

MG1 Fees

Department of Environmental Conservation

Air Quality Control Regulations

18 AAC 50

As Amended through September 7, 2022

The owner or operator of an oil or gas drilling rig shall pay fees as follows:

1. Permit administration fee under 18 AAC 50.400(c)(1).

Fee is due with submission of MG1 Notification of Intent to Operate.

(c)(1) If the department prepares a new or revised general operating permit or a new or revised general minor permit, the department will determine the cost of that permit by multiplying the number of hours the department spent to develop the permit by the hourly rate of salary and benefits of the department employees who developed the permit, and by adding to the resulting amount any other direct costs. This cost will be divided by the number of permittees who receive or are expected to receive the permit to determine the permit administration fee.

As of September 7, 2022, the Permit Administration Fee for an MG1 permit is \$300.

2. Annual compliance review fee under 18 AAC 50.400(d)(3)(A)(ii) & (h).

(d)(3)(A)(ii) & (h) The permittee, owner, or operator of a stationary source shall pay an hourly compliance fee for a designated regulatory service. The department will calculate the total amount due under this subsection by multiplying the number of hours spent to provide the designated regulatory service by the hourly rate of salary and benefits of the department employees who provided the designated regulatory service, and by adding to the resulting amount any other direct costs.

3. Emission fees as specified under 18 AAC 50.410(g).
Fee for first fiscal year of operation is due with submission of MG1 Notification of Intent to Operate. DEC will bill the owner or operator for subsequent fiscal years of operations.

(g) Notwithstanding (a) - (d) of this section, for the projected annual rate of emissions for a portable oil and gas operation under a general minor permit under 18 AAC 50.560, the emission fee is allocated to the emission control permit receipts account under AS 46.14.265, and the permittee shall pay the emission fee

(1) at the time of application or notification for operation that will occur in the same state fiscal year;

(2) for operation that will occur during more than one state fiscal year under a single application or notification, after billing under 18 AAC 50.420 by the department for any subsequent state fiscal year; and

(3) at the following rates for a single portable oil and gas operation for which the owner or operator submits a new application or notification for operation under the general minor permit on or after December 3, 2005:

(A) for a portable oil and gas operation north of 69 degrees, 30 minutes North latitude,

(i) \$2,556 for operation at one or more ice pads during a winter drilling season;

(ii) \$7,668 for operation during a state fiscal year at one or more sites not including a seasonal ice pad;

(B) for a portable oil and gas operation outside the area described in (A) of this paragraph,

(i) \$2,382 for drilling five or fewer wells under the same application or notification during a state fiscal year;

(ii) \$4,764 for drilling no fewer than six and no more than 10 wells under the same application or notification during a state fiscal year;

(iii) \$7,146 for drilling 11 or more wells under the same application or notification during a state fiscal year.