



Fact Sheet

Air Program Regulatory Change Fee Revision for Operating Permit Application and Maintenance Fees Class II Surface Area Disturbance and Class II General Permits

Introduction

The NDEP Air Program is proposing a regulatory change to amend its fee schedule.

The change seeks to update the Program's approach to how fees are assessed, and to redistribute the fees across the regulated industry to reflect workload and resources required to implement NDEP's Air Program.

This fact sheet describes changes in fee schedule for facilities that hold a Class II General Air Quality Operating Permit or Surface Area Disturbance Permit. For a general description of all the changes in fee schedule, for a detailed description of the fee changes for other types of minor sources (Class II Operating Permits), or for a detailed description of the fee changes proposed for major and major stationary sources (Class I Operating Permits), please refer to the corresponding fact sheets.

Overview of Changes

If approved by the State Environmental Commission and Legislative Commission, the new schedule for maintenance fees would be effective on January 1, 2020. The new schedule for application fees would be effective on July 1, 2020.

For Class II Surface Area Disturbance (SAD) Permits the Air Program is proposing to:

- Assess application and maintenance fees in proportion to the acres disturbed.
- Phase-in the maintenance fees over a 3-year period for all SAD permits.

For both Class II General and Class II SAD Permits.

- Permit applications **will not be subject** to the 10% non-refundable fee to cover the costs associated with the completeness review process.
- Eliminate fees for replacement of a permit.

Proposed Fee Schedule

New and Miscellaneous Fees

| Application (New) | Fee |
|--------------------------------------|---------|
| Insignificant Activity Determination | \$1,000 |
| Confidentiality Request | \$1,000 |
| Applicability Determination | \$1,000 |

| Application | Fee |
|--|---------------------------|
| Change of Location (per Emission Unit) | \$200 (currently \$100) |
| Administrative Amendment | \$1,000 (currently \$200) |

Sources Holding Class II General Permits

Sources with a Class II General Permit will not see any change in the proposed maintenance and application fee schedule.

| Permit Type | New Permit | Revision | Annual Maintenance Fee |
|---|------------|----------|------------------------|
| Class II General for Temporary Stationary Sources | \$1,500 | N/A | \$500 |
| Class II General for Stationary Sources | \$500 | \$250 | |

Sources holding “stand-alone” Surface Area Disturbance Permits

Application and maintenance fees are based on the total disturbed area

| Total Disturbed Area (acres) | New or Renewal of SAD (currently \$500) | Revision of SAD (currently \$200) | Proposed Annual Maintenance Fee | Current Annual Maintenance Fee |
|------------------------------|---|-----------------------------------|---------------------------------|--------------------------------|
| ≥ 5 and < 20 | \$1,000 | \$500 | \$1,000 | \$250 |
| ≥ 20 and < 100 | \$2,000 | | \$2,000 | \$500 – 750 |
| ≥ 100 and < 500 | \$3,000 | | \$3,000 | \$1,000 – 2,000 |
| ≥ 500 | \$5,000 | | \$5,000 | \$5,000 |

Phase-in of maintenance fees for all source holding “stand-alone” Surface Area Disturbance Permits

The phase-in approach is based on the fee increase from the maintenance fees paid by the permittee during calendar year 2019. Only 35% of the increase will be due in calendar year 2020, and only 70% of the increase will be due in 2021.

Example: A minor source holds a Surface Area Disturbance Permit for a disturbance of 150 acres. The new maintenance fee is \$3,000. Based on the same disturbed area, the source paid \$1,000 in calendar year 2019. For calendar year 2020, the new maintenance fees will be phased-in at \$1,000 + 35% of the increase (i.e., \$3,000 - \$1,000), or \$1,700. For 2021, the maintenance fees will be phased-in at \$1,000 + 70% of the increase, or \$2,400. For 2022 and thereafter, the maintenance fees will be \$3,000.