

DRAFT COMMENTS

**2018-2020 TITLE V FEE LEGISLATION
COMMENTS OF THE REGULATED COMMUNITY
December 9, 2016**

- (1) Because of the existing, large, growing carryover balance, we believe that for the next three years total annual revenue requirements should be reduced from DNREC’s proposed \$4.4 million to \$2.5 million. This proposal is similar to the 2015-2017 fee legislation, whereas each site that has paid into the program, receives a fee reduction based on their emissions. This provides more than enough money for DNREC to implement the Title V Program and, at the same time, an adequate cushion for any unanticipated issues that may come up during this period.
- (2) In an attempt to reduce the carryover, and still keep approximately one-half of the carryover in place, The User Fee Credit Categories were reduced approximately \$450,000 each year adjusted, per the following:

Proposed	\$450,000	Proposed	2018-2020	2018-2020	2018-2020
User Fee Categories	User Fee	Fee Credit Categories	Annual User Fee Amount	Amount	Annual Fee Credit Amount
> 2001 tons	1	Will receive a credit of 29.94% of Total	\$134,730	1	\$134,730
1,001 to 2,000 tons	2	Will receive a credit of 8.56% of Total	\$38,520	1	\$38,520
501 to 1,000 tons	3	Will receive a credit of 5.13% of Total	\$23,085	1	\$23,085
201 to 500 tons	4	Will receive a credit of 2.40% of Total	\$10,800	3	\$32,400
101 to 200 tons	5	Will receive a credit of 1.03% of Total	\$4,635	3	\$13,905
51 to 100 tons	6	Will receive a credit of 0.77% of Total	\$3,465	5	\$17,325
26 to 50 tons	7	Will receive a credit of 0.51% of Total	\$2,295	14	\$32,130
6 to 25 tons	8	Will receive a credit of 0.35% of Total	\$1,575	38	\$59,850
0 - 5 tons	9	Will receive a credit of 0.34% of Total	\$1,530	64	\$97,920

DRAFT COMMENTS

New Sources that have applied for a permit after January 1, 2015	10	Will receive a credit of 0%	\$0	0	\$0
				130	\$449,865

- (3) Support raising the Reg 2 permit fee’s as part of the Legislation. (based upon comparison study of other state programs, performed as part of the current Management Review). This additional income should be applied to financing the Air Quality Program, and not other state programs (i.e., water or waste).
- (4) Propose legislation (fees) to address sites that expend large amounts of the Department’s “upfront” time on air permitting. We recommend a tiered amount based on complexity of the source. This should include an initial application flat base fee, and then depending on required hours, increased. (Need to review hours spent on permitting of sources, to determine next step).
- (5) Propose legislation (fees) to address the possibility of an accelerated permit application process – similar to other states i.e., South Carolina. This would benefit both business and the Department. See below link and summary:

<http://www.scdhec.gov/Environment/AirQuality/ConstructionPermits/ExpeditedReviewofPermits/>

Expedited Review of Construction Permits (Air Quality) – South Carolina

South Carolina, Department of Health and Environmental Control (DHEC) provides you with an opportunity to request an expedited permit application review when applying for an air permit. Most minor, synthetic minor, and PSD construction projects are currently eligible for expedited review. Construction permit applications identified as administratively incomplete will not qualify for expedited review and will be returned to you. Resubmitted applications will be subject to the normal review process and timeframes.

The associated fees for expedited review of your construction permit application are based on the complexity of the permit review. Fees paid by your facility for expedited review are in addition to the normal annual air emission fees that your facility must pay. Expedited review fees will be used by the Bureau of Air Quality (BAQ) to help offset the cost of additional resources needed to administer the program and to adjust staffing levels required to accommodate the demand for expedited review.

DRAFT COMMENTS

- (6) All new Title V permit applicants, or Reg 2 Applicants that will eventually become Title V sources, should pay an initial application fee. The suggested charge can be similar to the synthetic minor fee.
- (7) Propose creating a credit rebate for those facilities that invest voluntarily in technology that reduces emissions.
- (8) How many Reg. 2 permits does the Department process each year?
 - a. Does the Department communicate improvement efficiencies?
 - b. How does the Department track progress of applications to the regulated community?
- (9) The Title V Fee Committee would like to better understand how the department hours are recorded, for the time spent on each of the businesses.
- (10) What are some of the efficiencies that the Title V Management Review Process has identified that can quickly be put in place? Did the 100 K Management Review pay for itself in immediate or future potential savings? Is this an exercise that should be continued/repeated?
- (11) The Title V Fee Committee want to incent the department to implement the suggested “low hanging fruit” Management Review findings that will result in immediate efficiencies and savings and continue to further review the program, for additional efficiencies.