monitors certified under 40 CFR Part 75, Subpart C and referenced appendices, or data quality-assured pursuant to Appendix F of 40 CFR, Part 60 which are incorporated by reference in Appendix G of these rules.
 - (2)** When sufficient data obtained using the methods described in Section 305.1(b)(1) of this rule is not available, emissions estimates shall be calculated from source performance tests conducted pursuant to Rule 270 of these rules.
 - (3)** When sufficient data obtained using the methods described in Sections 305.1(b)(1) or (2) of this rule is not available, emissions estimates shall be calculated from material balance using engineering knowledge of process.
 - (4)** When sufficient data obtained using the methods described in Sections 305.1(b)(1) through (3) of this rule is not available, emissions estimates shall be calculated using emissions factors from EPA Publication No. AP-42 "Compilation of Air Pollutant Emission Factors," Volume I: Stationary Point and Area Sources, which is incorporated by reference in Appendix G of these rules.
 - (5)** When sufficient data obtained using the methods described in Sections 305.1(b)(1) through (4) of this rule is not available, emissions estimates shall be calculated by equivalent methods approved by the Control Officer. The Control Officer shall only approve methods that are demonstrated as accurate and reliable as the applicable methods in Sections 305.1(b)(1) through (4) of this rule.
 - c.** Actual emissions quantities calculated under Section 305.1(b) of this rule shall be determined for each source on the basis of actual operating hours, production rates, in-place process control equipment, operational process control data, and types of materials processed, stored, or combusted.

- 305.2** The following emissions of regulated air pollutants shall be excluded from a source's actual emissions for purposes of this section:
- a. Emissions of a regulated air pollutant from the source in excess of 4,000 tons per year.
 - b. Emissions of any regulated air pollutants that are already included in the fee calculation for the source, such as a federally listed hazardous air pollutant that is already accounted for as a VOC or as PM₁₀.
 - c. Emissions from insignificant activities excluded from the permit for the source under Rule 210 of these rules.
 - d. Fugitive emissions of PM₁₀ from activities other than crushing, belt transfers, screening, or stacking.
 - e. Fugitive emissions of VOC from solution-extraction units.

305.3 A notice to pay the fee specified in Section 301.2(b) of this rule, a declaration of emissions form and the annual emission inventory questionnaire will be mailed annually to the owner or operator of a source to which this applies. The emission fee is due and payable by April 30 each year or no later than 90 days following the date of notice, whichever is later.

306 HEARING BOARD FILING FEE: A person filing a petition with the Hearing Board under Rule 400 of these rules shall pay a fee of \$100.00. This fee may be refunded by a majority vote of the Hearing Board upon a showing of undue hardship.

307 CONDITIONAL ORDER FEE: Any person applying for a conditional order pursuant to Rule 120 of these rules shall pay a conditional order fee. The amount of a conditional order fee shall be equal to the amount of the applicable permit fee as specified in this rule.

308 GASOLINE DELIVERY VESSEL DECAL FEE: A person wishing to obtain a decal for each gasoline delivery vessel that passes the required annual test under Rule 352 of these rules shall pay a fee of \$280.00. A person wishing to obtain a replacement decal shall pay a fee of \$80.00.

309 OPEN BURN FEE:

309.1 BURN PERMIT FEE: A person applying for a Burn Permit shall pay a fee as set forth in the following fee schedule:

Fire Category	Permit Period	Fee
Tumbleweeds	30 days	\$100.00
Fire Hazard	30 days	\$100.00
Fire Fighting Instruction	1 year	\$100.00
Ditch Bank/Fence Row	1 year	\$100.00
Disease/Pest Prevention	30 days	\$100.00
Land Clearance Less Than 5.0 Acres	30 days	\$150.00
Land Clearance 5.0 Acres or Greater	30 days	\$350.00

309.2 AIR CURTAIN DESTRUCTOR BURN PLAN REVIEW AND INSPECTION FEE: Any person required to file an air curtain destructor Burn Plan under the provisions of Rule 314 of these rules shall pay a fee of \$350.00.

310 DUST CONTROL PERMIT FEE:

310.1 A person applying for a Dust Control Permit shall pay an annual fee as set forth in the following fee schedule, based on the total surface area that is disturbed. The maximum fee for a Dust Control Permit listed in Section 310 of this rule is ~~\$15,750~~\$32,384.

Total Surface Area Disturbed	Fee
Annual Block Permit	\$2,000
0.1 to less than one acre	\$350 <u>\$770</u>
One acre or greater <u>to less than 10 acres</u>	\$77 per acre plus \$350 <u>\$885</u>
<u>10 acres or greater</u>	<u>\$77 per acre plus \$1,584</u>

Example: 6 acres = 6 × \$77 + ~~\$350~~ \$885 = ~~\$812~~ \$1,347

310.2 DUST CONTROL PERMIT FEE REFUNDS:

- a. **Refunds Prior to Project Start Date and Prior to Commencement of Dust-Generating Operations:** If a dust control permit is cancelled by the permittee prior to the project start date and before commencing any dust-generating operations, the Control Officer shall refund the dust control permit fee, less a \$150.00 nonrefundable processing fee.
- b. **Refunds After Project Start Date and Prior to Commencement of Dust-Generating Operations:** If a dust control permit is cancelled by the permittee after the project start date and before commencing any dust-generating operations, the Control Officer shall refund the dust control permit fee, less a \$350.00 nonrefundable processing and initial inspection fee.
- c. No dust control permit refund shall be given for a dust control permit cancelled by the permittee after commencing any ~~dust-generation~~ dust-generating operations.

311 DUST CONTROL TRAINING CLASS FEE:

311.1 Basic Dust Control Training Class Fee: A person required to complete basic dust control training shall pay a training class fee of \$50.00.

311.2 Comprehensive Dust Control Training Class Fee: A person required to complete comprehensive dust control training shall pay a training class fee of \$125.00.

311.3 Requests for Dust Control Training: A person may request that the Control Officer conduct a dust control training class within Maricopa County. A minimum of 10 and a maximum of 30 class participants shall be required and meeting room space shall be provided by the person making the request. The fee for such a training class shall be \$35.00 per person for basic dust control training or \$100.00 per person for comprehensive dust control training. A discounted fee of \$30.00 per person shall be required for issuance of training cards at third-party provider dust control training classes.

311.4 “Train the Trainer” Class Fee: A person taking a “train the trainer” class offered by the Control Officer shall pay a training class fee of \$125.00.

312 SUBCONTRACTOR REGISTRATION FEE: A person required to register with the Control Officer under Rule 200 Section 306 of these rules and wishing to obtain a registration number shall pay an annual fee of \$50.00.

313 ASBESTOS NOTIFICATION AND PLAN REVIEW FILING FEES: Any person required to file notification under the provisions of Rule 370 of these rules shall pay fees according to the provisions in Sections 313.1 through 313.5 below.

313.1 Renovation: Any person filing notification of a project to renovate regulated asbestos-containing materials (RACM) shall pay a nonrefundable notification and plan review filing fee based on the amount of regulated asbestos-containing materials removed as shown in the table below:

Amount of Regulated Asbestos-Containing Materials (RACM) Removed			Fee*
Linear Feet	Square Feet	Cubic Feet	
0-259	0-159	0-34	\$0
260-499	160-499	35-109	\$200 \$600
500-999	500-999	110-218	— \$350
1,000-2,499	1,000-2,499	219-547	— \$800
2,500-4,999	2,500-4,999	548-1,094	— \$1,500
5,000-9,999	5,000-9,999	1,095-2,188	— \$3,100
10,000-14,999	10,000-14,999	2,189-4,499	— \$6,200
15,000 500 or more	15,000 500 or more	4,500 110 or more	\$7,500 \$1,770

* If materials are reported on the notification in more than one category, the higher fee will apply.

313.2 Demolition: Any person filing notification of a project to demolish a facility (as defined in 40 CFR 61, Subpart M) shall pay a nonrefundable notification and plan review filing fee based on the building size (building size floor area multiplied by the number of floors affected) in square feet as shown in the table below: of \$600.00.

Building Size (square feet)	Fee
0-999	\$150
1,000-2,499	\$300
2,500-4,999	\$450
5,000 or more	\$525

313.3 For projects involving both renovation and demolition activities in a single notification, separate fees for each activity will apply according to Sections 313.1 and 313.2 of this rule.

313.4 When a revision to a notification involves an increase in the RACM ~~or building size~~, the difference between the fee for the original RACM ~~or building size~~ and the revised RACM ~~or building size~~ shall be paid.

313.5 Annual Operation and Maintenance: Any person filing an annual notification of planned renovation operations involving individual nonscheduled operations to renovate regulated asbestos-containing materials shall pay a nonrefundable notification and plan review filing fee of \$1,250.00.

314 LATE FEE: The Control Officer shall assess the following fees in addition to all other applicable fees:

314.1 TITLE V, NON-TITLE V, OR GENERAL PERMIT: An owner/operator of a source requiring a permit who has received a Notice of Violation for constructing or operating without such permit shall pay a late fee of \$100.00.

314.2 DUST CONTROL PERMIT: Any person who is engaging in dust-generating operations without a Dust Control Permit and has received a Notice of Violation for engaging in dust-generating operations without a Dust Control Permit shall pay a late fee of \$100.00.

315 DELINQUENCY FEE: An applicant or permittee who fails to pay any required fee(s) by 30 days after the invoice due date shall pay a delinquency fee of \$50.00 or a delinquency fee of \$100.00 if delinquent over

60 days from the invoice due date. Applicants and permittees will be notified by mail of any permit delinquency fees that are due and payable.

- 316 SUBSCRIPTION FEE FOR RULE REVISIONS:** A person requesting to be placed on a mailing list to receive copies of new and revised rules shall pay to the Control Officer an annual subscription fee of \$35.00.
- 317 ACCELERATED PERMIT PROCESSING FEE:** An applicant requesting accelerated permit processing shall pay fees to the Control Officer according to the following provisions:
- 317.1** Such a request shall be accompanied by an initial fee of \$15,000. The fee is nonrefundable to the extent of the Control Officer's costs for accelerating the processing if the Control Officer undertakes to provide accelerated processing as described in Rule 200, Section 313 of these rules.
- 317.2** At any time after an applicant has requested accelerated permit processing, the Control Officer may request an additional advance payment fee based on the most recent estimated cost of accelerating the processing of the application.
- 317.3** Upon completion of permit processing activities but before issuing or denying a permit or permit revision, the Control Officer shall send notice of the decision to the applicant along with a final invoice. The final invoice shall include all regular permit processing and other fees due, as well as the difference between the actual cost of accelerating the permit application, including any costs incurred by the Control Officer in contracting for, hiring, or supervising the work of outside consultants, and all advance payments submitted for accelerated processing. In the event all payments made exceed actual accelerated permit costs, the Control Officer shall refund the excess advance payments.
- 317.4** Any additional costs incurred as a result of accelerated permit processing shall not be applied toward any applicable maximum fee described in this rule.
- 318 FAILURE TO PAY REQUIRED FEES:** Nonpayment of fees required by this rule constitutes a violation as provided in A.R.S. §§ 49-502, 49-511 and 49-513.
- 319 INFORMAL REVIEW OF PERMIT PROCESSING HOURS:**
- 319.1** Any person who receives a final itemized invoice from the Control Officer under Section 301.1 or 302.1 of this rule for a billable permit action may request an informal review of the permit processing hours billed and may pay the invoice under protest as provided below. If the invoice is paid under protest, the Control Officer shall issue the permit.
- 319.2** The request for an informal review of the permit processing hours billed shall be made in writing, and received by the Control Officer within 30 days of the invoice date. Unless the Control Officer and person agree otherwise, the informal review shall take place within 30 days after the Control Officer's receipt of the request. The Control Officer shall arrange the date and location of the informal review with the person at least 10 business days before the informal review. The Control Officer shall review whether the amounts of time billed are correct and reasonable for the tasks involved. The Control Officer shall mail his or her decision on the informal review to the person within 10 business days after the informal review date. The Control Officer's decision after the informal review shall be final.
- 320 HAZARDOUS AIR POLLUTANTS TIER 4 RISK MANAGEMENT ANALYSIS FEE:** If an applicant uses the Tier 4 method for conducting a risk management analysis (RMA) according to Rule 372 of these rules, the applicant shall pay any costs incurred by the Control Officer in contracting for, hiring or supervising work of outside consultants.

SECTION 400 – ADMINISTRATIVE REQUIREMENTS

401 **EFFECTIVE DATE OF FEES:** The fees in this rule became effective May 1, 2008, except for the emissions-based fee, ~~in this rule become effective May 1, 2008~~, the air curtain destructor application fee, the dust control permit fee, the “train the trainer” class fee, and the asbestos notification and plan review filing fees. The ~~revised~~ emissions-based fee ~~becomes~~ became effective January 1, 2009, beginning with the emissions reported for calendar year 2008. The air curtain destructor application fee, the dust control permit fee, the “train the trainer” class fee, and the asbestos notification and plan review filing fees become effective (within 30 days after Board of Supervisors’ approval, date to be provided).

402 **PAYMENT OF FEES:** All fees required by this rule ~~shall be~~ are payable to Maricopa County Air Quality Department.

402.1 Annual Administrative Fees:

- a. **Title V and Non-Title V Permits:** The Control Officer shall mail the owner or operator of a Title V or Non-Title V source an invoice for the annual administrative fee due under Sections 301.2 and 302.2 of this rule at least 30 days prior to the anniversary date of the permit.
- b. **General Permits:** The Control Officer shall mail the owner or operator of a source authorized to operate under a General Permit an invoice for the annual administrative fee due under Section 303.2 of this rule at least 30 days prior to the anniversary date of the authorization to operate.

402.2 Gasoline Delivery Vessel Decal Fee: Gasoline delivery vessel decal fee shall be paid at the time the application is submitted showing satisfactory test results and prior to the issuance of the decal required in the provisions of Rule 352 of these rules.

402.3 Asbestos Removal Notification and Plan Review Filing Fee: The asbestos notification and plan review filing fee shall be paid at the time the notification is submitted. The notification is not considered filed until the appropriate filing fee is paid.

402.4 Other Fees: Other fees shall be paid in the manner and at the time required by the Control Officer.

402.5 Fees in Effect: All fees charged as a result of this rule shall be paid at the rate or in the amount that is in effect on the date the fee is charged.

402.6 Payment Applied to Delinquent Penalties and Fees: All monies paid to the Control Officer shall first be applied to any delinquent penalties and fees owed by the owner or operator of a source before being applied to current charges.

403 FEE TABLE A, B, C, D, E, F, G, H, AND I SOURCES: Fee Tables A– I list processes and equipment subject to the fees outlined in Sections 302.2, 303.1, and 303.2 of this rule. For processes and equipment not listed below, the Control Officer will designate Fee Table A, B, C, D, E, F, G, H or I, as applicable. Sources reclassified to a higher fee table due to the receipt of three complaints on different dates during a one-year period from different individuals resulting in violations resolved by an order of abatement by consent or judicial action shall remain in that fee table until two calendar years pass without complaints against the facility resulting in violations resolved by an order of abatement by consent or judicial action.

403.1 Fee Table A Sources:

- Aircraft Manufacturing
- Chemical Manufacturing, Dry
- Chemical Manufacturing, Liquid
- Circuit Board Manufacturing Greater Than or Equal to 5 Tons per Year VOC
- Coating Line, Can/Coil/Fabric/Film/Glass/Paper
- Ethylene Oxide Sterilization

Gypsum, Calcining
 Incinerator, Medical Waste
 Incinerator, Hazardous Material
 Insulation Manufacturing
 Jet or Auxiliary Engine Manufacturing
 Non-Major Title V Source
 Pesticide/Herbicide Production
 Petroleum Loading Racks and Storage Tanks at Bulk Terminals
 Pharmaceutical Manufacturing
 Polymeric Foam Products Greater Than or Equal to 25 Tons per Year Potential Uncontrolled VOC
 Emissions or Facility With Controls Subject to Source Testing
 Power Plant Greater Than or Equal to 25 Tons per Year Potential Uncontrolled NO_x Emissions
 Printing Facilities Greater Than or Equal to 25 Tons per Year Potential Uncontrolled VOC
 Emissions or Facility With Controls Subject to Source Testing
 Rendering
 Rubber Products Manufacturing
 Semiconductor Manufacturing Less Than 25 Tons per Year Of Potential Uncontrolled VOC
 Emissions
 Solid Waste Landfill
 Source Subject to BACT Determination
 Source Subject to a MACT, NESHAP or NSPS Standard Under CAA Section 111 or 112 Unless
 Otherwise Identified in Another Fee Table
 Source With 3 or More Fee Table B Processes
 Vegetable Oil Extraction

403.2 Fee Table B Sources:

Aerospace Products Manufacturing and Rework not Subject to MACT
 Aggregate Screening
 Animal Feed Processing
 Auto Body Shredding
 Bakery With Oven of Greater Than or Equal to 25 Tons per Year of Potential Uncontrolled VOC
 Emissions or Facility With Controls
 Boiler, Gas-Fired or With Emergency Fuel Capabilities (Each Unit Greater Than or Equal to 10
 MMbtu/hr)
 Chemical/Fertilizer Storage, Mixing, Packaging and Handling
 Concrete Product Manufacturing
 Cement Terminal
 Cotton Gin
 Cotton Seed Processing
 Crematory
 Cultured Marble
 Fiberglass Product Manufacturing
 Flour Milling
 Foundry
 Furnace, Metals
 Furnace, Burn-Off
 Furnace, Electric Arc
 Furnace, Other
 Gas Turbine, Non-Utility (Utility in Fee Table A)
 Grain Cleaning/Processing
 Grain Storage
 Incinerator, Non-Hazardous Material
 Internal Combustion Engine, Other Than Emergency
 Metal Recovery/Reclamation
 Pipeline Transmission Facility

Plating Tanks, Electrolytic or Electrowinning (Includes Decorative Chrome and Hard Chrome Operations Less Than or Equal to 60 Million Amp/Hrs per Year Subject to Area Source MACT)
 Polymeric Foam Products Less Than 25 Tons per Year Potential Uncontrolled VOC Emissions
 Power Plant Less Than 25 Tons per Year Potential Uncontrolled NO_x Emissions
 Reinforced Plastics
 Rubber Products Manufacturing With Only Molding
 Soil Treatment/Remediation
 Soil Solvent Extraction System With Package Thermal/Catalytic Oxidizer/Carbon Adsorption
 Solvent Degreasing/Cleaning System, Solvent Use Greater Than 3 Gallons per Day
 Solvent Reclaiming
 Source With 3 or More Fee Table C Processes
 Stage I Vapor Recovery, Bulk Plants With Loading Racks
 Stripping Operation, Equipment or Furniture Refurbishment
 Tire Shredding/Retreading
 Wastewater Treatment Plant
 Wood Coating Operation Subject to RACT Including Furniture/Millwork Sources Larger Than 10 Tons per Year VOC
 Any Fee Table A, F, or G Source Whose Aggregate of All Equipment, Processes or Production Lines Has Enforceable Permit Limits of Less Than 2.0 Tons per Year VOC or NO_x, and Less Than 1.0 Ton per Year PM₁₀
 Any Fee Table C Source That Receives 3 Complaints on Different Dates During a One-Year Period From Different Individuals Resulting in Violations Resolved by an Order of Abatement by Consent or Judicial Action

403.3 Fee Table C Sources:

Abrasive Blasting
 Asphalt Day Tanker/Kettle
 Cement Products Packaging/Distribution
 Circuit Board Assembly
 Circuit Board Manufacturing Less Than 5 Tons per Year of VOC
 Dry Cleaning (Includes Perchloroethylene Dry Cleaning Facilities Subject to Area Source MACT)
 Emergency Internal Combustion Engine
 Engine Testing
 Food Processing
 Incinerator, Paper and Cardboard Products
 Injection Molding
 Landscape and Decorative Rock, Gravel, and Sand Distribution
 Laundry, Other Than Dry Cleaning
 Miscellaneous Acid/Solvent Use
 Packaging, Mixing & Handling, Granular or Powdered Material Other Than Cement or Grain
 Petroleum Storage, Non-Retail Dispensing Operations Exempted From Stage I Vapor Recovery by Rule 353
 Plastic or Metal Extrusion
 Plating, Electroless
 Powder Coating
 Printing Facilities Less Than 25 Tons per Year of Potential Uncontrolled VOC Emissions
 Semiconductor Lab/Testing/Services
 Non-Halogenated Solvent Cleaning, Less Than 3 Gallons per Day
 Solvent Storage/Handling
 Spray Coating
 Bulk Plant Loading Facilities as Defined by Rule 351, Section 305.1
 Storage Tank, Non-Petroleum Volatile Organic Compounds
 Stripping Operation, Liquid Chemical Groundwater/Wastewater Remediation
 Vehicle Refinishing
 Waste Transfer Facility

Water Reclamation
Sewage Lift Pump Station
Drinking Water Plant
Wood Furniture/Millwork/Small Source Less Than 10 Tons per Year VOC
Yard/Stockpiling

- 403.4 Fee Table D Sources:**
Service Station and Non-Resale Dispensing Operations Greater Than 120,000 Gallons per Year
- 403.5 Fee Table E Sources:**
Fuel Burning Equipment
- 403.6 Fee Table F Sources:**
Aggregate Production/Crushing Subject to an NSPS Under CAA Section 111
Hot Mix Asphalt Plants
- 403.7 Fee Table G Sources:**
Aggregate Production/Crushing not Subject to NSPS Under CAA Section 111
Concrete Batch Plant
- 403.8 Fee Table H Sources:**
Semiconductor Manufacturing Greater Than or Equal to 25 Tons per Year Potential Uncontrolled
VOC Emissions or Facility With Controls Subject to Source Testing
Any Fee Table A or G Source That Receives 3 Complaints on Different Dates During a One-Year
Period From Different Individuals Resulting in Violations Resolved by an Order of
Abatement by Consent or Judicial Action
- 403.9 Fee Table I Sources:**
Any Fee Table B Source That Receives 3 Complaints on Different Dates During a One-Year
Period From Different Individuals Resulting in Violations Resolved by an Order of
Abatement by Consent or Judicial Action

SECTION 500 – MONITORING AND RECORDS (NOT APPLICABLE)