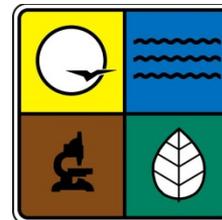


# Air Stakeholder Fee Meeting

---

June 16, 2014



**MISSOURI**  
**DEPARTMENT OF**  
**NATURAL RESOURCES**

# Discussion Items

- Review of stakeholder input
- Program savings – permanent & temporary
- Fee adjustment Options - handout
- Fee adjustment schedule
- Fee effective dates
- Final stakeholder discussion/decision
- Next steps

# Stakeholder Input From Previous Meetings

- Focus on a 2 year shortfall vs. a 5 year shortfall
  - ✓ Focusing on 2 year shortfall
  - ✓ Address funding beyond FY2018 starting in Jan 2016
- Tiered Construction/Operating Permit Fees
  - ✓ Reviewed - lack of available data to establish this approach at this time. Commit to future review of this method.
  - ✓ Larger increase for larger sources
- Phase in the Emission Fee increase
  - ✓ One year at intermediate fee

***Goal during this process - keep the fee adjustments as minimal/fair as possible.***

# Stakeholder Input Continued...

- Increase Permit and Asbestos Fees to help keep the Emission Fee increase lower
  - ✓ Proposing increases to Permit, Asbestos and Emission Fees
  - ✓ Emission Fee adjusted accordingly
- List of Expenditure Reductions and program savings; permanent and temporary
  - ✓ Provided reductions on next slides

***Goal during this process - keep the fee adjustments as minimal/fair as possible.***

**The Air Pollution Control Program, along with the Regional Offices and Environmental Services Program, have reduced spending by approximately 9% over the past 5 years.**

## **“Permanent” Expenditure Reductions/Savings**

- ✓ Laid off 8 positions
- ✓ Cut 3 vacant positions
- ✓ Eliminated Local Air Agency Funding
- ✓ Eliminated Use of Permit Contractors
- ✓ Eliminated Newspaper Public Notices
- ✓ No Tuition Reimbursement
- ✓ Replaced Propane with solar panels on Monitoring Station
- ✓ Monitoring Network Reduction

## **“Permanent” Expenditure Reductions/Savings**

- ✓ Switched to Electronic Permit Review Fee Invoices
- ✓ Reduced number of briefing documents printed by 50%
- ✓ Sunshine requests sent electronically when possible
- ✓ Send electronic notifications
- ✓ Utilizing email for communication vs. hard copy letters
- ✓ Eliminated large mail-outs and reducing use of certified mail when appropriate
- ✓ Future savings - FY2015 Passing processing fee of credit cards to the customer

## Examples of “Temporary” Savings

- ✓ Minimal travel
- ✓ Minimal training – Utilize free trainings (CenSARA & REGFORM), webinars, and site visits as often as possible.
- ✓ Hold vacancies
- ✓ Postage costs reduced by using electronic means
- ✓ Delayed equipment replacement

# Draft Fee Adjustment Options for Discussion

Fee Type	Current Fee	Fee Adjustment Option #1	Fee Adjustment Option #2
<b>CONSTRUCTION PERMITS</b>			
Portable Source Filing/Review Fee	\$200/Application	<b>\$300</b>	<b>\$300</b>
Construction Permit Review Fee	\$50/Review Hour	<b>\$100</b>	<b>\$100</b>
Construction Permit Filing Fee (Deminimis & Minor)	\$100/Application	<b>\$250</b>	<b>\$250</b>
Construction Permit Filing Fee (Major)	\$100/Application	<b>\$5,000</b>	<b>\$5,000</b>
Vapor Recovery Permit Filing Fee	\$100/Application	<b>No fee adjustment</b>	<b>No fee adjustment</b>
<b>OPERATING PERMITS</b>			
Operating Permit Filing Fee (Basic)	\$100/Application	<b>\$500</b>	<b>\$500</b>
Operating Permit Filing Fee (Intermediate & P70)	\$100/Application	<b>\$8,760</b>	<b>\$5,000</b>
<b>EMISSION FEE</b>			
Emission Fee	\$40/Ton	<b>June 2016 - \$44 June 2017 - \$53</b>	<b>June 2016 - \$47 June 2017 - \$56</b>
<b>CHARGEABLE EMISSION LIMITS ADJUSTMENT</b>			
4,000 tons of any one pollutant and 12,000 tons of all pollutants	4,000/12,000 ton cap	<b>No change in tonnage caps</b>	<b>No change in tonnage caps</b>

See handout

## Draft Fee Adjustment Options for Discussion Continued...

<b>ASBESTOS PROGRAM</b>			
Asbestos Certification Fee			
Worker Asbestos Certification	\$25 for Workers	<b>\$50</b>	<b>\$50</b>
Other Disciplines Asbestos Certification	\$75 for All Other Disciplines	<b>\$100</b>	<b>\$100</b>
Asbestos Recertification Fee			
Worker Asbestos Recertification	\$5 for All Workers	<b>\$25</b>	<b>\$25</b>
Other Disciplines Asbestos Recertification	\$5 for Other Disciplines	<b>\$75</b>	<b>\$75</b>
Asbestos Registration Fee	\$1,000/Registration	<b>\$2,460</b>	<b>\$2,460</b>
Asbestos Exam Fee	\$25/Exam	<b>\$50</b>	<b>\$50</b>
Asbestos Accreditation Fee (propose to remove \$3,000 cap = 8 add'l courses)	\$1,000 per Course/\$3,000 cap	<b>\$1,000</b>	<b>\$1,000</b>
Asbestos Inspection Fee	\$100/\$300 Max	<b>\$200/\$400</b>	<b>\$200/\$400</b>
Asbestos Exemption Fee	\$250/Exemption	<b>No fee adjustment</b>	<b>No fee adjustment</b>
Asbestos Abatement Notification Fee	\$100/Notification	<b>\$400</b>	<b>\$400</b>

See handout

# Schedule May Change

- These options incorporate permit and asbestos fees.
- Emission Fee Option assumes removal of “odd number year” limitation.

**Note: Sign/veto decision on SB642, which allows for permit and asbestos fees to be included, and allows for fee changes to be effective prior to January 2017, is still pending.**

# **Missouri Air Conservation Commission (MACC) and Fee Rule Schedule**

- June 17-mid July 2014 – Special MACC meeting to submit proposed changes for review. No vote taken.
- July 30, 2014 – MACC vote on moving forward with proposed fee structure. This vote only allows the Department to move forward.
- Sept-Oct 2014 – Department files rulemakings
- November 2014 – Hold two meetings
  1. Public Hearing of fee rules
  2. Adoption of fee rules
- December 1, 2014 – File rulemaking

## **Fee Effective Dates**

- January 1, 2016 – Permit/Asbestos fees effective
- January 1, 2016 – Emission fee effective for calendar year 2015 emissions
  - Option #1 - \$44 per ton/Option #2 - \$47 per ton
- June 1, 2016 – Emission fee due date
- January 1, 2017 – Emission Fee change effective for Calendar year 2016
  - Option #1 - \$53 per ton/Option #2 - \$56 per ton
- June 1, 2017 – Emission Fee Due

# Final Discussion/Decision

## Next Steps

- January 2016 – Commence Fee Stakeholder meetings for fees for FY2018 and beyond.
- January 1, 2018 – Emission Fee stays at Phase Two of Chosen Option (\$53 or \$56 per ton) or changes to fee established in the next round of stakeholder meetings that will commence January 2016.



# Questions?