

**DEPARTMENT OF
ENVIRONMENTAL CONSERVATION**



18 AAC 50

Air Quality Control

Adoption Draft

November 19, 2004

**Frank H. Murkowski
Governor**

**Kurt Fredriksson
Acting Commissioner**

18 AAC 50.225(b)(7) – (9) are amended to read:

(7) a statement that the owner or operator of the stationary source will be able to comply with the limit; **and**

(8) a certification, bearing the signature of the person requesting the limit, that states: "Based on information and belief formed after reasonable inquiry, I certify that the statements and information in this request are true, accurate, and complete;"

[AND

(9) A RETAINER OF \$300 TO COVER THE DEPARTMENT'S PRE-APPLICATION ASSISTANCE, BILLABLE AT \$78 PER HOUR].

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(Eff. 1/18/97, Register 141; am 6/21/98, Register 146; am 10/1/2004, Register 171; am ___/___/___, Register ___)

Authority:	AS 44.46.025	AS 46.14.030	AS 46.14.120
	AS 46.14.020	AS 46.03.020	AS 46.14.140

18 AAC 50.230(c)(1)(I) is amended to read:

(I) **the annual administration fee in 18 AAC 50.400(h)** [A PROCESSING FEE OF \$100]; and

....

18 AAC 50.230(d)(1)(E) is amended to read:

(E) **the annual administration fee in 18 AAC 50.400(h)** [A PROCESSING FEE OF \$100]; and

....

(Eff. 1/18/97, Register 141; am 10/1/2004, Register 171; am ___/___/____, Register ___)

Authority:	AS 46.03.020	AS 46.14.120	AS 46.14.170
	AS 46.14.010	AS 46.14.130	AS 46.14.180
	AS 46.14.020	AS 46.14.140	AS 46.14.250

18 AAC 50.400 is repealed and readopted to read:

18 AAC 50.400. Permit administration fees. (a) The permittee, owner, or operator of a stationary source described under 18 AAC 50.326, shall pay to the department the annual permit administration fees as listed in Table 8 in this subsection. Permittees will be invoiced in July for each period from July 1 through the following June 30. Each annual permit renewal fee is one fifth of the total permit renewal cost. Each Title V permit is valid for five years.

Table 8. Annual Permit Administration Fees for Title V Permits

Source Category	Type of Permit	Description	Annual Permit Fee	Annual Compliance Review Fee
Major stationary source	Renewal	Oil & gas	\$1633	\$2915
Major stationary source	Renewal	Large power	\$1485	\$1700
Major stationary source	Renewal	Small power	\$1315	\$1460
Title V major	Original	Oil & gas	\$2020	\$2070

stationary source				
Title V major stationary source	Renewal	Oil & gas	\$1347	\$2070
Title V major stationary source	Original	Power plant	\$1989	\$1540
Title V major stationary source	Renewal	Power plant	\$1326	\$1540
Title V major stationary source	General permit	Diesel power	See 18 AAC 50.400(e)	\$160
Title V permitted source	Other	Miscellaneous	\$1326	\$1540

(b) The department’s Fixed Fee Support Paper, dated August 16, 2004, adopted by reference, contains appendices E, F, G, H, I, J and K which list the different sources contained in the source category descriptions in Table 8 in (a) of this subsection. If there are changes to a stationary source listed in appendices E, F, G, H, I, J, or K, the stationary source’s potential total emissions and the type of permit will be used by the department to determine the source category for purposes of this section.

(c) If the permittee, owner, or operator of a stationary source with an annual permit fee described in Table 8 does not apply to renew the Title V permit for that source, the department will refund any annual permit fees that had been paid for that renewal. Annual compliance review fees are not refundable.

(d) On or after January 1, 2005, the permittee, owner, or operator of a stationary source described under 18 AAC 50.502, who wishes to obtain a minor permit described in Table 9 of this subsection, shall pay the one time permit fee as shown.

Table 9. Permit Administration Fees for Source Specific Minor Permits

Type of Permit	Type of Source	Notes	One Time Permit Fee
Minor permit	asphalt plant	Site specific	\$3975
Minor permit	soil remediation	Site specific	\$5300
Minor permit	crusher	Site specific	\$2650
Minor permit	asphalt plant	General permit	N/A
Minor permit	soil remediation	General permit	N/A
Minor permit	crusher	General permit	N/A
Minor permit	incinerator with capacity of more than 1000 pounds per hour		\$7950
Minor permit	Port of Anchorage stationary source		\$7950
Minor permit	coal preparation plant		\$6360

(e) If a new general permit is created by the department, the department will determine the cost of that permit by multiplying the number of hours the department took to develop the permit by 149% of the salary of the department employees who developed

the permit. This cost will be divided by the number of permittees who receive or are expected to receive the permit.

(f) On or after January 1, 2005, the permittee, owner, or operator of a stationary source described in 18 AAC 50.326 or 18 AAC 50.502, who wishes to obtain a minor permit described in Table 10 of this subsection shall pay the nonrefundable permit administration fee before the department takes action on any permit application received.

Table 10. Permit Administration Fee for Minor Permits for Non Specified Sources

Minor Permit Type	Fixed Fee
Any fast track permit issued in accordance with 18 AAC 50.542	\$3975
Additional fee for permit that qualified for fast track, but a public comment period was requested under 18 AAC 50.542(b)(1), for a new stationary source or modification	\$2650
Designate plantwide applicability limit (PAL) without ambient analysis	\$3975
Designate plantwide applicability limit (PAL) with ambient analysis	\$7950
Designate a pollution control project, unlisted technology	\$4770
Designate a pollution control project, listed technology	\$795

(g) In addition to the one time fees in (d) – (f) of this section, the permitte, owner, or operator of a stationary source subject to a minor permit under 18 AAC 50.502, or that

is required to have a minor permit under 18 AAC 50.502(b) and is operating under an operating or general operating permit issued before October 1, 2004, and that is not classified as needing a Title V permit, shall also pay an annual compliance review fee of \$530. The permittee, owner, or operator shall pay the annual compliance review fee after July 1 for each period from July 1 through the following June 30. The fee will be prorated from January 1, 2005 through June 30, 2005.

(h) On or after January 1, 2005, the permittee, owner, or operator of a stationary source described under 18 AAC 50.326 or 18 AAC 50.502 who wishes to obtain a minor permit or other service described in Table 11 of this subsection shall pay the permit administration fee described in Table 11 of this subsection.

Table 11. Permit Administration Fees for Other Permit Activities

Nonrefundable fees paid in advance of permit action to be taken	
Administrative revision of a Title V permit in accordance with 40 C.F.R.71.7(d)	\$110
Administrative revision of a Title I permit	\$110
Administrative revision of a Title V permit incorporating the requirements from a preconstruction review permit in accordance with 40 C.F.R. 71.7(d)(v)	\$795
Approval of a modeling protocol	\$1170
Fees which will be invoiced after action taken or activity is completed	
Source test plan review	\$ 400
Source test results review	\$ 400
Excess emission or permit deviation report review and processing	\$ 26.50

Fee review in accordance with 18 AAC 15.190; the director may waive part or all of the fee in making a final determination	\$110
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(i) On or after January 1, 2005, the permittee, owner, or operator of a stationary source who wishes to obtain an owner requested limit or a preapproved emission limit described in Table 12 of this subsection shall pay the administration fee described in Table 12 of this subsection.

Table 12. Administration Fees for Owner Requested Limit or Preapproved Emission Limit

Type of limit	One Time Administrative Fee for Issuance	Annual Compliance Review Fee
Owner requested limit	\$1990	\$110
Preapproved emission limit diesel power plant	\$110	\$110
Preapproved emission limit bulk gasoline plant	\$110	\$110

(j) Except as provided in 18 AAC 50.400(k)(10), the fixed fee for an open burning approval submitted under 18 AAC 50.065, designed to avoid smoke incursion in smoke sensitive features which include Class I areas, population centers, airports, medical facilities, schools while in session, numbered highways, carbon monoxide or particulate matter nonattainment or maintenance areas, is \$200.

(k) On or after January 1, 2005, the permittee, owner, or operator shall pay a permit administration fee for designated regulatory services. Except as provided in 18 AAC 50.401(a)(11) or unless a fixed fee listed in Table 10 in (f) of this section is applicable. Designated regulatory services will be charged at 149% of the rate of salary of the department staff who performs the work, plus other direct costs, including costs incurred by other state or local governmental agencies. Designated regulatory services include:

(1) construction of a stationary source that meets the following emission rate criteria if that stationary source does not need a major source construction permit: new stationary source with emissions greater than 40 TPY of nitrogen oxide, 15 TPY of PM-10, 40 TPY of sulfur dioxide, 0.6 TPY of lead, or 100 TPY of carbon monoxide within 10 kilometers of a nonattainment area;

(2) modification, less than a major modification: for a stationary source with potential emissions greater than 40 TPY of nitrogen oxide, 15 TPY of PM-10, 40 TPY of sulfur dioxide, or 100 TPY of carbon monoxide if within 10 kilometers of a nonattainment area, a modification resulting in an increase greater than 10 TPY of that pollutant, or 100 TPY for carbon monoxide;

(3) appeals or adjudicatory hearings brought by the permit applicant; fees charged by the department for an appeal or an adjudicatory hearing may be held in abeyance by the director during the course of the appeal or adjudicatory hearing at the request of the permittee, if the permittee is current on all other billings in the department;

(4) minor modification of a Title V permit;

(5) significant modification of a Title V permit

- (6) clean unit designation in accordance with 40 C.F.R. 52.21(y);
- (7) revising or rescinding terms or conditions of a Title I permit unless the revision is undertaken as part of a negotiated service agreement under 18 AAC 50.401;
- (8) source test observation;
- (9) preapplication assistance;
- (10) open burn approvals, submitted under 18 AAC 50.065, when the department determines that there is a likely occurrence of smoke incursion into smoke sensitive features which include Class I areas, population centers, airports, medical facilities, schools while in session, numbered highways, and carbon monoxide or particulate matter nonattainment or maintenance areas;
- (11) compliance activities, including preparing a notice of violation, compliance order by consent, settlement agreement, or consent decree;
- (12) completion of a permitting action that was requested before January 1, 2005, except as provided in 18 AAC 50.402;
- (13) reopening of permit terms or conditions requested by the permittee, owner, or operator before issuance of a permit. (Eff. 1/18/97, Register 141; am 6/21/98, Register 146; am 10/1/2004, Register 171; am ___/___/____, Register ___)

Authority: AS 37.10.050 AS 46.03.020 AS 46.14.240
 AS 44.46.025 AS 46.14.140

18 AAC 50.401 is repealed and readopted to read:

18 AAC 50.401. Negotiated service agreements. (a) On or after January 1, 2005, the permittee, owner, or operator of a stationary source applying for the following

permits shall submit a retainer payment of \$5,300 before the department will begin the process to reach a negotiated service agreement as described in AS 37.10.052(b) to determine the cost of the permit:

(1) construction permit for a new emission unit with fuel input greater than 10 MMBtu per hour in any sulfur dioxide special protection area in accordance with 18 AAC 50.502(c)(2)(B);

(2) a PSD permit under 18 AAC 50.306 for a new major stationary source;

(3) a major stationary source performing a major modification;

(4) a project subject to the permitting requirements of 42 U.S.C. 7412(i);

(5) construction of a new stationary source or the addition of an emissions unit at a stationary source in a sulfur dioxide special protection area, in the Nikiski Industrial Area, or on an offshore platform in Cook Inlet;

(6) major stationary source performing a modification and requesting a limit specifically to avoid review under 18 AAC 50.306;

(7) establish actual emission reductions to provide offsetting emissions to allow an increase in non-attainment air pollutant emissions at a new stationary source, major modification, or PAL major modification;

(8) renewal of the Title V permit of a major stationary source identified in Appendix E of the department's Fixed Fee Support Paper, dated August 16, 2004, adopted by reference in 18 AAC 50.400;

(9) a stationary source making a revision or rescinding a term or condition of a Title I permit;

(10) issue notice of a MACT approval under 18 AAC 50.321;

(11) any other permit action not specifically described in this subsection for which the permittee, owner, or operator requests a negotiated service agreement.

(b) Negotiated service agreements entered into under this section may contain provisions for accelerated processing of the permit application. (Eff. 10/1/2004, Register 171); am ___/___/____, Register ___)

Authority: **AS 37.10.050** AS 46.03.020 AS 46.14.240
AS 44.46.025 AS 46.14.140

18 AAC 50 is amended by adding a new section to read:

18 AAC 50.402. Transition process for permit fees. For a permit issued under this chapter, if the applicant has submitted an application before January 1, 2005 and the department has not yet worked on that permit application, at the request of the applicant, the department may process the permit under the regulations promulgated on *{the effective date of the regulations}*. Any retainer submitted before January 1, 2005 will be applied to any fees effective after *{the effective date of the regulations}*. (Eff. ___/___/____, Register ___)

Authority:

18 AAC 50.410(a) and (b) are amended to read:

18 AAC 50.410. Emission fees. (a) On or after **July 1, 2005** [OCTOBER 1, 2004], for each period from July 1 through the following June 30, the permittee, owner, or operator shall pay to the department an annual emission fee based on the stationary

source's assessable emissions for that year for each stationary source that **subject to a permit issued under this chapter** [IS REQUIRED TO SUBMIT AN OPERATING PERMIT APPLICATION].

(b) **Except as provided in (c) of this section, the** [THE] rate is \$12.52 per ton for emissions of each air pollutant than 10 tons for that year, except that the emission fee for reduced sulfur compounds or ammonia is limited to the first 4,000 tons of emissions in the year.

(Eff. 1/18/97, Register 141; am 5/3/2002, Register 162; am 10/16/2003, Register 168; am 10/1/2004, Register 171; am ___/___/____, Register ___)

Authority: AS 44.46.025 AS 46.14.140 AS 46.14.250

AS 46.03.020

18 AAC 50.420 is repealed and readopted to read:

18 AAC 50.420. Billing procedures. (a) The department will bill emission fees assessed under 18 AAC 50.410(a) on or before July 1 of each year in a manner consistent with AS 46.14.250. The department will bill annual permit administration fees under AS 46.14.240 and this chapter

(1) on or before the 15th of July; except for the period from January 1, 2005 through June 30, 2005 when the permit administration fees will be billed on January 1, 2005 and prorated for that time period; or

(2) quarterly on or before the 15th of January, April, July, and October if requested in writing by the person required to pay the fee.

(b) The department will bill permit administration fees for designated regulatory services rendered by department staff during the preceding month on, or before the 15th of each month except for excess emission report review charges which the department may bill on a semiannual basis.

(c) Fees assessed under this chapter are due within 60 days after the billing date. A payment that is past due accrues interest at the rate set in AS 46.14.255 unless the person required to pay the fee successfully disputes the fee or a portion of the fee under 18 AAC 50.430. Interest will be charged on the unpaid balance, beginning on the 61st day after the billing date.

(d) A person required to pay an emission fee under 18 AAC 50.410 may pay that fee in equal quarterly installments if

(1) the fee exceeds \$1,000;

(2) a written request is submitted to the department with the first installment before the due date described in (c) of this section; and

(3) the department approves the request.

(e) If installment payments are approved under (d) of this section, the remaining three installments, including interest accrued as described in (c) of this section, must be paid on or before October 15, January 15, and April 15 of each year.

(f) In determining the equitable allocation of costs for preparing a general operating permit under AS 46.14.240(c)(4), the department will

(1) determine the total cost of preparing each general operating permit;

(2) identify the total number of facilities covered by the general operating permit at the time the permit is developed; and

(3) establish the fee by dividing the total cost by the number of facilities to be covered by the general permit.

(g) An owner, an operator, or a permittee who

(1) increases a facility's assessable emissions through a permit revision shall pay to the department an emission fee for the increase in assessable emissions; the fee is due within 60 days after the effective date of the permit revision; or

(2) decreases the facility's assessable emissions through a permit revision may request a pro-rated refund or credit to the facility's fee account toward future fees.

(h) The owner, operator, or permittee who terminates operations or whose permit has lapsed or is terminated by the department may request a refund calculated by the department for fees collected in excess of the amount due for the facility's actual emissions.

(i) Unless the owner, operator, or permittee requests otherwise, an invoice for emission fees or permit administration fees will be sent to the last known address of the facility that is subject to the fee. Invoices will include an itemized list of charges and credits for the billing period and a calculation of total credit balance or amount due on the account. For permit administration fees for designated regulatory services, the listing will also state

(1) the date on which the task was performed and a description of the task;

(2) the name of the person who performed the task; and

(3) the time spent on the task on that date and the charge for the task, determined by multiplying the time spent by 149% of the salary of department staff who

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performed the designated regulatory service. (Eff. 1/18/97, Register 141; am 10/16/2003,

Register 168; am 10/1/ 2004, Register 171; am ___/___/____, Register ___)

Authority: **AS 37.10.050** AS 46.14.140 AS 46.14.250

 AS 44.46.025 AS 46.14.240 AS 46.14.255

 AS 46.03.020