

BOARD MEETING DATE: May 4, 2018

AGENDA NO. 33

**PROPOSAL:** Adopt Executive Officer's FY 2018-19 Proposed Goals and Priority Objectives, and Draft Budget; and Determine that Proposed Amendments to Regulation III – Fees Are Exempt from CEQA and Amend Regulation III

**SYNOPSIS:** The Executive Officer's Proposed Goals and Priority Objectives and Draft Budget for FY 2018-19 have been developed and are recommended for adoption. The Draft Budget includes implementation of the phased-in fee increase adopted by the Board on June 2, 2017 to continue cost recovery efforts. In addition, staff is proposing amendments to Regulation III – Fees. The amendments include: 1) pursuant to Rule 320, an increase of most fees by 3.4% consistent with the Consumer Price Index; 2) new fees which are necessary to meet the requirements of recently adopted rules and state mandates; and 3) new or increased fees which are necessary to provide more specific cost recovery for other regulatory actions taken by the agency. Staff also recommends other proposed changes to Regulation III, which have no fee impact, but include clarifications, deletions, or corrections to existing rule language. The fee increases have been presented at a Budget Study Session, a Budget Advisory Committee meeting and at two public consultation meetings in March and April with recommendations and comments provided to the Board.

**COMMITTEE:** Special Governing Board Meeting/Budget Study Session, April 13, 2018, Reviewed

**RECOMMENDED ACTIONS:**

1. Remove from Reserves and Designations all amounts associated with the FY 2017-18 Budget;
2. Approve appropriations in the Major Objects for FY 2018-19 of:

Salary and Employee Benefits	\$134,257,596
Services and Supplies	29,774,481
Capital Outlays	<u>2,210,800</u>
Total	<u>\$166,242,877</u>

3. Approve revenues for FY 2018-19 of \$162,631,101;
4. Approve the addition of 4.4 net authorized/funded positions as detailed in the FY 2018-19 Budget;
5. Approve the Executive Officer's FY 2018-19 Goals and Priority Objectives;
6. Approve a projected June 30, 2019 Fund Balance of the following:

<b>Classification<sup>1</sup></b>	<b>Reserves/Unreserved Designations</b>	<b>Amount</b>
Committed	Reserve for Encumbrances	\$8,440,000
Nonspendable	Reserve for Inventory of Supplies	80,000
Assigned	Designated for Enhanced Compliance Activities	883,018
Assigned	Designated for Other Post Employment Benefit (OPEB) Obligations	2,952,496
Assigned	Designated for Permit Streamlining	1,313,385
Assigned	Designated for Self-Insurance	2,000,000
Assigned	Designated for Unemployment Claims	80,000
Total Reserves & Unreserved Designations		\$15,748,899
Unassigned	Undesignated Fund Balance	\$33,327,540

7. Adopt the attached Resolution regarding the Proposed Amended Regulation III – Fees (Attachment F):
  - a. Determining that Proposed Amended Regulation III – Fees (which includes Proposed Amended Rule 301 – Permitting and Associated Fees, Proposed Amended Rule 303 – Hearing Board Fees, Proposed Amended Rule 304 – Equipment, Materials and Ambient Air Analyses, Proposed Amended Rule 304.1 – Analyses Fees, Proposed Amended Rule 306 – Plan Fees, Proposed Amended Rule 307.1 – Alternative Fees for Air Toxics Emissions Inventory, Proposed Amended Rule 308 – On-Road Motor Vehicle Mitigation Options Fees, Proposed Amended Rule 309 – Fees for Regulation XVI and Regulation XXV, Proposed Amended Rule 311 – Air Quality Investment Program (AQIP) Fees, Proposed Amended Rule 313 – Authority to Adjust Fees and Due Dates, Proposed Amended Rule 314 – Fees for Architectural Coatings, and Proposed Amended Rule 315 – Fees for Training Classes and License Renewal, is exempt from the requirements of the California Environmental Quality Act; and

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<sup>1</sup> The fund balance classifications of Committed, Nonspendable, Assigned, and Unassigned are established by the Government Accounting Standards Board 54.

- b. Amending Rules 301 – Permitting and Associated Fees, Rule 303 – Hearing Board Fees, Rule 304 – Equipment, Materials and Ambient Air Analyses, Rule 304.1 – Analyses Fees, Rule 306 – Plan Fees, Rule 307.1 – Alternative Fees for Air Toxics Emissions Inventory, Rule 308 – On-Road Motor Vehicle Mitigation Options Fees, Rule 309 – Fees for Regulation XVI and Regulation XXV, Rule 311 – Air Quality Investment Program (AQIP) Fees, Rule 313 – Authority to Adjust Fees and Due Dates, Rule 314 – Fees for Architectural Coatings, and Rule 315 – Fees for Training Classes and License Renewal.

Wayne Nastri  
Executive Officer

SJ:DRP:av

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## **Background**

### *Budget*

The period covered by the FY 2018-19 budget is from July 1, 2018 to June 30, 2019. The General Fund budget is the agency's operating budget and is structured by office and account code. The accounts are categorized into three Major Objects: Salaries and Employee Benefits, Services and Supplies, and Capital Outlays. The budget is supplemented with a Work Program which estimates staff resources and expenditures along program and activity lines. A Work Program Output Justification is completed for each Work Program which identifies performance goals, measurable outputs, legal mandates, activity changes and revenue categories.

The annual expenditure and revenue budget for the General Fund is adopted on a modified accrual basis. All annual expenditure appropriations lapse at fiscal year-end if they have not been expended or encumbered. Throughout the year, budget amendments may be necessary to accommodate additional revenues and expenditure needs.

The Executive Officer's Budget and Work Program for FY 2018-19 represents the input over the past several months from Board members, the public, executive management, and staff. This year's process included meetings with the Budget Advisory Committee, one public consultation held on April 10, 2018 and a budget study session held for the Board on April 13, 2018.

### *Regulation III*

Regulation III – Fees establishes the fee rates and schedules to recover SCAQMD's reasonable costs of regulating and providing services to the regulated community, primarily permitted sources. The Permitted Source Program is principally supported by three types of fees, namely permit processing fees for both facility permits and

equipment-based permits, annual permit renewal fees, and emissions-based annual operating fees, all of which are contained in Rule 301. Also included in the Permitted Source Program are Rule 222 registration fees and plan fees, since these are similar to permits for the sources to which they apply. Regulation III also establishes fees and rates for other fee programs, unrelated to the Permitted Source Program, including, but not limited to, Transportation Programs fees and Area Source fees (architectural coatings). The above referenced fees comprise approximately 64% of SCAQMD's revenue.

Last year, the Board adopted a phased-in fee increase applicable to both Title V and non-Title V facilities. With respect to Title V facilities, the Board approved an increase of 10.67% in each of FY 2017-18, 2018-19, and 10.66% in FY 2019-20. With respect to non-Title V facilities, the Board approved an increase of 4% in each of FY 2017-18 and 2018-19. These fee increases were necessary because SCAQMD was not collecting fees sufficient to cover the reasonable costs of its regulatory programs. In addition, the increases for the Title V facilities were a necessary response to a U.S. EPA review of SCAQMD's Title V Program. That review also found that SCAQMD was not recovering sufficient revenues to support the costs of that program. Deficits for the Permitted Source Program, including the Title V Program, had been routinely covered through use of reserves which have been primarily funded with one-time penalty revenue.

Over time, the SCAQMD has incorporated cost recovery initiatives and cost reduction efforts, including the deletion of select vacant positions, increasing the budgeted vacancy rate as necessary, the implementation of the California Public Employees' Pension Reform Act (PEPRA) for new employees, and the early payoff of the Diamond Bar Headquarters. However, budget shortfalls continue to exist. In the upcoming years, the SCAQMD will continue to face a number of fiscal challenges and uncertainties, including changes in federal grant funding levels, increased retirement costs due to actuarial and investment adjustments that could impact pension liability, and annual variations in one-time penalties and settlement revenue.

## **Proposal**

### *Budget*

The budget for FY 2018-19 proposes expenditures of \$166,242,877 and revenues of \$162,631,101, using prior year revenues to supplement FY 2018-19 projected revenues. The proposed FY 2018-19 budget represents an increase of \$16,363,971 (10.9%) in total expenditures from the budget adopted by the Board in June 2017. Staff is proposing the net addition of 51 positions from the adopted FY 2017-18 budget. This includes already-approved mid-year actions adding 36 positions for AB 617, 11 positions for AB 134 as well as five positions for Rule 1180- Refinery Fenceline and Community Air Monitoring and a deletion of one vacant position. In Services and



Supplies, the proposal for FY 2018-19 reflects an increase of \$1,706,786 (6.1%) compared to the FY 2017-18 adopted budget while Capital Outlays are increasing by \$260,083 (13.3%).

The proposed FY 2018-19 budget represents an increase of \$15,634,281 (10.6%) in total revenue from the budget adopted by the Board in June 2017. As part of this budget package, specific fees in Regulation III – Fees will be automatically adjusted by the California Consumer Price Index (CPI) as provided for under SCAQMD Rule 320 - Automatic Adjustment Based on Consumer Price Index for Regulation III Fees.

### *Regulation III*

Proposed Amended Regulation III will: 1) pursuant to Rule 320, automatically increase fees where applicable by 3.4% consistent with the CPI; 2) add new fees which are necessary to meet the requirements of recently adopted rules and state mandates; 3) add new fees or increase fee rates which are necessary to provide more specific cost recovery for other regulatory actions taken by the agency; and 4) make other proposed amendments to Regulation III that will have no fee impact, but include clarifications, deletions, or corrections to existing rule language.

### **Public Process**

The proposed FY 2018-19 budget assumes a 3.4% fee increase, consistent with Rule 320 which was adopted by the Board on October 29, 2010 to allow for an increase of fees based on the change in the California CPI. In accordance with Rule 320, the Draft Socioeconomic Impact Assessment for the automatic CPI-based fee increase was made available to the public on March 14, 2018. Public comments and responses related to the Draft Budget and CPI-based fee increase, along with recommendations from the Budget Advisory Committee, were provided to the Board by the April 13, 2018 deadline. Additionally, the Draft Socioeconomic Impact Assessment of Proposed Amended Regulation III - Fees was made available to the public on April 4, 2018.

Copies of the Draft Budget and Work Program for FY 2018-19 have been transmitted to the Board and the document is also available via SCAQMD's web site at <http://www.aqmd.gov/nav/about/finance#Budgets>.

During the rulemaking process for Proposed Amended Regulation III, two Public Consultation Meetings were held, on March 20, 2018 and April 10, 2018. Proposed Amended Regulation III was also presented to the Budget Advisory Committee on April 6, 2018 and the Board Budget Study Session on April 13, 2018. Documents related to Proposed Amended Regulation III, including draft rule language, staff report, and presentation materials, have been made available on SCAQMD's website at <http://www.aqmd.gov/home/rules-compliance/rules/proposed-rules#REG%20III>.

**Key Issues**

Proposed Amended Rule 301 includes a refinery fee to implement AB 1647, which requires refineries to pay for refinery-related community monitoring (Health and Safety Code Section 42705.6). Representatives from the petroleum refineries that would be affected by the proposed new fee – Refinery Related Community Air Monitoring System Annual Operating and Maintenance Fees, commented that the estimated cost per monitoring station staff used to determine the fee amounts appeared high, and that the fee amounts could potentially require periodic reassessments in the future based on actual program expenditures incurred by SCAQMD. In response to these comments and to further ensure ongoing compliance with California Health and Safety Code Section 42705.6, Proposed Amended Rule 301 subdivision (aa) now includes the requirement of a triennial fee reassessment, which would inform SCAQMD whether a fee adjustment may be necessary. Staff will use historical operating and maintenance costs associated with refinery-related community air monitoring to determine the appropriate fees during the reassessment and will take into consideration the existence of any historical differences between collected fees and program expenditures.

With respect to the proposed Facility Permit Reissuance Fee that would affect all NO<sub>x</sub> RECLAIM facilities exiting the market-based program, representatives from some facilities commented that the proposed initial flat fee appeared too high for Title V facilities with 20 or more permitted NO<sub>x</sub> sources. It was also commented that the minimum or baseline evaluation efforts (used for determination of the initial flat fee) may be lower than staff's previous estimates if most of the NO<sub>x</sub> sources at a facility are the same and will be subject to the same command-and-control rules. In response to these comments, the fee schedules in Proposed Amended Rule 301 paragraph (l)(16) have been revised to include a lower initial flat fee for both Title V and non-Title V facilities with 20 or more permitted RECLAIM NO<sub>x</sub> sources, based on a lower number of baseline hours needed for permit evaluation and conversion. The time and materials charge, which is applicable to the evaluation hours that are additional to the baseline hours, will continue to ensure the recovery of reasonable costs incurred by SCAQMD. Other stakeholders suggested specific caps to the time and materials charge for non-Title V and Title V facilities. However, staff believes that it is premature to establish the suggested caps at this initial stage of NO<sub>x</sub> RECLAIM program transition, as it could potentially hinder SCAQMD's ability to adequately recover the reasonable costs of efforts to complete the necessary permit conversion.

**California Environmental Quality Act**

Pursuant to the California Environmental Quality Act (CEQA) and SCAQMD Rule 110, the SCAQMD, as lead agency for the proposed project, has reviewed Proposed Amended Regulation III, which consists of fee updates, new fees and amendments to Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315, in accordance with: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA

Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. With respect to the proposed fee updates, new fees, and amendments in Proposed Amended Regulation III that are strictly administrative in nature, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule. Additionally, the entirety of the proposed project is statutorily exempt from CEQA requirements pursuant to CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, because the proposed fee updates, new fees, and amendments to Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315 involve charges by public agencies for the purpose of meeting operating expenses and financial reserve needs and requirements. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption. If the project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino counties.

### **Socioeconomic Impact Assessment**

Two socioeconomic reports are included as attachments to the staff report. The first report (Attachment I) analyzes the impacts of the Rule 320 3.4% CPI adjustment to Regulation III fees. The second report (Attachment J) analyzes the impacts of the proposed amendments to PAR III with fee impacts beyond the CPI-based fee increase. Nearly all facilities regulated by SCAQMD would be affected by the proposed fee increases. About 44% of the CPI-based fee increase is estimated to be incurred by the manufacturing sector, followed by the services sector (18%) and the retail trade sector (14%). With respect to the proposed amendments with fee impacts beyond the CPI-based fee increase, petroleum refineries (which belong to the manufacturing sector) are expected to incur 90% of the additional fee increase due to the proposed new fee associated with operating and maintenance of the state-mandated refinery-related community air monitoring systems. While the beyond-CPI fee increase is estimated to lead to 1 to 2 jobs foregone in refinery-related industries between 2018 and 2027, it would result in job gains in other sectors, such as providers of air monitoring-related services, manufacturers/suppliers of air monitoring devices, as well as local government sector including SCAQMD. Overall, an annual average of 57 net job gains are projected between 2018 and 2027.

### **Implementation and Resource Impacts**

The proposed across-the-board CPI-based adjustments by 3.4% to Regulation III fees (excluding fee rates set by state law and Rule 311(c) Air Quality Investment Program fees), which is commensurate with the change in the California CPI from December 2016 to December 2017 pursuant to Rule 320, is estimated to result in an increase in SCAQMD's revenue by \$3.1 million for FY 2018-19 to cover the cost of inflation. Other proposed rule amendments with fee impacts will generate approximately \$1.3 million for FY 2018-19 and continue our efforts to more fully recover the costs of the Permitted Source Program activities.

### **Attachments**

- A. Summary of Proposal
- B. FY 2018-19 Draft Budget and Work Program
- C. Key Issues and Responses
- D. Rule Development Process
- E. Key Contacts List
- F. Resolution
- G. Proposed Amended Regulation III Rule Language
- G1-G12 Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315
- H. Final Staff Report for Proposed Amended Regulation III - Fees
- I. Final Socioeconomic Impact Assessment for Rule 320 - Automatic Adjustment Based on Consumer Price Index for Regulation III - Fees
- J. Final Socioeconomic Impact Assessment for Proposed Amended Regulation III - Fees
- K. Notice of Exemption
- L. Board Meeting Presentation

## ATTACHMENT A

### SUMMARY OF PROPOSAL

#### **Proposed Amended Regulation III – Fees** Fiscal Year 2018-19

##### **Component 1: Rule 320 Consumer Price Index (CPI)-Based Fee Increase**

Proposed Amended Rules: 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315

- Increase in all fee rates by 3.4%, which is commensurate with the change in the California CPI from December 2016 to December 2017, with the following exceptions:
  - Fee rates set by state law;
  - Rule 311(c) Air Quality Investment Program Fees, which pay for programs to reduce emissions and do not support the SCAQMD budget

##### **Component 2: Targeted Proposals with Fee Impacts for Cost Recovery**

Proposed Amended Rules: 301, 306, 307.1

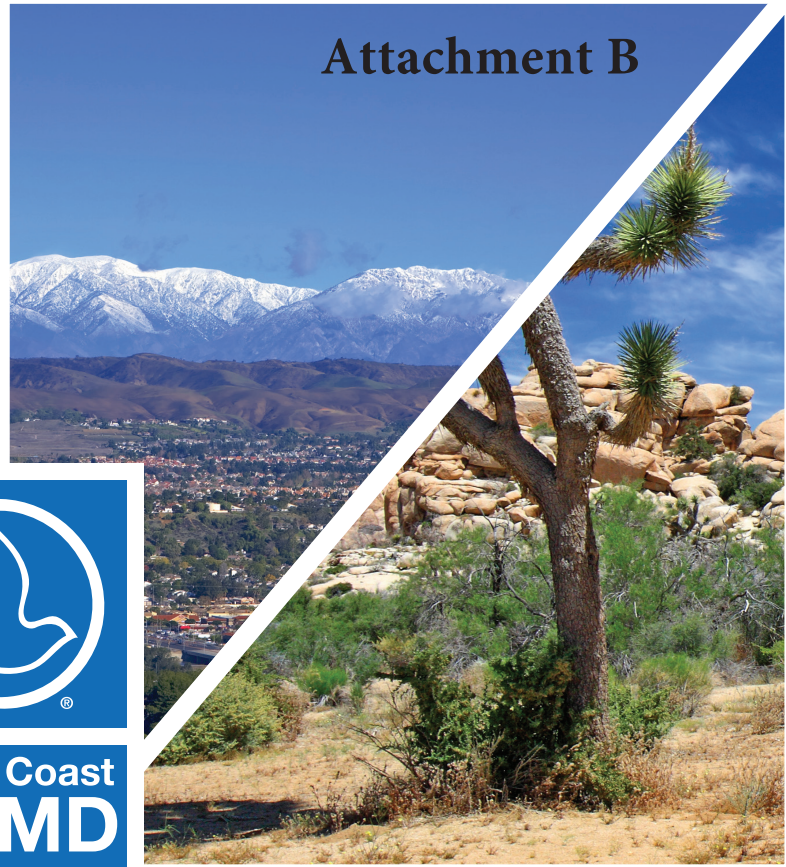
- 1) New fees to recover costs associated with operating and maintenance of refinery-related community air monitoring system pursuant to Rule 1180 and California Health and Safety Code Section 42705.6;
- 2) New fees to recover notification costs pursuant to Rule 1466;
- 3) New fees for RECLAIM permit processing during and after transition out of the NOx RECLAIM program;
- 4) New fees to recover costs for periodic assessment of non-RECLAIM emission monitoring systems (i.e., CEMS, FSMS, and ACEMS);
- 5) Increased fees to recover costs associated with voluntary certification programs of Clean Air Solvent and Clean Air Choices Cleaner;
- 6) New fees to recover costs associated with annual renewal of Rule 1105.1, Rule 1118, and Rule 1123 compliance plans;
- 7) Potentially increased fees by billing actual cost invoiced to SCAQMD for public notice publication;
- 8) New fees to recover costs associated with optional catalyst equivalency evaluation;
- 9) New fees to recover costs associated with AB 2588 work for Potentially High Risk Level Facilities; and
- 10) New fees to recover costs associated with AB 2588 work on Rule 1402 related special reviews.

### **Component 3: Proposals with No Fee Impacts and/or Administrative Changes**

#### **Proposed Amended Rules: 301, 304, 304.1, 306, 307.1, 313**

- 1) Updating the emission-based fee-paying thresholds for Toxic Air Contaminant to be consistent with the state or SCAQMD's Annual Emission Reporting thresholds;
- 2) Specification of payment due date and non-payment consequence for Rule 301(z) "No Show" fees;
- 3) Numbering of Rule 301 fee rate tables on pages PAR 301-70 through PAR 301-73;
- 4) Clarification of table content by revising table titles for Rule 301 Tables IA and IB on pages PAR 301-74 through PAR 301-90;
- 5) Correction of a typographical error in rule citations;
- 6) Removal of obsolete rule language;
- 7) Removal of an extraneous reference to a fee rate table;
- 8) Clarification of all CEQA document types and sub-types for payment of initial CEQA document preparation fees;
- 9) Correction of a typographical error in fee rate;
- 10) Clarification of all applicable fees and fee rates associated with facility permit amendment;
- 11) Removal of Title V fee rate for RECLAIM Trading Credit transaction registration fee;
- 12) Clarification of applicable fees related to processing of an Initial Title V Facility Permit, and revision and renewal of an existing Title V permit;
- 13) Clarification of change of operator fee applicability;
- 14) Addition of existing equipment/process to Table IB – Permit Fee Rate Schedules for Basic Equipment;
- 15) Clarification and simplification of fee rate table for facility permit fees;
- 16) Removal or addition of multiple references in Rule 301, Rule 304, and Rule 313;
- 17) Clarification of applicable fee rates for annual emission fees;
- 18) Correction of subparagraph numbering in Rule 304.1(c)(3);
- 19) Correction of a typographical error regarding reference in Rule 109;
- 20) Clarification of applicable fee rates for plan filing and plan evaluation fees and the timing of billing any additional fees;
- 21) Clarification of timing of request for optional expedited plan evaluation, the associated fees, and timing of fee payment;
- 22) Clarification of applicable fees and timing of payment for source test protocol/report evaluation; and
- 23) Removal of a redundant definition and correction of small business maximum fee and typographical errors in Rule 307.1.





# Budget & Work Program

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Fiscal Year  
2018-2019

South Coast  
Air Quality Management District

# BUDGET & WORK PROGRAM

## FISCAL YEAR 2018-2019

Prepared by Finance  
Sujata Jain, Assistant Deputy Executive Officer - Finance



SOUTH COAST  
AIR QUALITY MANAGEMENT DISTRICT



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**SOUTH COAST**  
**AIR QUALITY MANAGEMENT DISTRICT**

## **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**

### **GOVERNING BOARD**

WILLIAM A. BURKE, Ed.D  
Chairman  
Speaker of the Assembly Appointee

DR. CLARK E. PARKER, SR.  
Vice Chair  
Senate Rules Committee Appointee

MARION ASHLEY  
County of Riverside Representative

BEN BENOIT  
Cities of Riverside County Representative

JOE BUSCAINO  
City of Los Angeles Representative

MICHAEL A. CACCIOTTI  
Cities of Los Angeles County Representative  
Eastern Region

JOSEPH K. LYOU, Ph.D.  
Governor's Appointee

LARRY McCALLON  
Cities of San Bernardino County  
Representative

JUDY MITCHELL  
Cities of Los Angeles County Representative  
Western Region

SHAWN NELSON  
County of Orange Representative

DWIGHT ROBINSON  
Cities of Orange County Representative

JANICE RUTHERFORD  
County of San Bernardino Representative

HILDA L. SOLIS  
County of Los Angeles Representative

WAYNE NASTRI  
Executive Officer



**SOUTH COAST**  
**AIR QUALITY MANAGEMENT DISTRICT**



# South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178  
(909) 396-2000 • [www.aqmd.gov](http://www.aqmd.gov)

May 4, 2018

South Coast Air Quality Management District Board and Stakeholders

## Transmittal of the Executive Officer's Fiscal Year 2018-19 Budget and Work Program

This document represents South Coast Air Quality Management District's (SCAQMD) proposed General Fund Budget and Work Program for FY 2018-19. The budget was developed based on SCAQMD's commitment to clean the air and protect the health of all residents in the South Coast Air District through practical and innovative strategies. The proposed budget for FY 2018-19 balances expenditures of \$166.2 million with revenues of \$162.6 million and prior year revenues of \$3.6 million.

The proposed FY 2018-19 level of expenditures, up 10.9% from the FY 2017-18 adopted budget, includes increased costs for retirement, salaries associated with new positions for the AB 617 Community Air Protection Program, AB 134 and Rule 1180, and the recently approved labor agreements. There is a net increase of 51.15 FTEs from the FY 2017-18 adopted budget. This increase includes the positions for the AB617 and AB134 efforts approved by the Board in January 2018, five positions for Rule 1180, and 0.40 FTE to provide five months of critical overlap and service continuity before an Assistant Deputy Executive Officer in Science, Technology and Advancement retires.

The FY 2018-19 proposed revenue budget of \$162.6 million, up 10.6% from the FY 2017-18 adopted budget, includes a CPI fee adjustment of 3.4% and the second year of the June 2017 Board approved additional fee adjustment to permit processing fees and annual operating permit renewal fees of 10.67% for Title V facilities and 4.0% for non-Title V facilities in order to better align program costs with revenue. At \$96.9 million or 59.6% of the projected revenue budget, stationary source revenues account for the largest source of revenue. Over the past two decades, total permit fees (including permit processing, annual operating permit, and annual emissions based fees) collected from stationary sources has increased by about 33.7% from \$66.8 million in FY 1991-92 to

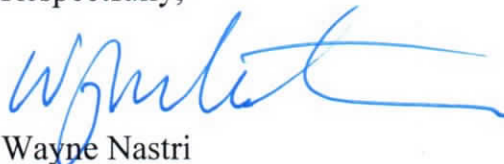
\$89.3 million (estimated) in FY 2017-18. When adjusted for inflation however, stationary source revenues have decreased by 22% over this same period.

While significant efforts are put forth to develop a detailed budget for the next fiscal year, as well as a five year projection, uncertain political and economic issues create challenges. These challenges may include changes in grant revenue funding levels, increased retirement costs due to actuarial and investment adjustments, increased infrastructure costs due to an aging headquarters building, and onetime Penalties and Settlement revenue that varies annually. SCAQMD is well positioned to address these uncertainties by monitoring funding sources, our retirement plan, and actual financial results on a continuous basis and is prepared to make timely resource allocation adjustments as warranted. Additionally, the proposed budget includes an assigned/unassigned general fund balance of 25% of revenues to provide a reasonable financial safety net.

The public and the business community have multiple opportunities to participate in the budget development process. These include meetings of the Budget Advisory Committee which is made up of representatives from the business and environmental communities, a public consultation meeting to discuss the proposed budget and work program, and two meetings of the Governing Board. The public consultation meeting and Governing Board meetings are noticed to the public through direct mail to permitted facilities, print media, and through the SCAQMD website.

In summary, I am proposing a budget for FY 2018-19 that allows our programs to operate efficiently, transparently, and in a manner sensitive to public agencies, businesses and the public, while providing a continuum of emissions reductions and health benefit improvements. The proposed Fiscal Year 2018-19 Budget and Work Program serves to ensure the continued strength and stability of the District as we make progress toward attaining the federal and state clean air mandates.

Respectfully,



Wayne Natri  
Executive Officer

SJ:DRP





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**South Coast Air Quality Management District  
California**

For the Fiscal Year Beginning

**July 1, 2017**

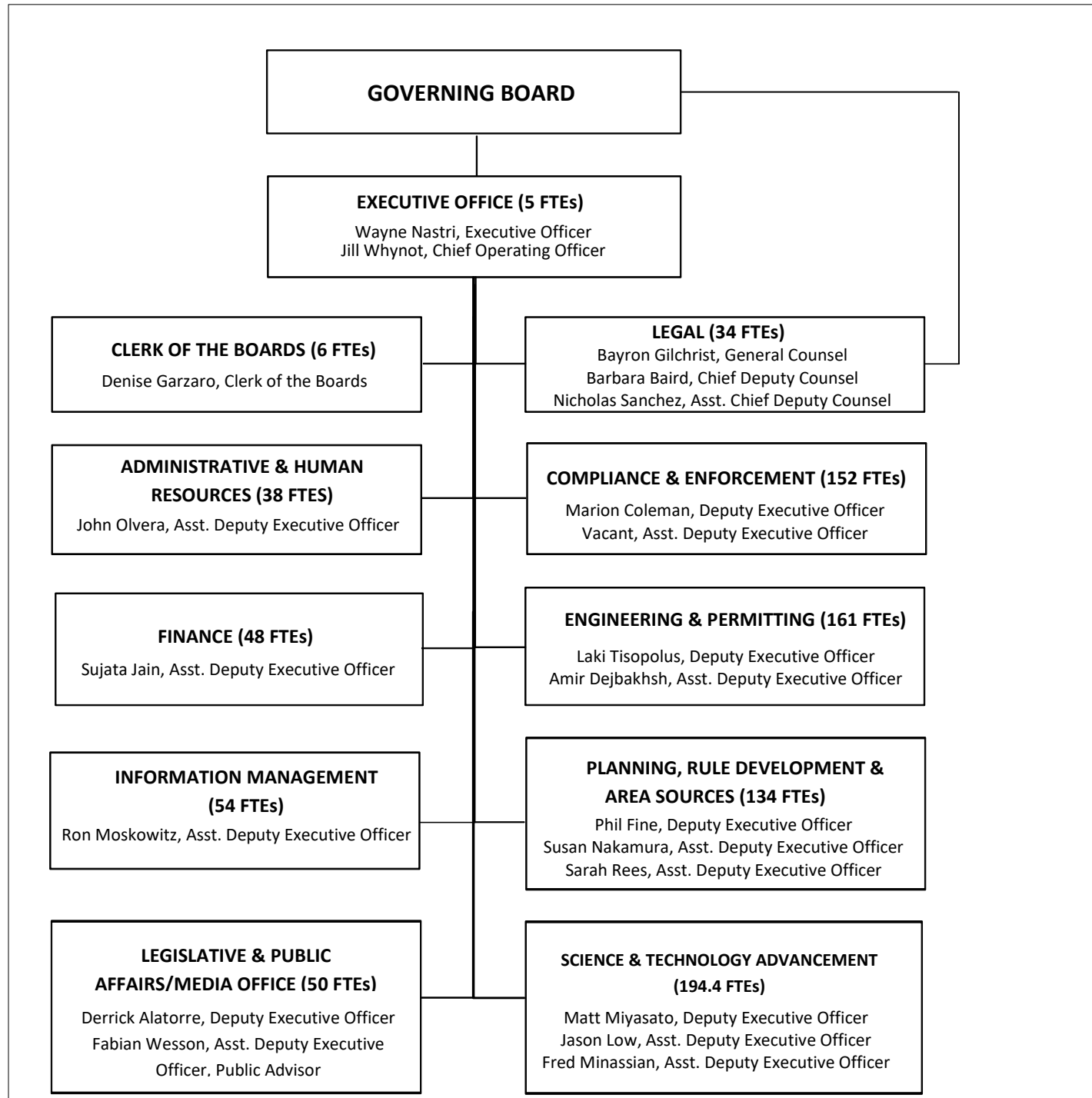
*Christopher P. Morrell*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to South Coast Air Quality Management District, California for its annual budget for the fiscal year beginning July 1, 2017. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

**SOUTH COAST AIR QUALITY MANAGEMENT  
DISTRICT (876.4 FTEs)**



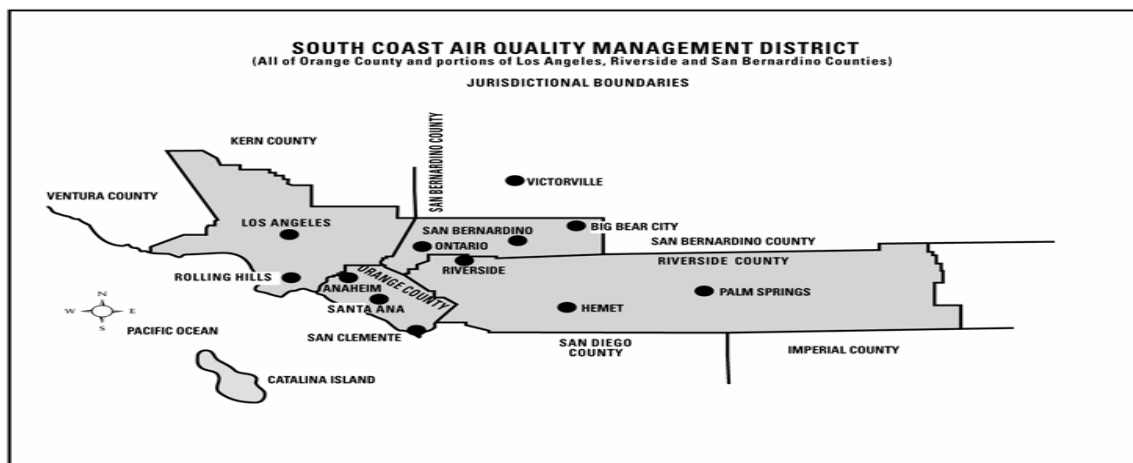
# SUMMARY

## Preface

This document represents the proposed FY 2018-19 Budget and Work Program of the South Coast Air Quality Management District (SCAQMD). The proposed budget is available for public review and comment during the month of April. A public consultation meeting is scheduled to discuss the proposed budget and proposed fees changes on April 10, 2018. In addition, a workshop for the Governing Board is scheduled on April 13, 2018. A final Proposed Budget and Work Program and Proposed Amended Regulation (PAR) III - Fees, which may include changes based on input from the public and Board, will be presented for adoption at a public hearing on May 4, 2018.

## Introduction

The South Coast Air Quality Management District (SCAQMD) began operation on February 1, 1977 as a regional governmental agency established by the California Legislature pursuant to the Lewis Air Quality Management Act. The SCAQMD encompasses all of Orange County and parts of Los Angeles, San Bernardino and Riverside Counties. It succeeded the Southern California Air Pollution Control District (APCD) and its predecessor four county APCDs, of which the Los Angeles County APCD was the oldest in the nation, having been formed in 1947. The SCAQMD Governing Board is composed of 13 members, including four members appointed by the Boards of Supervisors of the four counties in SCAQMD's jurisdiction, six members appointed by cities in the SCAQMD's jurisdiction and three members appointed by the Governor, the Speaker of the State Assembly and the Rules Committee of the State Senate, respectively. The members appointed by the Boards of Supervisors and cities consist of one member of the Board of Supervisors of Los Angeles, Orange, Riverside, and San Bernardino Counties, respectively, and a mayor or member of the city council of a city within Orange, Riverside, and San Bernardino Counties. Los Angeles County cities have three representatives, one each from the western and eastern portions and one member representing the City of Los Angeles.

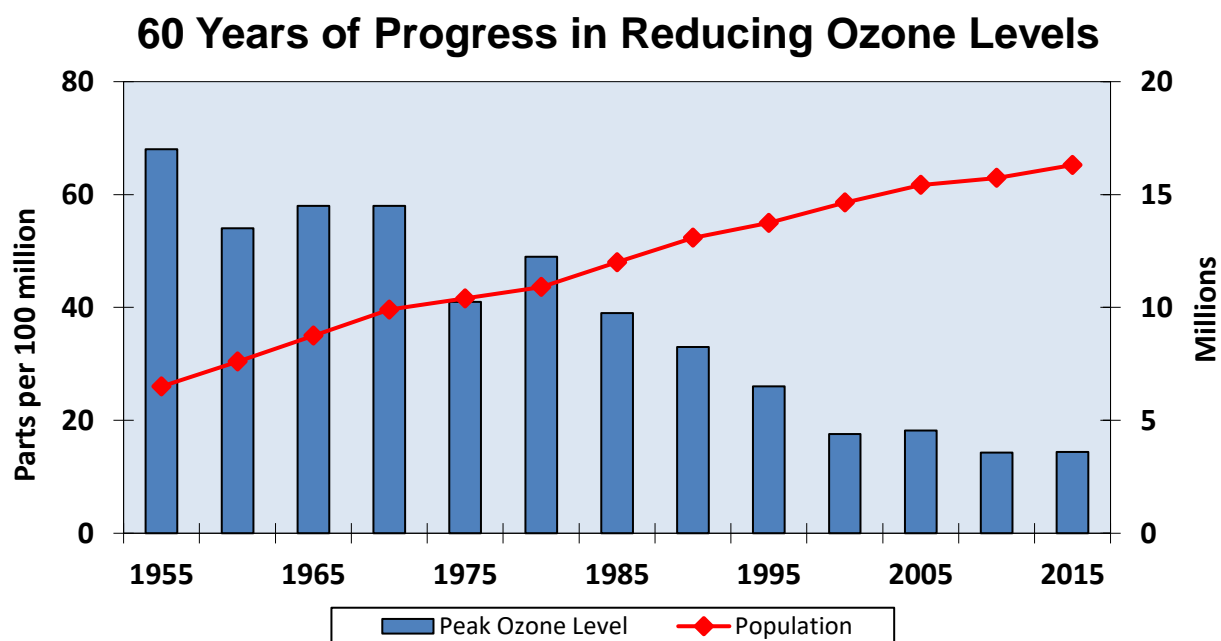


## Air Quality History

The South Coast Air Basin has suffered unhealthy air since its rapid population growth and industrialization during World War II. While air quality has improved, the residents of the Basin still breathe some of the most polluted air in the nation.

The 68-year history of the region's air pollution control efforts is, in many ways, one of the world's key environmental success stories. Peak ozone levels have been cut by almost three-fourths since air monitoring began in the 1950s. Population exposure was cut in half during the 1980s alone.

Since the late 1940s when the war on smog began to 2015, the region's population has more than tripled from 4.8 million to 17.0 million; the number of motor vehicles has increased almost six-fold from 2.3 million to 13.7 million; and the area has grown into one of the most prosperous regions of the world. This phenomenal economic growth illustrates that pollution control and strong economic growth can coincide.



## **Mission**

SCAQMD's mission is to clean the air and protect the health of all residents in the South Coast Air District through practical and innovative strategies.

This mission is pursued through a comprehensive program of planning, regulation, education, enforcement, compliance incentives, technical innovation and promoting public understanding of air quality issues. The SCAQMD has implemented a policy of working with regulated businesses to ensure their participation in making the rules which will impact them. This cooperative approach has resulted in greater business support of rulemaking efforts for air that is more healthful to breathe.

To carry out its mission, SCAQMD develops a set of Goals and Priority Objectives which are evaluated and revised annually and presented as part of the budget proposal. The following Proposed Goals have been identified as being critical to meeting SCAQMD's Mission for FY 2018-19:

- I. Achieve Clean Air Standards.
- II. Enhance Public Education and Equitable Treatment for All Communities.
- III. Operate Efficiently and Transparently.

These goals are the foundation for SCAQMD's Work Program categories. Each goal is supported by multiple activities, which target specific areas of program performance.

## **Air Quality**

### Overview

The four-county Southern California region, designated for air quality purposes as the South Coast Air Basin (Basin), has some of the highest air pollution levels in the United States. The federal government has designated seven pollutants that are pervasive enough across the nation to warrant federal health standards, called National Ambient Air Quality Standards (NAAQS). Known as "criteria pollutants," these are: ozone (O<sub>3</sub>); nitrogen dioxide (NO<sub>2</sub>); particulates (PM<sub>10</sub>); fine particulates (PM<sub>2.5</sub>); carbon monoxide (CO); lead (Pb); and sulfur dioxide (SO<sub>2</sub>).

In addition, the State of California through the California Air Resources Board (CARB) sets ambient air quality standards for these same pollutants. California's standards are in some cases tighter than the U.S. Environmental Protection Agency's (U.S. EPA) standards, reflecting the conclusion on CARB's part that some of the federal standards are not adequate to protect public health in this region. Toxic compounds also are a potential problem. More toxic pollution is emitted into the air in the Basin than in any other region in California. The Basin's large number of motor vehicles and small sources, including small businesses and households using ozone-forming consumer products and paints, compound the problem.

### Air Quality Trends

While our air quality continues to improve, the Basin remains one of the most unhealthful areas in the nation in terms of air quality. Ozone levels have fallen by more than three-quarters since peaks in the mid-1950s. U.S. EPA revised and strengthened the 8-hour ozone NAAQS, effective December 28, 2015, from concentrations exceeding 75 parts-per-billion (ppb) to concentrations exceeding 70 ppb. In 2017, the new 2015 8-hour ozone NAAQS was exceeded in the Basin on 145 days and the former 2008 ozone NAAQS was exceeded on 122 days based on preliminary data. The 2015 ozone NAAQS was exceeded in the Basin on 132 days in 2016 and 113 days in 2015. The increase in ozone exceedance days in 2016 and 2017 is largely attributed to enhanced photochemical ozone formation through the spring, summer and fall period due to persistent weather patterns that limited vertical mixing and warmed the lower atmosphere. Other potential factors are being assessed; for example, possible changes in relative emissions of VOC or NO<sub>x</sub>. While the ozone control strategy continued to reduce precursor emissions from sources in the Basin in 2017, ozone-forming emissions transported from several long-term, large wildfires in southern and central California in the summer may have also played a role in the increase of exceedance days. The maximum observed ozone levels also show some year-to-year variability, but have generally been decreasing over the years. The highest 8-hour ozone level in the preliminary 2017 data was 136 ppb, compared to 122 ppb in 2016 and 127 ppb in 2015.

PM<sub>2.5</sub> levels have decreased dramatically in the Basin since 1999; however, design value concentrations are still above the current annual 24-hour NAAQS. Effective March 18, 2013, U.S. EPA strengthened the annual average PM<sub>2.5</sub> standard from 15 µg/m<sup>3</sup> to 12 µg/m<sup>3</sup>, while retaining the 24-hour PM<sub>2.5</sub> NAAQS of 35 µg/m<sup>3</sup>. In 2017, the 24-hour PM<sub>2.5</sub> NAAQS was exceeded on 10 days at the highest station (Metropolitan Riverside County), based on preliminary filter data. In 2016, the same station exceeded the 24-hour NAAQS on only 6 days, the lowest on record, due to improving emissions and the influence of the increase in wintertime storm systems and improved ventilation in the Basin on many days in the winter months when the highest PM<sub>2.5</sub> concentrations typically occur. The PM<sub>2.5</sub> NAAQS was exceeded on seventeen days in 2015. Both the 2015 and 2017 PM<sub>2.5</sub> measurements were strongly influenced by the long-term effects of the drought in California and 2017 was also influenced by large fires in southern and central California. The Basin's peak annual average PM<sub>2.5</sub> level in 2017, 14.6 µg/m<sup>3</sup> (preliminary data) was a little lower than the 2016 value, 14.8 µg/m<sup>3</sup>, which occurred at the same site. In 2017, quarterly PM<sub>2.5</sub> averages for the fourth quarter were above normal for recent years, likely due to the impact of smoke transported from the series of wildfires that burned for several days in December. Out of the 29 wildfires across Southern California in December, six were very large fires, including the Thomas Fire which became the largest wildfire in modern California history.

In 2006, U.S. EPA rescinded the annual federal standard for PM<sub>10</sub> but retained the 24-hour standard. U.S. EPA re-designated the Basin as attainment of the health based standard for PM<sub>10</sub>, effective July 26, 2013. Ambient levels of PM<sub>10</sub> in the Basin have continued to meet the federal 24-hour PM<sub>10</sub> NAAQS through 2017.

In November 2008, U.S. EPA revised the lead NAAQS from a 1.5 µg/m<sup>3</sup> quarterly average to a rolling 3-month average of 0.15 µg/m<sup>3</sup> and added new near-source monitoring requirements. The Los Angeles County portion of the Basin has been designated non-attainment for lead due to monitored concentrations near one facility. However, starting with the 3-year 2012-2014 design value, the Basin has met the lead standard. A re-designation request to U.S. EPA is pending.

Nitrogen dioxide, sulfur dioxide, and carbon monoxide levels have improved in the Basin and are in full attainment of the NAAQS. In 2007, U.S. EPA formally re-designated the Basin to attainment of the carbon monoxide NAAQS. Maximum levels of carbon monoxide in the Basin have been consistently less than one-third of the federal standards since 2004. In 2010, U.S. EPA revised the NO<sub>2</sub> 1-hour standard to a level of 100 ppb and the SO<sub>2</sub> 1-hour standard to a level of 75 ppb. In 2017, all sites in the Basin remained in attainment of these NAAQS.

### Mandates

The SCAQMD is governed and directed by several state laws and a comprehensive federal law that provide the regulatory framework for air quality management in the Basin. These laws require SCAQMD to take prescribed steps to improve air quality.

Generally speaking, SCAQMD is responsible for stationary sources such as factories and businesses. CARB and U.S. EPA are primarily responsible for motor vehicles. SCAQMD and CARB share responsibilities with respect to area sources. SCAQMD and the Southern California Association of Governments (SCAG) share some responsibilities with CARB regarding certain aspects of mobile source emissions related to transportation and land use. Control of emissions from sources such as airports, harbors, and trains is shared by U.S. EPA, CARB and SCAQMD. Without adequate efforts by CARB and U.S. EPA to control emission sources under their sole authority, it is impossible for the region to reach federal clean air standards.

Under State law, SCAQMD must periodically develop and submit an Air Quality Management Plan (AQMP or Plan) to the State demonstrating how the region will achieve State and Federal ambient air quality standards, or at a minimum demonstrate that all feasible measures are being carried out to meet state air quality standards. Each iteration of the Plan is an update of the previous version. To date, the SCAQMD's Governing Board has adopted Plans demonstrating attainment in 1989, 1991, 1994, 1997, 1999 (amendments to the plan adopted in 1997), 2003, 2007 and 2012. The 2016 AQMP was approved in March 2017. Earlier plans in 1979 and 1982 did not show attainment and predicted continued unhealthy air well into this century. Revisions to the annual PM<sub>2.5</sub> NAAQS, adopted by U.S. EPA in 2012 to further protect public health, lead to the projected attainment of the new annual PM<sub>2.5</sub> NAAQS by 2025. The attainment deadline for the 2006 24-hour PM<sub>2.5</sub> NAAQS is 2019. The 2008 federal 8-hour ozone NAAQS has an attainment deadline of 2032. Attainment designations for the 2015 ozone NAAQS are expected to be finalized in 2018, with State Implementation Plan (SIP) attainment demonstrations likely due in 2021 or 2022. Attainment deadlines for the new ozone NAAQS are still pending, but for an extreme non-attainment area such as the Basin, the attainment deadline is 20 years from the effective date of the designation, or approximately 2038.

State Laws include:

- California Clean Air Act (AB 2595) requires air districts in California to adopt plans to expeditiously meet state ambient air quality standards. It mandates that SCAQMD's attainment plans meet several specific requirements including:
  - ◆ a 5% per year reduction in emissions (the plan can achieve less than 5% annual reduction if it includes every feasible measure and an expeditious adoption schedule);
  - ◆ Best Available Control Technology (BACT) for new and modified sources;
  - ◆ Best Available Retrofit Control Technology (BARCT) for existing sources.
- Lewis-Presley Air Quality Management Act (SB 151) which specifies additional, more stringent requirements for air quality plans in the Basin. It specifies that SCAQMD has responsibility to prepare the plan in conjunction with SCAG, who must prepare the portions of the plan relating to demographic projections, land use, and transportation programs.
- Air Toxics "Hot Spots" Information & Assessment Act (AB 2588) which requires facilities that emit significant quantities of pollutants to prepare health risk assessments describing the impact of toxic contaminants on neighboring areas. If SCAQMD determines that the toxic emissions create a significant risk, the public must be notified and facilities must reduce emissions to below significant levels.
- Tanner Air Toxics Process (AB 1807) which requires CARB to adopt air toxic control measures to limit emissions of toxic air contaminants from classes of industrial facilities. Local air districts are required to enforce these regulations or adopt equally or more stringent regulations of their own.
- Health & Safety Code §42705.5 which requires air districts to deploy a community air monitoring system in selected locations and Section 42706.5 which requires air districts to design, develop, install, operate and maintain refinery-related community air monitoring systems.

State law also includes the following measures:

- authorizes SCAQMD to adopt market incentives as long as the emitters achieve reductions equivalent to command-and-control regulations;
- requires SCAQMD to establish a program to encourage voluntary participation in projects to increase the use of clean-burning fuels;
- requires SCAQMD to adopt and enforce rules to ensure no net emission increases from stationary sources.

Under the Federal Clean Air Act, SCAQMD must develop and submit to CARB for review, followed by submittal to U.S. EPA, an element of the SIP demonstrating how the Basin will achieve the NAAQS. In the case of ozone, the Plan was required to be submitted by November 15, 1994 and for PM10 particulate matter, the Plan was required to be submitted by February 8, 1997. Plans for other pollutants were submitted in earlier years. In 1997, U.S. EPA adopted new NAAQS for PM2.5 and replaced the 1997 1-hour ozone NAAQS with a new standard based on an 8 hour average. The SIPs to attain these federal standards were submitted to U.S. EPA in November, 2007. The SIP to attain the current 2006 24-hour PM2.5 NAAQS was submitted in early 2013.



The SIP to attain the 2008 8-hour ozone standard was submitted in 2017 following the March 3, 2017 adoption of the 2016 AQMP by the SCAQMD Governing Board, and is currently under U.S. EPA review.

The Federal Clean Air Act mandates that sanctions be imposed on an area if a suitable Plan is not adopted and approved by U.S. EPA. These sanctions can include loss of key federal funds and more stringent requirements on new or expanding industries. Specific requirements for SCAQMD's AQMP include stringent requirements plus Lowest Achievable Emission Rate (LAER) and offsets for major new sources. Federal law also requires an operating permit program for major stationary sources, known as Title V, which must be supported by permit fees. In addition, air toxics regulations adopted by U.S. EPA pursuant to Title III must be implemented by SCAQMD.

### Air Quality Control

Developing solutions to the air quality problem involve highly technical processes and a variety of resources and efforts to meet the legal requirements of California and federal laws.

**Monitoring:** The first step in air quality control is to determine the smog problem by measuring air pollution levels. SCAQMD currently operates 43 monitoring stations in the South Coast Air Basin and a portion of the Salton Sea Air Basin in Coachella Valley. These range from fully equipped stations that measure levels of all criteria pollutants, as well as some air toxic pollutant levels, to those which measure a specific pollutant in critical areas. These measurements provide the basis of our knowledge about the nature of the air pollution problem and the data for planning and compliance efforts to address the problem.

**Pollution Sources:** The SCAQMD, in cooperation with CARB and SCAG, estimates the sources of emissions causing the air pollution problem. Nature itself causes a portion of the emissions and must be considered. In general, SCAQMD estimates stationary and natural sources of emissions, SCAG develops the information necessary to estimate population and traffic, and CARB develops the information necessary to estimate mobile and area source emissions using the SCAG traffic data. This data is then consolidated in the AQMP for use in developing the necessary control strategies.

**Air Quality Modeling:** Using air quality, meteorological and emissions models, SCAQMD planners simulate air pollution to demonstrate attainment of the air quality standards and the impacts of sources to local and regional air quality. Due to the nature of air pollution, air quality models can be very complex. Some pollutants are not emitted directly into the air but are products of photochemical reactions in the atmosphere. For example, VOCs mix with nitrogen dioxide (NO<sub>2</sub>) and react in sunlight to form ozone; similarly, nitrogen oxide gases from tailpipes and smokestacks can be transformed into nitrates or particulates (PM<sub>2.5</sub> and PM<sub>10</sub>). The planners thus must take into account transport, land use characteristics and chemical reactions of emissions in the atmosphere to evaluate air quality impacts. Using model output, planners can look at different control scenarios to determine the best strategies to reduce air pollution for the lowest cost.

The considerable data required for these analyses is collected on an ongoing basis by SCAQMD staff. Modeling data is prepared and delivered using a geographic information system (GIS). GIS capability is used to prepare and produce data and spatial analysis maps for various needs by SCAQMD including rulemaking and California Environmental Quality Act (CEQA) document development.

**Planning:** With emissions data and an air quality model in place, planners can develop possible control strategies and scenarios. SCAQMD focuses most of its effort on stationary source controls. As mentioned earlier, strategies to reduce vehicle miles traveled (VMT) are developed primarily by SCAG, while mobile source control standards are developed primarily by CARB.

Once a plan of emission controls to achieve the NAAQS is outlined, SCAQMD is required to hold multiple public meetings to present the proposed control strategies and receive public input. SCAQMD also conducts a socioeconomic analysis of the strategies. SCAQMD maintains an ongoing and independent advisory group of outside experts for both its air quality modeling and socioeconomic assessment methodologies.

To meet federal air quality standards, the AQMPs and SIP submittals, including the 2016 AQMP, called for significant emissions reductions from projected baseline emissions in order to meet the NAAQS by the federal attainment deadlines (2019 for the 2006 24-hour PM<sub>2.5</sub> NAAQS, 2025 for the 2012 annual PM<sub>2.5</sub> NAAQS, 2023 for the 1979 1-hour ozone NAAQS, 2024 for the 1997 8-hour ozone NAAQS, and 2032 for the 2008 8-hour ozone NAAQS). These combined reductions, while meeting most NAAQS, will still not result in attainment of all California State ambient air quality standards or the revised 2015 8-hour ozone NAAQS. The 2012 AQMP addressed the 24-hour PM<sub>2.5</sub> NAAQS. The 2016 AQMP addresses the 2008 8-hour ozone NAAQS and the 2012 annual PM<sub>2.5</sub> NAAQS, and demonstrates compliance with the requirements for being a “serious” non-attainment area for the 24-hour PM<sub>2.5</sub> NAAQS requirements. SCAQMD will continue to improve the emissions inventories and modeling techniques in order to address the 2015 8-hour NAAQS for the next AQMP revision which has an anticipated adoption in the 2021 or 2022 timeframe.

**Rulemaking:** The regulatory process, known as rulemaking, takes the concepts of control measures outlined in the AQMP and turns them into proposed rule language. This process involves the following: extensive research on technology; site inspections of affected industries to determine feasibility; typically a year or more of public task force and workshop meetings; in-depth analyses of environmental, social and economic impacts; and thorough review with appropriate Governing Board Committees.

This extensive process of public and policymaker participation encourages consensus in development of rule requirements so that affected sources have an opportunity for input into the rules that will regulate their operations. Once the requirements are developed, the proposed rule, along with an Environmental Assessment and a socioeconomic report, is presented to SCAQMD’s Governing Board at a public hearing. Public testimony is presented and considered by the Board before any rule is adopted. The adopted or amended rules are then submitted to

CARB and U.S. EPA for their approval. It is not uncommon for rulemaking to include follow-up implementation studies. These studies may extend one or more years past rule adoption/amendment and prior to rule implementation. Such studies are typically submitted to the Governing Board or appropriate Governing Board Committee.

**Enforcement and Education:** SCAQMD issues permits to construct and operate equipment to companies to ensure equipment is operated in compliance with adopted rules. Follow-up inspections are made to ensure that equipment is being operated under permit conditions.

**Technical Innovation:** In the late 1980s, SCAQMD recognized that technological innovation, as well as rule enforcement, would be necessary to achieve clean air standards. Thus the Technology Advancement Office was created to look for and encourage technical innovation to reduce emissions. The California State Legislature supported this effort by providing a \$1 surcharge on every DMV registration fee paid within the Basin. These funds have been matched at a ratio of approximately three-to-one with funds from the private sector to develop new technologies such as low-emission vehicles, low-NO<sub>x</sub> burners for boilers and water heaters, zero-pollution paints and solvents, fuel cells and other innovations.

An additional \$4 vehicle registration fee was authorized by the state legislature in 1990. These fees are administered through SCAQMD with \$1.20 going to SCAQMD for mobile source emissions reductions, \$1.60 subvented directly to cities and counties to support their air quality programs, and \$1.20 to the Mobile Source Air Pollution Reduction Review Committee (MSRC). The MSRC is an outside panel established by state law whose function is to make the decisions on the actual projects to be funded from that portion of the revenue.

**Public Education:** SCAQMD's efforts to clean up the air will be successful only to the extent that the public understands air quality issues and supports and participates in cleanup effort. Thus, SCAQMD strives to involve and inform the public through the Legislative and Public Affairs/Media Office, public meetings, publications, the press, public service announcements, and social media.

## **Budget Synopsis**

The SCAQMD's annual budget is adopted for the General Fund for a fiscal year that runs from July 1 through June 30. The period covered by the FY 2018-19 budget is from July 1, 2018 to June 30, 2019. The General Fund budget is the agency's operating budget and is structured by Office and account. The accounts are categorized into three Major Objects: Salaries and Employee Benefits, Services and Supplies, and Capital Outlays. The budget is supplemented with a Work Program containing nine program categories which estimate staff resources and expenditures along program and activity lines. Each category consists of a number of Work Programs, or activities. A Work Program Output Justification form is completed for each Work Program which identifies performance goals, measureable outputs, legal mandates, activity changes and revenue categories.

The annual expenditure and revenue budget for the General Fund is adopted on a modified accrual basis. All annual expenditure appropriations lapse at fiscal year-end if they have not been expended or encumbered. Throughout the year, budget amendments may be necessary to accommodate additional revenues and expenditure needs. Any amendments due to budget increases or transfers between expenditure accounts in different Major Objects must be approved by SCAQMD's Governing Board. They are submitted to the Governing Board for approval at a monthly Board meeting in the format of a board letter which documents the need for the request and the source of funding for the expenditure. Budget amendments resulting from transfers between expenditure accounts within the same Major Object are approved at the Office level.

SCAQMD does not adopt annual budgets for its Special Revenue Funds. Special Revenue Funds are used to record transactions applicable to specific revenue sources that are legally restricted for specific purposes. All transactions in Special Revenue Funds are approved by the Governing Board on an as-needed basis.

#### Budget Process

The SCAQMD budget process begins with the Assistant Deputy Executive Officer (ADEO) of Finance issuing instructions and guidelines to the Offices. Under the guidance of the Executive Officer, the Chief Operating Officer and the ADEO of Finance, the Offices also begin establishing Goals and Priority Objectives for the fiscal year. The proposed annual budget and multi-year forecast is then developed by the Offices, Finance, Executive Council, Chief Operating Officer and the Executive Officer based on the Goals and Priority Objectives as well as guidelines issued by the Executive Officer. Each Office submits requests for staffing, select Salary accounts, Services and Supplies accounts, and the Capital Outlays account. The remaining salary and benefit costs are developed by Finance. Capital expenditure requests are reviewed by an in-house committee who prioritizes the requests. Revenue projections are developed by Finance based on input received from the appropriate Offices and incorporate any proposed changes to Regulation III - Fees. This information is integrated into an initial budget request, including a multi-year forecast, and then fine-tuned under the direction of the Chief Operating Officer and the Executive Officer to arrive at a proposed budget. The public, business community, and other stakeholders have several opportunities to participate in the budget process, up to and at the budget adoption hearing by the Governing Board, including:

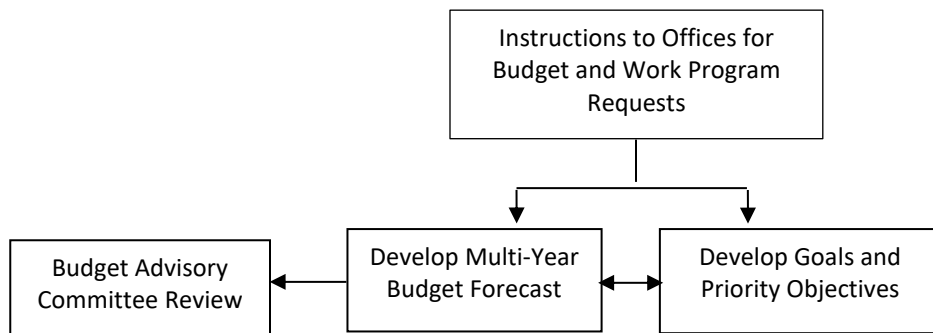
- two meetings of the Budget Advisory Committee whose members include various stakeholder representatives
- a public consultation meeting to discuss the proposed budget and proposed amendments to Regulation III - Fees
- a public hearing on the Proposed Budget and Work Program and Proposed Amended Regulation (PAR) III – Fees

The proposed budget is presented to SCAQMD's Governing Board at a budget workshop and to SCAQMD's Administrative Committee. Any public comments and Budget Advisory Committee recommendations are submitted to the Governing Board by April 15 of each year. The proposed

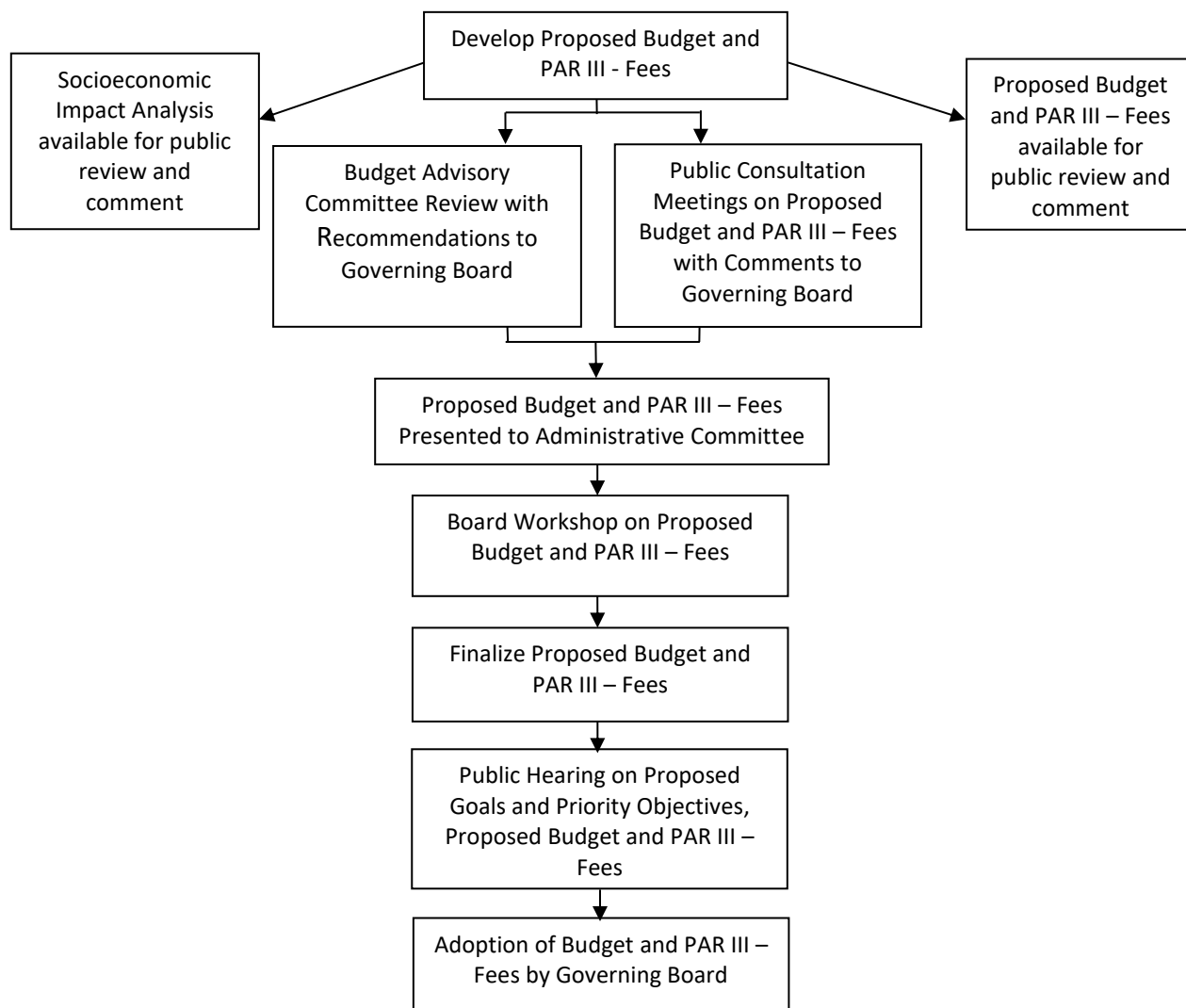
budget, including Regulation III - Fees, is adopted by the Governing Board and is in place on July 1 for the start of the new fiscal year.

The following flow charts represent the major milestones and processes that take place in developing SCAQMD's budget:

#### Preliminary Budget Process



#### Annual Budget Process



<b>Budget Timeline</b>	
Budget packages distributed to Offices	Nov 29, 2017
Budget submissions received from Offices	Jan 19, 2018
Budget Advisory Committee meeting	Jan 19, 2018
Proposed budget available for public review	April 3, 2018
Budget Advisory Committee meeting on proposed budget and PAR III – Fees	April 6, 2018
Public Consultation Meetings on proposed budget and PAR III - Fees	April 10, 2018
Public comments and Budget Advisory Committee recommendations submitted to Governing Board	April 13, 2018
Proposed budget and PAR III – Fees presented to Administrative Committee	April 13, 2018
Governing Board Budget Workshop	April 13, 2018
Public Hearing & Governing Board adoption of budget and PAR III – Fees	May 4, 2018

## **Proposed Budget & Work Program**

### Budget Overview

The budget for FY 2018-19 proposes expenditures of \$164.7 million and revenues of \$161.1 million, using prior year revenues of \$3.6M to supplement FY 2018-19 projected revenues. To compare against prior years, the following table shows SCAQMD's amended budget and actual expenditures for FY 2016-17, adopted and amended budgets for FY 2017-18 and proposed budget for FY 2018-19.

<b>Description</b>	<b>FY 2016-17 Amended</b>	<b>FY 2016-17 Actual</b>	<b>FY 2017-18 Adopted</b>	<b>FY 2017-18 Amended<sup>1</sup></b>	<b>FY 2018-19 Proposed</b>
Staffing	815	-	825.25	872	876.4
Revenue/Transfers In	\$144.2	\$148.9	\$147.0	\$157.7	\$162.6
Program Costs/Transfers Out	\$151.5	\$142.1	\$149.9	\$162.4	\$166.2

<sup>1</sup> Includes Board approved changes through March 2018

The FY 2018-19 proposed budget reflects an increase of \$3.8 million in expenditures from the FY 2017-18 amended budget and an increase of \$16.3 million in expenditures from the budget adopted for FY 2017-18. The increase in expenditures from the FY 2017-18 adopted budget can be attributed to increases in retirement costs, salaries associated with 52 new positions under the AB 617 Community Air Protection Program, the AB 134 Program, Rule 1180, and recently approved labor agreements. The FY 2018-19 proposed budget includes 876.4 positions, a net increase of 4.4 over the FY 2017-18 amended budget. Changes in the FY 2018-19 proposed budget include the addition of five position for Rule 1180, the deletion of one vacant Investigations Manager position, and the addition of 0.4 FTE to provide five months of critical overlap and service continuity before an Assistant Deputy Executive Officer in Science & Technology Advancement retires.

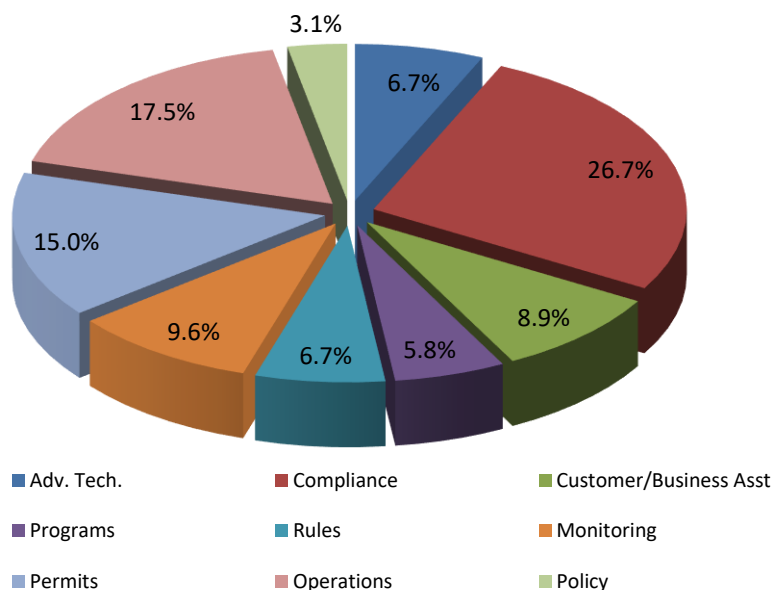
## Expenditures

### Work Program

SCAQMD expenditures are organized into nine Work Program Categories: Advance Clean Air Technology; Ensure Compliance with Clean Air Rules; Customer Service and Business Assistance; Develop Programs to Achieve Clean Air; Develop Rules to Achieve Clean Air; Monitoring Air Quality; Operational Support; Timely Review of Permits; and Policy Support. Each category consists of a number of Work Programs, or activities, which are classified according to the nature of the activity being performed.

Each Work Program ties to the goals and objectives of the agency and identifies resources, performance measures/outputs and legal mandates. A complete description of each program category along with a detailed work program sort by program is included in the Goals and Priority Objectives and Work Program section. The pie chart that follows represents the budgeted expenditures by Program Category for FY 2018-19.

**Work Program Category Expenditures**



The following table compares SCAQMD Work Program expenditures by category for the FY 2017-18 adopted budget and FY 2018-19 proposed budget.

<b>Work Program Categories</b>	<b>FY 2017-18 Adopted Budget</b>	<b>FY 2018-19 Proposed Budget</b>
Advance Clean Air Technology	\$ 8,661,899	\$ 11,112,443
Ensure Compliance with Clean Air Rules	42,802,490	44,380,133
Customer Service and Business Assistance	13,437,515	14,837,517
Develop Programs to Achieve Clean Air	10,184,322	9,561,292
Develop Rules to Achieve Clean Air	7,354,657	11,150,929
Monitoring Air Quality	11,398,567	15,938,710
Operational Support	26,747,503	29,135,356
Timely Review of Permits	24,151,356	25,012,502
Policy Support	5,140,597	5,113,995
<b>Total</b>	<b>\$ 149,878,906</b>	<b>\$ 166,242,877</b>

#### Account Categories

The following table compares the FY 2017-18 adopted budget and the FY 2017-18 amended budget to the proposed budget for FY 2018-19 by account category. The FY 2017-18 amended budget includes the Board-approved mid-year adjustments through March 2018.

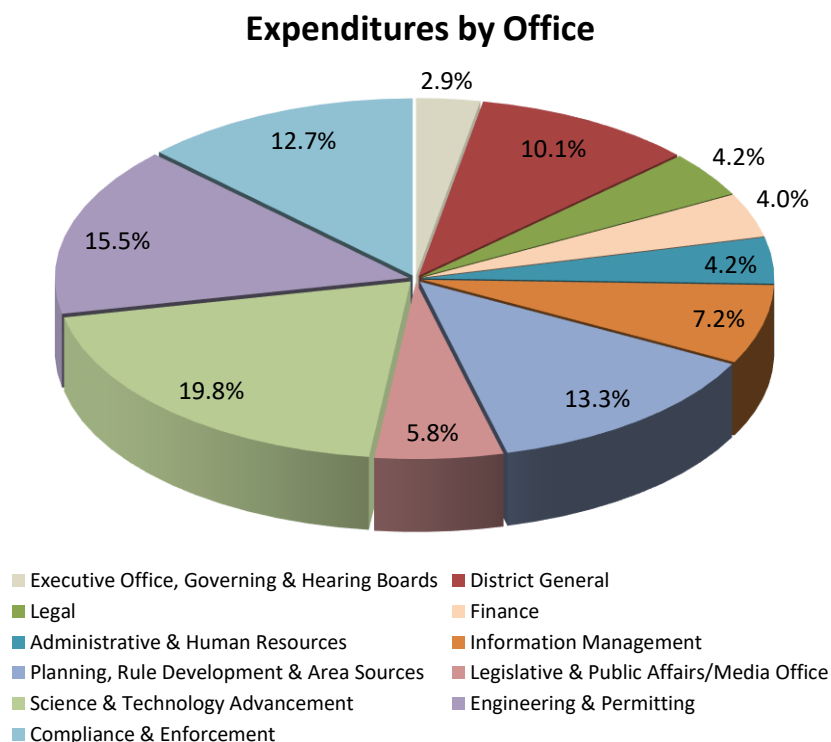
<b>Account Description</b>	<b>FY 2017-18 Adopted Budget</b>	<b>FY 2017-18 Amended Budget</b>	<b>FY 2018-19 Proposed Budget</b>
Salaries/Benefits	\$ 119,860,494	\$ 123,246,774	\$ 134,257,596
Insurance	1,317,400	1,357,400	1,317,400
Rents	498,154	576,560	761,071
Supplies	2,777,621	3,535,097	2,973,259
Contracts and Services	10,515,792	12,705,579	10,907,242
Maintenance	1,687,193	2,048,982	2,367,143
Travel/Auto Expense	864,520	998,005	940,445
Utilities	2,213,288	2,098,540	2,213,288
Communications	702,000	740,480	717,800
Capital Outlays	1,950,717	7,506,651	2,210,800
Other	1,302,213	1,441,444	1,386,433
Debt Service	6,189,514	6,189,514	6,190,400
<b>Total</b>	<b>\$ 149,878,906</b>	<b>\$ 162,445,026</b>	<b>\$ 166,242,877</b>



As mentioned previously, the proposed budget for FY 2018-19 represents an approximately \$3.8 million increase in expenditures from the FY 2017-18 amended budget. The FY 2017-18 amended budget includes mid-year increases associated with the following: the purchase of air monitoring and laboratory analysis instruments, field platforms, optical gas imaging cameras, and toxic vapor analyzers for toxics activities; updates to the web-based Flare Event Notification system; the development of the online permitting modules; consultant services for SCAQMD environmental justice outreach and initiatives; upgrades to the laboratory PM weighing room; consultant services for specialized legal counsel; the purchase of services and supplies for the fifth Multiple Air Toxics Exposure Study (MATES V); staff, capital outlay expenditures and contractual services for the Community Air Protection Program under AB 617; staff for the AB 134 Program; and grant-related expenditures offset by revenue.

### Office Categories

The following pie chart represents budgeted expenditures by Office for FY 2018-19.

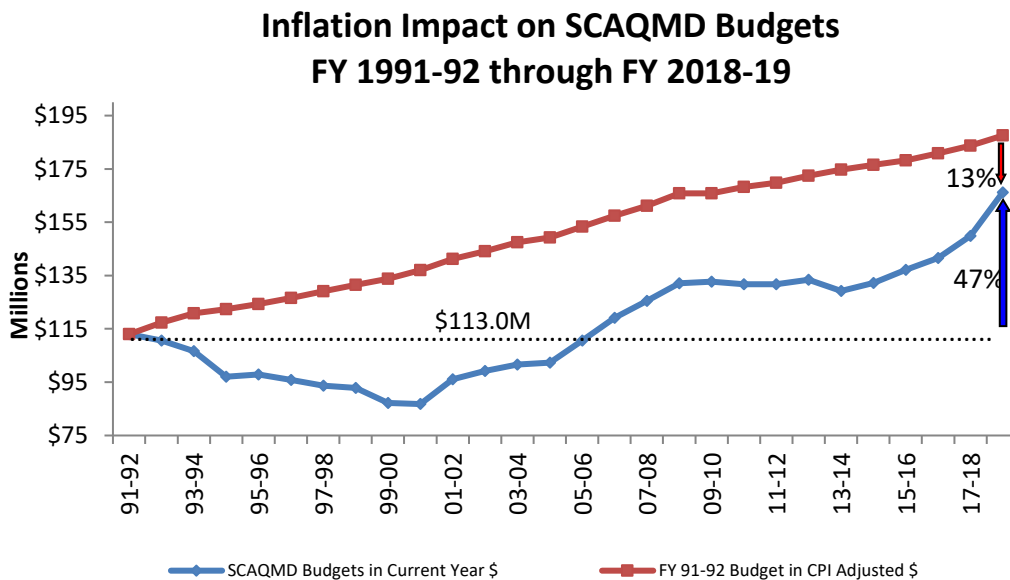
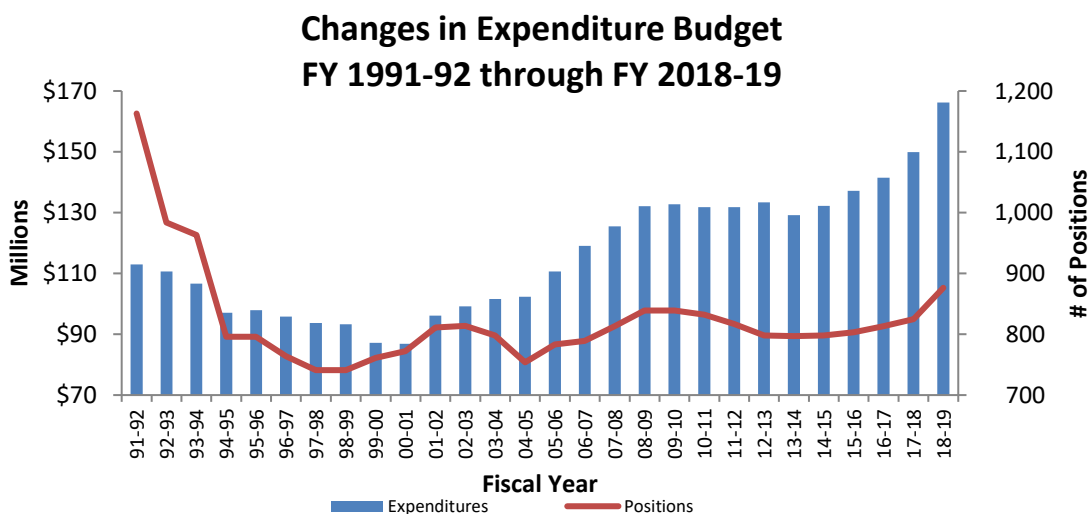


### Budget Strategy

Over the years, SCAQMD has focused on streamlining many of its operations while still meeting its program commitments despite new federal and state mandates and increased workload complexity. The focus has been on reducing expenditures in the Major Object of Services and Supplies and maximizing the efficient use of staff resources to enable select vacant positions to remain vacant, be deleted or be unfunded. The budgeted vacancy rate is reviewed and adjusted

if necessary as part of the annual budget process. These efforts have resulted in reduced program costs and is reflected in the following charts showing SCAQMD's staffing and budget levels starting in FY 1991-92 when staffing was at 1,163 FTEs. The proposed budget for FY 2018-19 reflects a staffing level of 876.4 FTEs. This staffing level is 25% (286.6 FTEs) below the FY 1991-92 level.

The FY 2018-19 proposed budget is 47% higher when compared to the FY 1991-92 adopted budget of \$113 million. However, after adjusting the FY 1991-92 adopted budget for CPI over the last 26 years, the FY 18-19 proposal is 13% lower.



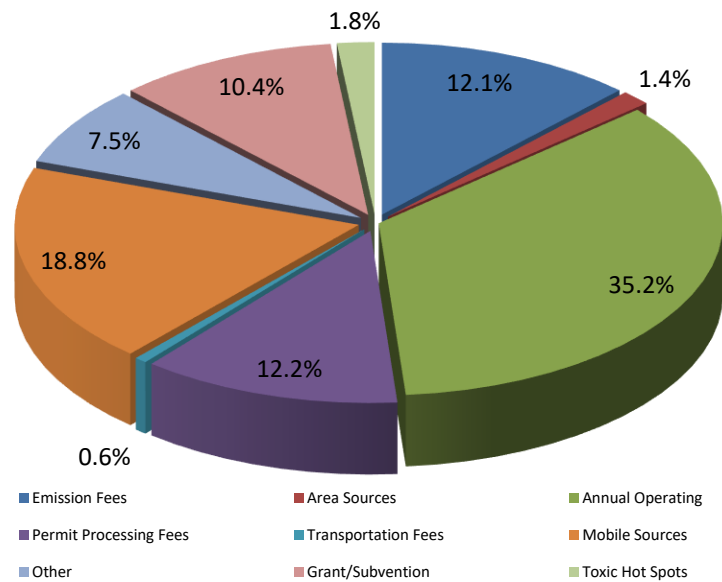
CPI adjustment based on California Consumer Price Index for the preceding Calendar Year

## Revenues

### Revenue Categories

Each year, in order to meet its financial needs, the SCAQMD Governing Board adopts a budget supported by a system of annual operating and emission fees, permit processing fees, toxic “hot spots” fees, area sources fees, source test/analysis fees, and transportation plan fees. In FY 2018-19, these fees are projected to generate approximately \$103.7 million or about 64% of SCAQMD revenues; of this \$103.7 million, \$96.9 million or 60% of SCAQMD’s revenues are from stationary sources. Other sources, which include penalties/settlements, Hearing Board fees, interest, and miscellaneous income, are projected to generate approximately 7% of total revenues in FY 2018-19. The remaining 29% of revenue is projected to be received in the form of federal and state grants, California Air Resource Board (CARB) subvention, and California Clean Air Act motor vehicle fees. Beginning in Fiscal Year 1978-79 Budget, the SCAQMD became a fee supported agency no longer receiving financial support from property taxes. The FY 2018-19 proposed revenue budget includes a proposed CPI fee adjustment of 3.4% and the second year of the June 2017 Board approved additional fee adjustment to permit processing fees and annual operating permit renewal fees of 10.67% for Title V facilities and 4% for non-Title V facilities in order to better align program costs with revenue.

### Revenues by Major Category



The following table compares the FY 2017-18 adopted revenue budget and the FY 2017-18 amended revenue budget to the proposed revenue budget for FY 2018-19. The FY 2017-18 amended revenue budget includes Board-approved mid-year changes through March 2018.

<b>Revenue Description</b>	<b>FY 2017-18 Adopted Budget</b>	<b>FY 2017-18 Amended Budget</b>	<b>FY 2018-19 Proposed Budget</b>
Annual Operating Emission Fees	\$ 19,480,550	\$ 19,480,550	\$ 19,729,280
Annual Operating Permit Renewal Fees	53,078,320	53,078,320	57,270,930
Permit Processing Fees	19,595,150	19,595,150	19,856,640
Portable Equipment Registration Program	1,200,000	1,200,000	1,200,000
Area Sources	2,152,500	2,152,500	2,274,800
Grants/Subvention	10,397,650	18,337,872	16,888,530
Mobile Sources	28,199,250	28,199,250	30,625,320
Transportation Programs	861,360	861,360	951,280
Toxic Hot Spots	2,488,380	2,488,380	2,849,590
Other <sup>1</sup>	7,471,470	7,493,484	9,700,141
Transfers In	2,072,190	4,851,074	1,284,590
<b>Total</b>	<b>\$ 146,996,820</b>	<b>\$ 157,737,940</b>	<b>\$ 162,631,101</b>
<sup>1</sup> Includes revenues from Interest, Lease Income, Source Testing, Hearing Board, Penalties/Settlements, Subscriptions, and Other.			

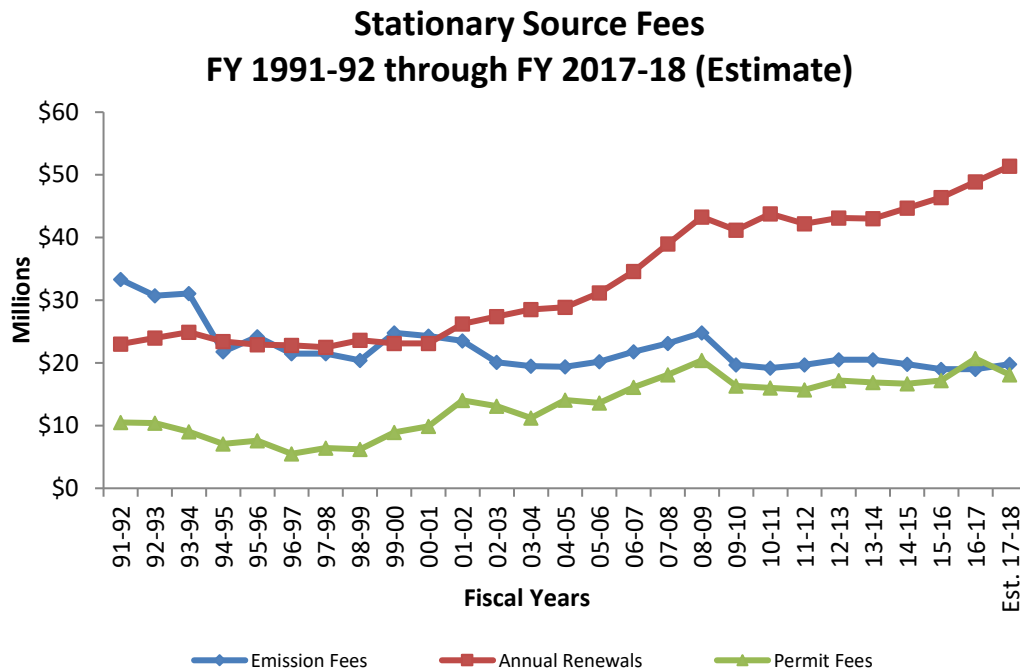
Over the past two decades, total permit fees (including permit processing, annual operating permit, and annual emissions-based fees) collected from stationary sources has increased by about 34% from \$66.8 million in FY 1991-92 to \$89.3 million (estimated) in FY 2017-18. When adjusted for inflation however, stationary source revenues have decreased by 22% over this same period.

Mobile source revenues that are subvended to the SCAQMD by the Department of Motor Vehicles (DMV) are projected to increase slightly from the FY 2017-18 budgeted amounts based on vehicle registration information from the DMV and recent revenue received. In addition, this category reflects reimbursements of incentive programs (Clean Fuels, Carl Moyer, and Prop 1B) whose contract activities and revenues are recorded in special revenue funds (outside the General Fund). These incentive program costs incurred by the General Fund are reimbursed to the General Fund from the various special revenue funds (subject to any administrative caps) and are reflected under the Mobile Source revenue category.

Revenues from the federal government, (Environmental Protection Agency, Department of Homeland Security, and Department of Energy) are projected to decrease in FY 2018-19 from FY 2017-18 budgeted levels reflecting the anticipated level of federal funding from one-time and on-going grants in support of air quality efforts. State Subvention funding is expected to remain

at the current level (reduced approximately 35% from FY 2001-02) for FY 2018-19. In addition, funding from CARB for the AB 617 Community Air Protection Program is included.

The following graph tracks actual stationary source revenues by type of fee from FY 1991-92 (when CPI limits were placed on SCAQMD fee authority) to estimated revenues for FY 2017-18.



## Debt Structure

### Pension Obligation Bonds

These bonds were issued jointly by the County of San Bernardino and the SCAQMD in December 1995. In June 2004 the SCAQMD went out separately and issued pension obligation bonds to refinance its respective obligation to the San Bernardino County Employee's Retirement Association (SBCERA) for certain amounts arising as a result of retirement benefits accruing to members of the Association.

The annual payment requirements under these bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2019	\$3,553,110	\$3,637,290	\$7,190,400
2020	3,686,640	3,503,982	7,190,622
2021	3,840,443	3,353,106	7,193,549
2022	4,006,881	3,186,361	7,193,242
2023-2024	7,790,000	467,633	8,257,633
Total	\$ 22,877,074	\$ 14,148,372	\$ 37,025,446

## Fund Balance

The SCAQMD is projecting an Unreserved (Unassigned) Fund Balance for June 30, 2019 of \$33,327,540 in addition to the following Reserved and Unreserved Designated Fund Balances for FY 2018-19.

Classification	Reserves/Unreserved Designations	Amount
Committed	Reserve for Encumbrances	\$ 8,440,000
Nonspendable	Reserve for Inventory of Supplies	80,000
	Unreserved Designations:	
Assigned	For Enhanced Compliance Activities	883,018
Assigned	For Other Post Employment Benefit (OPEB) Obligations	2,952,496
Assigned	For Permit Streamlining	1,313,385
Assigned	For Self-Insurance	2,000,000
Assigned	For Unemployment Claims	80,000
Total Reserved & Unreserved Designations		\$ 15,748,899

Reserves are portions of the fund balance set aside for future use and are therefore not available for appropriation. These funds are made-up of encumbrances which represent the estimated amount of current and prior years' purchase orders and contract commitments at year-end and inventory which represents the value at cost of office, computer, cleaning and laboratory supplies on hand at year-end.

Unreserved Designations in the fund balance indicate plans for use of financial resources in future years. The Designation for Enhanced Compliance Activities provides funding for inspection/compliance efforts. The Designation for Other Post Employment Benefit Obligations (OPEB) provides funding to cover the current actuarial valuation of the inherited OPEB obligation for long-term healthcare costs from the County of Los Angeles resulting from the consolidation of the four county Air Pollution Control Districts (APCDs). The Designation for Permit Streamlining was established to fund program enhancements to increase permitting efficiency and customer service. The SCAQMD is self-insured for general liability, workers' compensation, automobile liability, premises liability, and unemployment.

## Long-Term Projection

The SCAQMD continues to face a number of challenges in the upcoming years, including continued higher operating costs, growing program commitments and the need for major information technology and building infrastructure improvement projects while meeting air quality goals and permit processing targets. A primary uncertainty continues to be the degree of fluctuations the financial markets will take over the next few years which will determine the

performance of SCAQMD's retirement investments and could impact pension liability. In addition, any future actions SBCERA may take such as lowering their investment return assumptions could significantly impact retirement costs and pension liability for the District. Another uncertainty is any legislative action that may impact the level of federal and state funding from grant awards and subvention funds. Cost recovery within the constraints of Proposition 26 is an additional uncertainty as SCAQMD strives to balance program operating expenses with revenues collected from fees.

In order to face these challenges, SCAQMD has a five year plan in place that provides for critical infrastructure improvement projects, maintains a stable vacancy rate in order to maximize cost efficiency, better aligns program revenues with costs, and strives to keep the percentage of unreserved fund balance to revenue within the Governing Board policy of 20%.

The following chart, outlining SCAQMD's financial projection over this time period, shows the agency's commitment to meet these challenges and uncertainties while protecting the health of the residents within the SCAQMD boundaries and remaining sensitive to business. Starting in FY 2022-23, SCAQMD will realize a \$3.1M savings in Pension Obligation Bond payments.

<b>Fiscal 2017-18 Estimate and Five Year Projection</b> <b>(\$ in Millions)</b>						
	<b>FY 17-18 Estimate</b>	<b>FY 18-19 Proposed</b>	<b>FY 19-20 Projected</b>	<b>FY 20-21 Projected</b>	<b>FY 21-22 Projected</b>	<b>FY 22-23 Projected</b>
STAFFING		876.4	886	886	886	886
REVENUES/TRANSFERS IN*	\$150.4	\$162.6	\$167.6	\$167.2	\$166.1	\$168.0
EXPENDITURES/TRANSFERS OUT	\$151.3	\$166.2	\$174.6	\$173.8	\$172.1	\$168.4
Change in Fund Balance	-\$0.9	-\$3.6	-\$7.0	-\$6.6	-\$6.0	-\$0.4
UNRESERVED FUND BALANCE (at year-end)	\$44.2	\$40.6	\$33.6	\$27.0	\$21.0	\$20.6
% of REVENUE	29%	25%	20%	16%	13%	12%
*Includes projected CPI fee increase of 3.4% for FY 2018-19 and the 2017 Board approved second year of an additional 10.67% for Title V annual operating permit renewal and permit processing fees and an additional 4% for non-Title V annual operating permit renewal and permit processing fees; a CPI of 3.0% for FY 2019-20 and the 2017 Board approved 3 <sup>rd</sup> year of an additional 10.66% for Title V annual operating permit renewal and permit processing fees; a CPI of 2.9% for FY 2020-21 and FY 2021-22 and a CPI of 2.8% for FY 2022-23.						

As part of the Five Year Projection, SCAQMD has identified projected building maintenance and capital outlay improvement projects for its headquarters building. These projects are outlined in the following chart. In addition, the Infrastructure Improvement Special Revenue Fund was created with unanticipated one-time revenues from the General Fund for some of the capital outlay building-related improvement projects. The projects proposed from the Infrastructure

Improvement Fund include upgrading the Energy Management System and funding a portion of the air handler fan wall retrofit project.

<b>GENERAL FUND POTENTIAL BUILDING MAINTENANCE and CAPITAL OUTLAY PROJECTS FY 2018-19 through 2022-23</b>
Atrium and Building Expansion Joint Waterproofing
Repair and Reseal Parking Lot
Replace Liebert AC Units - Computer Room (6)
Replace Gaylord Air Scrubbers (2) - Cafeteria
Replace Air Handler Fan Walls
Replace Aging Kitchen Equipment
Covert Pneumatic Controls to Direct Digital Controls
Repair Concrete on Sidewalks and Curbs
Replace Vinyl Wall Covering
Refurbish Restroom and Copy/Coffee Room Sinks and Counter Tops
Repaint Building Interior
Refurbish/Replace Restroom Side Panels
Renovate Child Care Playground
Modernize Elevator Equipment
Upgrade Lighting Controls
Replace & Renovate Landscape/Irrigation
Convert Fluorescent Office Lighting to LED
Rebuild/Recompact Patio Area
Replace Roof - Child Care Center
Upgrade Electric Vehicle Charger and Support System
Convert Parking Lot and Building Lighting to LED
Repaint and Wallpaper Conference Center
Recoat Roofing Surface - District Headquarters
Paint and Wallpaper Conference Center
Replace VCT Tiles (Various Areas)
Renovate Third Floor North
Clean and Recoat Facility Roof Membrane



SUMMARY OF FISCAL YEAR 2018-19 PROPOSED BUDGET				
	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget <sup>1</sup>	FY 2017-18 Estimate <sup>2</sup>	FY 2018-19 Proposed
<b>Funding Sources</b>				
Revenue	\$ 144,924,630	\$ 152,886,866	\$ 149,535,283	\$ 161,346,511
Transfers-In	2,072,190	4,851,074	873,773	1,284,590
Total Funding Sources	\$ 146,996,820	\$ 157,737,940	\$ 150,409,056	\$ 162,631,101
<b>Funding Uses</b>				
Salaries & Employee Benefits	\$ 119,860,494	\$ 123,246,774	\$ 115,034,978	\$ 134,257,596
Services & Supplies	28,067,695	31,691,601	29,238,848	29,774,481
Capital Outlays	1,950,717	7,506,651	6,754,214	2,210,800
Transfers-Out	-	-	250,000	-
Total Funding Uses	\$ 149,878,906	\$ 162,445,026	\$ 151,278,040	\$ 166,242,877

Fund Balances - Reserves & Unreserved Designations	Classification	Projected June 30, 2018	Projected June 30, 2019
Reserve for Encumbrances	Committed	\$ 8,405,000	\$ 8,440,000
Reserve for Inventory of Supplies	Nonspendable	80,000	80,000
Designated for Enhanced Compliance Activities	Assigned	883,018	883,018
Designated for Other Post Employment Benefit (OPEB) Obligations	Assigned	2,952,496	2,952,496
Designated for Permit Streamlining	Assigned	1,313,385	1,313,385
Designated for Self-Insurance	Assigned	2,000,000	2,000,000
Designated for Unemployment Claims	Assigned	80,000	80,000
Total Reserves & Unreserved Designations		\$ 15,713,899	\$ 15,748,899
Unassigned Fund Balance	Unassigned	\$ 36,931,616	\$ 33,327,540
Total Fund Balances		\$ 52,645,515	\$ 49,076,439

<sup>1</sup> The FY 17-18 Amended Budget includes mid-year changes through March 2018.

<sup>2</sup> Includes estimated encumbrances of \$8,091,000 which will be applicable to the fiscal year ending June 30, 2018.

ANALYSIS OF PROJECTED JUNE 30, 2018 FUND BALANCE		
Fund Balances as of June 30, 2017		
Reserves	\$	7,446,141
Designated		6,303,899
Unassigned		38,741,459
Total Fund Balances, June 30, 2017	\$	52,491,499
Add Excess Fiscal Year 2017-18 Revenues over Expenditures		
Revenues	\$	150,409,056
Expenditures <sup>1</sup>		142,937,040
Sub-Total	\$	7,472,016
Deduct Decrease in Encumbrances Open on June 30, 2018		(7,068,000)
Deduct Projected FY 2017-18 Transfers Out to Other Funds		(250,000)
Total Projected Fund Balances, June 30, 2018	\$	52,645,515
Fund Balances (Projected) at June 30, 2018		
Reserve for Encumbrances	\$	8,405,000
Reserve for Inventory of Supplies		80,000
Designated for Enhanced Compliance Activities		883,018
Designated for Other Post Employment Benefit (OPEB) Obligations		2,952,496
Designated for Permit Streamlining		1,313,385
Designated for Self-Insurance		2,000,000
Designated for Unemployment Claims		80,000
Unassigned		36,931,616
Total Projected Fund Balances, June 30, 2018	\$	52,645,515
Note: This analysis summarizes the estimated amount of funds that will be carried into FY 2018-19.		
<sup>1</sup> Expenditures do not include estimated \$8,091,000 encumbrances for the Fiscal Year ended June 30, 2018.		

SCHEDULE OF AVAILABLE FINANCING AND PROPOSED FISCAL YEAR 2018-19 RESERVES AND DESIGNATIONS		
Fund Balances	\$ 52,645,515	
Emission Fees	19,729,280	
Annual Renewal Fees	57,270,930	
Permit Processing Fees	19,856,640	
Portable Equipment Registration Program	1,200,000	
State Subvention	3,939,080	
State Grant	8,075,000	
Federal Grant	4,874,450	
Interest Revenue	1,116,070	
Lease Revenue	166,980	
Source Test/Analysis Fees	781,700	
Hearing Board Fees	258,500	
Penalties and Settlements	5,000,000	
Area Sources	2,274,800	
Transportation Programs	951,280	
Mobile Sources/Clean Fuels	30,625,320	
Air Toxics "Hot Spots"	2,849,590	
Other Revenues/Transfers In	3,661,481	
Total Funds		\$ 215,276,616
Less Proposed Fiscal Year 2018-19 Reserves and Designations		
Reserve for Encumbrances	\$ 8,440,000	
Reserve for Inventory of Supplies	80,000	
Designated for Enhanced Compliance Activities	883,018	
Designated for Other Post Employment Benefit (OPEB) Obligations	2,952,496	
Designated for Permit Streamlining	1,313,385	
Designated for Self-Insurance	2,000,000	
Designated for Unemployment Claims	80,000	
Total Proposed Reserves and Designations		\$ 15,748,899
Available Financing		\$ 199,527,717

ANALYSIS OF PROJECTED JUNE 30, 2019 FUND BALANCE			
Fund Balances as of June 30, 2018			
Reserves	\$	8,485,000	
Designated		7,228,899	
Unassigned		36,931,616	
Total Fund Balances, June 30, 2018	\$		52,645,515
Add Excess Fiscal Year 2018-19 Revenues over Expenditures			
Revenues	\$	162,631,101	
Expenditures <sup>1</sup>		158,152,177	
Sub-Total	\$		4,478,924
Deduct Decrease in Encumbrances Open on July 1, 2018			(8,048,000)
Total Projected Fund Balances, June 30, 2019	\$		49,076,439
Fund Balances (Projected) Fiscal Year 2018-19			
Reserve for Encumbrances	\$	8,440,000	
Reserve for Inventory of Supplies		80,000	
Designated for Enhanced Compliance Activities		883,018	
Designated for Other Post Employment Benefit (OPEB) Obligations		2,952,496	
Designated for Permit Streamlining		1,313,385	
Designated for Self-Insurance		2,000,000	
Designated for Unemployment Claims		80,000	
Unassigned		33,327,540	
Total Projected Fund Balances, June 30, 2019	\$		49,076,439
<sup>1</sup> Expenditures do not include estimated \$8,090,700 encumbrances for the Fiscal Year ended June 30, 2019.			

Revenue Comparison				
Revenue Account	FY 2016-17 Actual	FY 2017-18 Adopted Budget	FY 2017-18 Estimated	FY 2018-19 Proposed
Emission Fees	\$ 18,964,370	\$ 19,480,550	\$ 19,826,943	\$ 19,729,280
Annual renewal Fees	47,560,997	53,078,320	51,395,027	57,270,930
Permit Processing Fees	20,729,207	19,595,150	18,051,244	19,856,640
Portable Equipment Registration Program	1,369,779	1,200,000	1,158,000	1,200,000
State Subvention	3,945,090	3,945,090	3,939,080	3,939,080
State Grant	3,512,633	-	2,725,000	8,075,000
Federal Grant	7,252,241	6,452,560	7,030,553	4,874,450
Interest Revenue	644,574	332,060	664,824	1,116,070
Lease Revenue	156,204	136,540	158,437	166,980
Source Test/Analysis Fees	734,258	774,900	756,000	781,700
Hearing Board Fees	187,733	307,500	316,928	258,500
Penalties and Settlements	11,511,570	5,000,000	10,904,218	5,000,000
Area Sources	2,090,207	2,152,500	2,152,500	2,274,800
Transportation Programs	840,322	861,360	920,000	951,280
Mobile Sources/Clean Fuels	23,792,911	28,199,250	26,177,417	30,625,320
Air Toxics "Hot Spots"	2,642,966	2,488,380	2,465,753	2,849,590
Other Revenues/Transfers In	2,957,593	2,992,660	1,767,133	3,661,481
Total Revenue	\$ 148,892,656	\$ 146,996,820	\$ 150,409,056	\$ 162,631,101

## EXPLANATION OF REVENUE SOURCES

### **Annual Operating Emissions Fees**

The Lewis-Presley Air Quality Management Act (Health & Safety Code Section 40400-40540) authorizes the SCAQMD to collect fees for permitted sources to recover the costs of District programs related to these sources. (Health & Safety Code 40410(b)). The SCAQMD initiated an annual operating emissions fees program in January 1978. As the program currently exists, all permitted facilities pay a flat fee for up to four tons of emissions. In addition to the flat fee, facilities that emit four tons or greater (from both permitted and unpermitted equipment) of any organic gases, specific organics, nitrogen oxides, sulfur oxides, or particulate matter, or 100 tons per year or greater of carbon monoxide, also pay fees based on the facility's total emissions. These facilities pay for emissions from permitted equipment as well as emissions from unpermitted equipment and processes which are regulated, but for which permits are not required, such as solvent use. In addition, a fee-per-pound is assessed on the following toxic air contaminants and ozone depleters: ammonia; asbestos; benzene; cadmium; carbon tetrachloride; chlorinated dioxins and dibenzofurans; ethylene dibromide; ethylene dichloride; ethylene oxide; formaldehyde; hexavalent chromium; methylene chloride; nickel; perchloroethylene; 1,3-butadiene; inorganic arsenic; beryllium; polynuclear aromatic hydrocarbons (PAHs); vinyl chloride; lead; 1,4-dioxane; trichloroethylene; chlorofluorocarbons (CFCs); and 1,1,1-trichloroethane. The rates are set forth in SCAQMD Rule 301.

*FY 2018-19 Proposed Budget:* The non-RECLAIM emissions are based on Annual Emission Report (AER) data for Calendar Year 2016. The RECLAIM NO<sub>x</sub> and SO<sub>x</sub> emission projection is based on holdings according to the RECLAIM Trading Credit (RTC) listing. The flat emission fees are projected based on the number of active facilities with at least one permit. A 3.4% CPI increase is included.

### **Annual Operating Permit Renewal**

State law authorizes the SCAQMD to have an annual permit renewal program and authorizes fees to recover the costs of the program (Health & Safety Code Section 42300; 40510(b)). The annual operating permit renewal program, initiated by the SCAQMD in February 1977, requires that all active permits be renewed on an annual basis upon payment of annual renewal fees. The annual renewal rates are established in SCAQMD Rule 301 and are based on the type of equipment, which is related to the complexity of related compliance activity. For basic equipment (not control equipment) the operating fee schedule also corresponds to some extent to the emission potential of the equipment. Along with annual operating emissions fees, annual operating permit renewal fees are intended to recover the costs of programs such as SCAQMD's compliance program, planning, rule making, monitoring, testing, source education, public outreach, civil enforcement, including the SCAQMD's Hearing Board, and stationary and area source research projects.

*FY 2018-19 Proposed Budget:* The projection is based on an estimated number of permits at the various equipment fee schedules. A 3.4% CPI increase is included. Also included is the second year of a phased in increase approved by the Governing Board in June 2017 (a 10.67% increase for Title V annual operating permit renewal fees and a 4% increase in non-Title V annual operating permit renewal fees).

## EXPLANATION OF REVENUE SOURCES

### **Permit Processing Fees**

Under the Health & Safety Code 42300, SCAQMD may adopt and implement a program requiring that a permit be obtained from SCAQMD to construct or operate any equipment which emits or controls air pollution in SCAQMD's jurisdictional boundaries before the construction or operation of the equipment. SCAQMD has adopted rules requiring such permits, to ensure that equipment in SCAQMD's jurisdictional boundaries is in compliance with SCAQMD Rules and Regulations but exempts certain equipment which is deemed to have de minimis emissions (Rule 219). Permit fees are authorized by state law to recover the reasonable costs of the permit program involving permitting, planning, enforcement, and monitoring related activities. Permit processing fees support the permit processing program and the fee rate schedules for the different equipment categories are based on the average time it takes to process and issue a permit. Each applicant, at the time of filing, pays a permit processing fee which partially recovers the costs for normal evaluation of the application and issuance of the permit to construct and permit modifications. This category also includes fees charged to partially recover the costs of evaluation of plans, including but not limited to Rule 403 dust control plans, and Rule 1118 flare monitoring plans. The permit processing fees also cover the administrative cost to process Change of Operator applications, applications for Emission Reduction Credits, and Administrative Changes to permits. This category also includes a number of specific fees such as Title V permit processing fees, RECLAIM permit processing fees, CEQA and air quality modeling fees, and public noticing fees. Finally this category includes some fees that are related to specific activity such as asbestos notification and Rule 222 'registration in lieu of permit.'

Included in this year's budget is a new permit fee to recover the cost associated with revising and reissuing permits to facilities exiting RECLAIM program in accordance with the SCAQMD's Governing Board resolution. Currently, RECLAIM facilities, including both Title V and non-Title V facilities, are subject to an SCAQMD-issued facility permit. The facility permit identifies conditions associated with compliance with the RECLAIM program. The process of exiting the RECLAIM program requires a re-evaluation of existing facility permit, with case-by-case analysis of each device (piece of equipment) for Non-RECLAIM regulatory limits, monitoring, recordkeeping and reporting requirements, emission factors, emission limits, and any other applicable RECLAIM requirements. This is a one-time fee for the proposed transition process associated with exiting the RECLAIM program.

*FY 2018-19 Proposed Budget:* The projection is based on the anticipated number and type of applications that will be processed. A 3.4% CPI increase is included. Also included is the second year of a phased in increase approved by the Governing Board in June 2017 (a 10.67% increase for Title V annual operating permit renewal fees and a 4% increase in non-Title V annual operating permit renewal fees).

### **Portable Equipment Registration Program (PERP)**

The California Air Resources Board (CARB) provides revenues to local air districts to offset the costs of inspecting equipment registered under CARB's Portable Equipment Registration Program (PERP). Fees for inspection of PERP-registered engines by SCAQMD field staff are collected by CARB at the time of registration and passed through to SCAQMD on an annual basis. Fees for inspection of all other PERP-registered equipment are billed at an hourly rate set forth in SCAQMD Rule 301, as determined by CARB and collected by SCAQMD at the time the inspection is conducted.

## EXPLANATION OF REVENUE SOURCES

*FY 2018-19 Proposed Budget:* The revenue projection is based on the anticipated number of inspections.

### **Area Sources**

Emissions fees and quantity-based fees from architectural coatings revenue covers architectural coatings fair share of emissions supported programs. SCAQMD Rule 314 covers emission-based fees and quantity-based fees. Fees on area sources are authorized by Health & Safety Code §40522.5. Architectural coatings are assessed annually based on quantity (gallons) distributed or sold for use in SCAQMD's jurisdiction. This revenue allows SCAQMD to recover the costs of staff working on compliance, laboratory support, architectural coatings emissions data, rule development, and architectural coatings revenue collection.

*FY 2018-19 Proposed Budget:* Fees are based on the annual quantity and emissions of architectural coatings distributed or sold into or within the District for use in the District for the previous calendar year. Emissions are decreasing while sales volume is increasing. A 3.4% CPI increase is included.

### **California Air Resources Board Subvention**

Under Health and Safety Code Section 39800-39811, the State appropriates monies each year to CARB to subvene to the air quality districts engaged in the reduction of air contaminants pursuant to the basin wide air pollution control plan and related implementation programs. The SCAQMD has received subvention funds since its inception beginning in 1977.

*FY 2018-19 Proposed Budget:* The current amount of \$3.9 million is included in the FY 2018-19 proposed budget.

### **State Grant (AB 617)**

Under AB 617, recently adopted by the state legislature, CARB is developing the Community Air Protection Program to reduce exposure in neighborhoods most impacted by air pollution.

*FY 2018-19 Proposed Budget:* The proposed budget includes the anticipated reimbursement from CARB funding for staff time, services and supplies, and equipment needed to implement the program.

### **Federal Grants/Other Federal Revenue**

SCAQMD receives funding from EPA Section 103 and 105 grants to help support the SCAQMD in its administration of active air quality control and monitoring programs where the SCAQMD is required to perform specific agreed-upon activities. Other EPA and Department of Energy (DOE) grants provide funding for various air pollution reduction projects. A Department of Homeland Security (DHS) grant funds a special particulate monitoring program. When stipulated in the grant agreement, the General Fund is reimbursed for administrative costs associated with grant-funded projects. Most federal grants are limited to specific purposes but EPA Section 105 grants are available for the general support of air quality-related programs.

*FY 2018-19 Proposed Budget:* The revenue projection is based on funding levels from current federal grants and an estimated decrease in the Section 105 grant to reflect potential changes in federal funding priorities.



## EXPLANATION OF REVENUE SOURCES

### **Interest**

Revenue from this source is the result of investing the SCAQMD's General Fund cash balances.

*FY 2018-19 Proposed Budget:* The revenue projection is based on average cash balances and anticipated interest rates.

### **Leases**

Revenue in this category is a result of leasing available space at SCAQMD's Headquarters facility.

*FY 2018-19 Proposed Budget:* The projection is based on the existing lease agreements

### **Source Test/Sample Analysis Fees**

Revenue in this category includes fees for source tests, test protocol and report reviews, continuous emissions monitoring systems (CEMS) evaluations and certifications, laboratory approval program (LAP) evaluations, and laboratory sample analyses. The revenue recovers a portion of the costs of performing tests, technical evaluations, and laboratory analyses.

*FY 2018-19 Proposed Budget:* The revenue projection is based on the anticipated numbers of tests and analysis. A 3.4% CPI increase is included.

### **Hearing Board**

Hearing Board revenue is from the filing of petitions for variances and appeals, excess emissions fees, and daily appearance fees. The revenue recovers a portion of the costs associated with these activities. Petitions for Orders for Abatement, which go before the Hearing Board, are filed by the District; therefore, there are no Hearing Board fees/revenue related to these proceedings.

*FY 2018-19 Proposed Budget:* The estimate is based on the projected number of hearings to be held and cases to be heard. A 3.4% CPI increase is included.

### **Penalties/Settlements**

The revenue from this source is derived from cash settlements for violations of permit conditions, SCAQMD Rules, or state law. This revenue source is available for the general support of the SCAQMD's programs.

*FY 2018-19 Proposed Budget:* It is anticipated that revenue in this category will be approximately \$5.0 million.

### **Mobile Sources**

Mobile Sources revenue is composed of five components: AB2766 revenue and administrative/program cost reimbursements from four programs: Carl Moyer, AB 134, Proposition 1B, and MSRC.

AB2766:

Section 9250.17 of the Vehicle Code gives the Department of Motor Vehicles (DMV) the authority and responsibility to collect and forward to the SCAQMD four dollars for every vehicle registered in SCAQMD's jurisdictional boundaries. Thirty percent of the money (\$1.20 per vehicle) collected is recognized in SCAQMD's General Fund as mobile sources revenue and is used for programs to reduce air pollution from motor vehicles and to carry out related planning, monitoring, enforcement, and technical studies authorized by, or necessary to implement, the California Clean Air Act of 1988 or the

## EXPLANATION OF REVENUE SOURCES

SCAQMD Air Quality Management Plan. A proportionate share of programs that are not associated with any individual type of source (e.g., air quality monitoring) is supported by these revenues. The remaining monies are used to pay for projects to reduce air pollution from mobile vehicles: 40% (\$1.60 per vehicle) to the Air Quality Improvement Special Revenue Fund to be passed through to local governments and 30% (\$1.20 per vehicle) to the Mobile Source Air Pollution Reduction Fund (MSRC) to pay for projects recommended by the MSRC and approved by the SCAQMD Governing Board (see MSRC below).

### Carl Moyer Program:

The Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) provides funding from the state of California for the incremental cost of cleaner heavy-duty vehicles, off-road vehicles and equipment, marine, and locomotive engines. The General Fund receives reimbursements from the Carl Moyer Fund for staff time and other program implementation/administration costs up to specified limits.

### AB 134:

AB 134 increases funding for the Carl Moyer program. The General Fund will receive reimbursements from the AB 134 Special Revenue Fund (up to 6.25 percent) for administrative costs incurred to implement the program.

### Proposition 1B:

The Proposition 1B Program is a \$1 billion bond program approved by California voters in November 2006. This incentive program is designed to reduce diesel emissions and public health risks from goods movement activities along California's trade corridors. The General Fund receives reimbursements from the Proposition 1B Funds for staff time and other program implementation/administration costs up to specified limits.

### MSRC:

MSRC revenue reflects the reimbursement from the Mobile Source Air Pollution Reduction Special Revenue Fund for the cost of staff support provided to the MSRC in administering a mobile source program. These administrative costs are limited by State law and the MSRC adopts a budget for staff support each year.

*FY 2018-19 Proposed Budget:* Revenue projections are based on vehicle registration data from the DMV, other state revenue received, and anticipated reimbursable implementation/administration costs for the Carl Moyer, AB 134, Prop 1B, and MSRC programs.

## **Clean Fuels**

The General Fund receives reimbursements from the Clean Fuels Program Special Revenue Fund for staff time and other program implementation/administration costs necessary to implement the Clean Fuels Program.

Section 9250.11 of the Vehicle Code gives the DMV authority to collect and forward to SCAQMD money for clean fuels technology advancement programs and transportation control measures related to motor vehicles, according to the plan approved pursuant to Health & Safety Code §40448.5. One dollar is collected by the DMV for every vehicle registered in SCAQMD's jurisdictional boundaries, forwarded to SCAQMD, and deposited in the Clean Fuels Program Special Revenue Fund.

Clean fuels fees from stationary sources are recorded in a separate revenue account within the Clean Fuels Program Special Revenue Fund. Fees authorized by Health & Safety Code §40512 are collected from sources that emit 250 tons or more per year of Nitrogen Oxides (NOx), Sulfur Oxides (SOx), Reactive Organic Compounds (ROC), or Particulate Matter (PM). The fees collected are used to develop and implement activities that promote the use of clean-burning fuels. These activities include assessing the cost effectiveness of emission reductions associated with clean fuels

## EXPLANATION OF REVENUE SOURCES

development and use of new clean fuels technologies, and other clean fuels related projects. The General Fund receives reimbursements from the Clean Fuels Program Fund for staff time and other program implementation/administration costs necessary to implement a Clean Fuels Program.

*FY 2018-19 Proposed Budget:* Revenue projections are based on anticipated reimbursable staff and other program costs to implement the Clean Fuels Program.

### **Transportation Programs**

In accordance with federal and state Clean Air Act requirements, SCAQMD's Rule 2202 – On-Road Vehicle Mitigation Options provides employers with various options to either reduce mobile source emissions generated from employee commutes or implement mobile source emission reduction programs. Employers with 250 or more employees at a worksite are subject to Rule 2202 and are required to submit an annual registration to implement an emission reduction program that will obtain emission reductions equivalent to a worksite specific emission reduction target. The revenue from this category is used to recover a portion of the costs associated with filing, processing, reviewing, and auditing the registrations and the ridesharing programs. Fees for indirect sources, which are sources that attract mobile sources, such as the large employers covered by Rule 2202, are authorized by Health & Safety Code §40522.5.

*FY 2018-19 Proposed Budget:* The projection is based on the anticipated number of registrations. A 3.4% CPI increase is included.

### **Toxic "Hot Spots"**

Health and Safety Code Section 44380 requires the SCAQMD to assess and collect fees from facilities that emit toxic compounds. Fees collected are used to recover state and SCAQMD costs to collect and analyze data regarding air toxics and their effect on the public. Costs recovered include a portion of the administrative, outreach, plan processing, and enforcement costs to implement this program. The amendments to Rule 307.1 will include cost recovery for "Potentially High Risk Level Facilities", which was a new designation included in the Rule 1402 amendments in October 2016. Staff has also noticed a large number of Air Toxics Inventory Reports (ATIR) and Health Risk Assessments (HRA) which require substantial modifications or revisions that the facility is unable to perform without errors or delays. Therefore, the amendments to Rule 307.1 also include cost recovery for these efforts.

*FY 2018-19 Proposed Budget:* The revenue projection is based on estimated General Fund reimbursements from the Air Toxics Fund for staff time and other program and administrative expenditures.

### **Other**

Miscellaneous revenue includes revenue attributable to professional services the SCAQMD renders to other agencies, reimbursements from special revenue funds (non-mobile source), vanpool revenue, fees from fitness center memberships, and Public Records Act requests. This revenue category also includes Rule 1180 payments from petroleum refineries for refinery-related community air monitoring.

*FY 2018-19 Proposed Budget:* The revenue projections are based on historical trend information and anticipated receipts.



**SOUTH COAST**  
**AIR QUALITY MANAGEMENT DISTRICT**

SCAQMD Line Item Expenditure						
Major Object / Account # / Account Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
<b>Salary &amp; Employee Benefits</b>						
51000-52000	Salaries	\$ 72,521,870	\$ 78,307,837	\$ 81,678,228	\$ 75,939,135	\$ 85,778,092
53000-55000	Employee Benefits	37,556,119	41,552,657	41,568,546	39,095,843	48,479,504
Sub-total Salary & Employee Benefits		\$ 110,077,989	\$ 119,860,494	\$ 123,246,774	\$ 115,034,978	\$ 134,257,596
<b>Services &amp; Supplies</b>						
67250	Insurance	\$ 1,132,280	\$ 1,317,400	\$ 1,357,400	\$ 1,254,921	\$ 1,317,400
67300	Rents & Leases Equipment	222,773	201,363	245,259	221,168	214,280
67350	Rents & Leases Structure	336,269	296,791	331,301	313,169	546,791
67400	Household	606,374	761,366	759,116	755,866	763,800
67450	Professional & Special Services	8,844,686	8,313,336	10,002,284	9,408,972	8,492,536
67460	Temporary Agency Services	1,195,181	910,060	1,349,460	924,137	1,009,810
67500	Public Notice & Advertising	353,387	469,100	470,280	430,286	479,666
67550	Demurrage	87,380	61,930	124,439	103,095	161,430
67600	Maintenance of Equipment	610,299	684,714	1,001,353	967,840	864,664
67650	Building Maintenance	569,616	1,002,479	1,047,629	1,011,044	1,502,479
67700	Auto Mileage	142,830	82,147	177,338	134,856	130,627
67750	Auto Service	466,435	471,000	471,000	470,199	471,000
67800	Travel	267,872	311,373	349,667	316,437	338,818
67850	Utilities	1,679,503	2,213,288	2,098,540	1,658,229	2,213,288
67900	Communications	601,792	702,000	740,480	611,566	717,800
67950	Interest Expense	3,863,482	3,756,716	3,756,716	3,756,716	3,637,290
68000	Clothing	54,973	39,578	42,933	38,936	51,623
68050	Laboratory Supplies	409,047	304,000	523,093	523,093	332,000
68060	Postage	367,997	445,087	430,282	322,214	476,170
68100	Office Expense	1,480,895	1,113,975	1,514,842	1,378,582	1,215,225
68200	Office Furniture	71,198	105,425	147,800	123,219	104,925
68250	Subscriptions & Books	166,132	175,517	249,902	242,265	178,517
68300	Small Tools, Instruments, Equipment	350,131	222,039	254,245	234,404	242,799
68400	Gas and Oil	178,020	372,000	372,000	333,840	372,000
69500	Training/Conference/Tuition/ Board Exp.	716,321	926,337	870,118	812,277	975,257
69550	Memberships	168,086	68,128	220,628	187,737	68,428
69600	Taxes	23,110	74,000	54,000	21,227	59,000
69650	Awards	70,209	77,023	77,023	68,688	79,023
69700	Miscellaneous Expenses	200,631	156,725	219,675	181,070	204,725
69750	Prior Year Expense	(14,903)	-	-	-	-
69800	Uncollectable Accounts Receivable	399,092	-	-	-	-
89100	Principal Repayment	2,331,010	2,432,798	2,432,798	2,432,798	2,553,110
Sub-total Services & Supplies		\$ 27,952,106	\$ 28,067,695	\$ 31,691,601	\$ 29,238,848	\$ 29,774,481
77000	<b>Capital Outlays</b>	\$ 4,037,890	\$ 1,950,717	\$ 7,506,651	\$ 6,754,214	\$ 2,210,800
79050	<b>Building Remodeling</b>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 142,067,984	\$ 149,878,906	\$ 162,445,026	\$ 151,028,040	\$ 166,242,877
* Estimates based on July 2017 through February 2018 actual expenditures and budget amendment, excluding Transfers Out.						

## SALARIES & EMPLOYEE BENEFITS

Acct. #	Account Description	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate	FY 2018-19 Proposed Budget	Increase/ (Decrease) <sup>(a)</sup>
<b>51000-52000</b>	<b>SALARIES</b>	<b>\$ 78,307,837</b>	<b>\$ 81,678,228</b>	<b>\$ 75,939,135</b>	<b>\$ 85,778,092</b>	<b>\$7,470,255</b>
<p>These accounts include salaries and special pays such as: Call-Back, Hazard, Night Shift, Rideshare, Skill-Based, Stand-By and Overtime. Also, the FY 2018-19 Proposed Budget includes the deletion a net of 0.60 positions and proposes to maintain vacant positions at 8%. The FY 2018-19 Proposed Budget does not include overtime amounts for federal grant work that is not expected to be awarded until mid-year and will not be appropriated until the grants are awarded. The increase from the FY 2017-18 Adopted Budget is due to adding 47 positions in January 2018 for the AB 617 and AB 134 programs, five positions associated with Rule 1120 and the costs associated with the three year labor agreement that went into effect in the third quarter of FY 2017-18.</p>						
<b>53000</b>	<b>EMPLOYEE BENEFITS</b>	<b>\$ 3,365,307</b>	<b>\$ 3,365,307</b>	<b>\$ 3,596,204</b>	<b>\$ 3,658,391</b>	<b>\$ 293,084</b>
<p>This account includes the costs associated with State Disability Insurance, employer share of unemployment insurance, Social Security and Medicare. In addition, this account includes individual memberships and/or management physicals.</p>						
<b>54000</b>	<b>RETIREMENT</b>	<b>\$ 28,166,843</b>	<b>\$ 28,166,843</b>	<b>\$ 25,080,001</b>	<b>\$ 34,725,085</b>	<b>\$ 6,558,242</b>
<p>This account includes the employer's share of the employee retirement system contributions. The increase from the FY 2018-19 Adopted Budget is based on the contribution rates provided from the San Bernardino County Retirement Association (SBCERA) and adding 47 positions in January 2018.</p>						
<b>55000</b>	<b>INSURANCE</b>	<b>\$ 10,020,506</b>	<b>\$ 10,036,396</b>	<b>\$ 10,419,638</b>	<b>\$ 10,096,028</b>	<b>\$ 75,522</b>
<p>This account includes employer's share of health, life, dental, vision care and accident insurance.</p>						

<sup>(a)</sup> FY 2018-19 Proposed Budget vs. FY 2017-18 Adopted Budget.

SCAQMD Personnel Summary – Authorized/Funded Positions						
Positions as of	Mid-Year Adjustments		Positions as of	FY 2018-19 Request		Positions as of
June 30, 2017	Add	Delete	June 30, 2018	Add	Delete	July 1, 2018
825.25	60	(13.25)	872	19.4	(15)	876.4

## SALARIES & EMPLOYEE BENEFITS

Fiscal Year 2017-18 Mid-Year Changes in Authorized/Funded Positions				
Office	Position	Add	Delete	Total
Administrative and Human Resources	Human Resource Analyst	1	-	1
Administrative and Human Resources	Human Resource Technician	1	-	1
Finance	Contracts Assistant	1	-	1
Finance	Fiscal Assistant	1	-	1
Finance	Payroll Technician	1	-	1
Information Management	Assistant Deputy Executive Officer	-	(0.25)	(0.25)
Information Management	Assistant Information Technology Specialist	2	-	2
Information Management	Assistant Telecommunications Technician	-	(1)	(1)
Information Management	Audio-Visual Specialist	-	(1)	(1)
Information Management	Computer Operations Supervisor	-	(1)	(1)
Information Management	Computer Operator	-	(3)	(3)
Information Management	Information Technology Specialist I	2	-	2
Information Management	Information Technology Specialist II	2	-	2
Information Management	Information Technology Supervisor	3	-	3
Information Management	Senior Information Technology Specialist	4	-	4
Information Management	Systems & Programming Supervisor	1	-	1
Information Management	Systems Analyst	4	-	4
Information Management	Telecommunications Supervisor	-	(2)	(2)
Information Management	Telecommunications Technician II	-	(5)	(5)
Legal	Office Assistant	1	-	1
Legal	Paralegal	1	-	1
Legal	Senior Deputy District Counsel	1	-	1
Legislative & Public Affairs/Media Office	Senior Public Information Specialist	2	-	2
Planning, Rule Development, & Area Sources	Air Quality Specialist	10	-	10
Planning, Rule Development, & Area Sources	Planning & Rules Manager	1	-	1
Planning, Rule Development, & Area Sources	Program Supervisor	2	-	2
Planning, Rule Development, & Area Sources	Secretary	1	-	1
Science & Technology Advancement	Air Quality Inspector II	1	-	1
Science & Technology Advancement	Air Quality Instrument Specialist II	1	-	1
Science & Technology Advancement	Air Quality Specialist	7	-	7
Science & Technology Advancement	Atmospheric Measurement Manager	1	-	1
Science & Technology Advancement	Contracts Assistant	2	-	2
Science & Technology Advancement	Office Assistant	1	-	1
Science & Technology Advancement	Program Supervisor	2	-	2
Science & Technology Advancement	Secretary	1	-	1
Science & Technology Advancement	Senior Air Quality Chemist	2	-	2
<b>Total Mid-Year Changes</b>		<b>60</b>	<b>(13.25)</b>	<b>46.75</b>

## SALARIES & EMPLOYEE BENEFITS

Fiscal Year 2018-19 Proposed Personnel Actions				
Office	Position	Add	Delete	Total
Administrative and Human Resources	General Maintenance Worker	1	-	1
Administrative and Human Resources	Mail/Subscription Services Clerk	-	(1)	(1)
Compliance & Enforcement	Senior Administrative Secretary	1	-	1
Engineering & Permitting	Air Quality Specialist	-	(1)	(1)
Engineering & Permitting	Senior Air Quality Engineering Manager	1	-	1
Executive Office	Staff Specialist	-	(1)	(1)
Finance	Contracts Assistant	-	(1)	(1)
Finance	Purchasing Assistant	1	-	1
Finance	Senior Administrative Secretary	-	(1)	(1)
Legal	Investigations Manager	-	(1)	(1)
Legal	Paralegal	-	(1)	(1)
Legal	Staff Specialist	1	-	1
Legislative & Public Affairs/Media Office	Community Relations Manager	-	(1)	(1)
Legislative & Public Affairs/Media Office	Program Supervisor	-	(1)	(1)
Legislative & Public Affairs/Media Office	Public Affairs Manager	2	-	2
Legislative & Public Affairs/Media Office	Senior Public Information Specialist	1	-	1
Planning, Rule Development, & Area Sources	Air Quality Specialist	2	-	2
Planning, Rule Development, & Area Sources	Contracts Assistant	1	-	1
Planning, Rule Development, & Area Sources	Office Assistant	-	(2)	(2)
Planning, Rule Development, & Area Sources	Senior Office Assistant	1	-	1
Planning, Rule Development, & Area Sources	Transportation Plan Reviewer	-	(2)	(2)
Science & Technology Advancement	Air Quality Instrument Specialist II	1	-	1
Science & Technology Advancement	Air Quality Specialist	2	-	2
Science & Technology Advancement	Assistant Deputy Executive Officer <sup>(b)</sup>	0.4	-	0.4
Science & Technology Advancement	Program Supervisor	2	-	2
Science & Technology Advancement	Senior Air Quality Chemist	1	-	1
Science & Technology Advancement	Senior Air Quality Engineer	-	(1)	(1)
Science & Technology Advancement	Source Test Manager	1	-	1
Science & Technology Advancement	Staff Specialist	-	(1)	(1)
<b>Total Fiscal Year 2018-19 Proposed Personnel Actions</b>		<b>19.4</b>	<b>(15)</b>	<b>4.4</b>

<sup>(b)</sup> Only budgeted for five months.



Acct. #	Account Description	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate	FY 2018-19 Proposed Budget	Increase/ (Decrease) <sup>(a)</sup>
67250	INSURANCE	\$1,317,400	\$1,357,400	\$1,254,921	\$1,317,400	\$ 0
<p>This account is for insurance coverage for the following: commercial property (real and personal) with earthquake and flood coverage, boiler and machinery, public official liability, excess workers' compensation, and excess general liability. The SCAQMD is self-insured for workers' compensation, general liability, and automobile liability. The amount requested reflects anticipated workers' compensation claims, insurance policy premiums, property losses above SCAQMD's insurance deductibles, and liability claim payments.</p>						
67300	RENTS & LEASES EQUIPMENT	\$201,363	\$245,259	\$221,168	\$214,280	\$12,917
<p>This account is for lease agreements and/or rental of office equipment such as communication devices for emergency response inspectors, laboratory and atmospheric measurement equipment for special projects, audio visual equipment for outside meetings, printing equipment, and photocopiers. The increase from the FY 2017-18 Adopted Budget reflects increased cost for the walk-up copiers.</p>						
67350	RENTS & LEASES STRUCTURE	\$296,791	\$331,301	\$313,169	\$546,791	\$250,000
<p>This account is for expenditures associated with structures and lot leases, and off-site storage rentals:</p> <ul style="list-style-type: none"> <li>Long Beach field office - \$106,791;</li> <li>Conference and meeting rooms - \$9,000;</li> <li>Air monitoring sites/Wind Stations - \$421,000; and</li> <li>Public Meetings - \$10,000</li> </ul> <p>Free and low-cost public facilities are used whenever possible for public workshops and informational meetings. The increase in FY 2018-19 is for the implementation of the Rule 1180 air monitoring program. The FY 2018-19 Proposed Budget does not include amounts for federally funded grant programs. An expenditure appropriation will occur mid-year when the grants are awarded.</p>						
67400	HOUSEHOLD	\$761,366	\$759,116	\$755,866	\$763,800	\$ 2,434
<p>This account is used for trash disposal, landscape maintenance, parking lot maintenance, janitorial supplies, and janitorial contracts. This account is also used for expenses associated with the Diamond Bar facility, such as specialized cleaning supplies and services required in the computer room. The change from the FY 2017-18 Adopted Budget is due to an increase in the janitorial contract.</p>						
67450	PROFESSIONAL & SPECIAL SERVICES	\$8,313,336	\$10,002,284	\$9,408,972	\$8,492,536	\$179,200
<p>This account is for services rendered to the SCAQMD by outside contractors. The FY 2018-19 Professional &amp; Special Services supporting detail is located at the end of this section. The increase from the FY 2017-18 Adopted Budget is for the implementation of the Rule 1180 air monitoring program. The FY 2018-19 Proposed Budget does not include amounts for federally funded grant programs. An expenditure appropriation will occur mid-year when the grants are awarded.</p>						

<sup>(a)</sup>FY 2018-19 Proposed Budget vs. FY 2017-18 Adopted Budget.

## SERVICES & SUPPLIES

Acct. #	Account Description	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate	FY 2018-19 Proposed Budget	Increase/ (Decrease) <sup>(a)</sup>
<b>67460</b>	<b>TEMPORARY AGENCY SERVICES</b>	<b>\$910,060</b>	<b>\$1,349,460</b>	<b>\$924,137</b>	<b>\$1,009,810</b>	<b>\$99,750</b>
<p>Funds budgeted in this account are used for specialized temporary services that supplement staff in support of SCAQMD programs. Amounts are budgeted as a contingency for long-term absences and retirements/resignations. Also budgeted in this account is the student internship program that provides college students with the opportunity to gain experience in the workplace. The increase from the FY 2017-18 Adopted Budget is due to an anticipated increase in the use of supplemental staff. The FY 2018-19 Proposed Budget does not include amounts for federally funded grant programs. An expenditure appropriation will occur mid-year when the grants are awarded.</p>						
<b>67500</b>	<b>PUBLIC NOTICE &amp; ADVERTISING</b>	<b>\$469,100</b>	<b>\$470,280</b>	<b>\$430,286</b>	<b>\$479,666</b>	<b>\$10,566</b>
<p>This account is used for legally required publications such as Requests for Proposals, Requests for Quotations, personnel recruitment, public outreach, advertisement of SCAQMD Governing Board and Hearing Board meetings, and public notification of SCAQMD rulemaking activities. The increase from the FY 2017-18 Adopted Budget is due to an anticipated increase in legally required publications.</p>						
<b>67550</b>	<b>DEMURRAGE</b>	<b>\$61,930</b>	<b>\$124,439</b>	<b>\$103,095</b>	<b>\$161,430</b>	<b>\$99,500</b>
<p>This account is for various freight and cylinder charges as well as workspace reconfigurations and personnel moves. The increase from the FY 2017-18 Adopted Budget is based on anticipated needs due to increased staff. The FY 2018-19 Proposed Budget does not include amounts for federally funded grant programs. An expenditure appropriation will occur mid-year when the grants are awarded.</p>						
<b>67600</b>	<b>MAINTENANCE OF EQUIPMENT</b>	<b>\$684,714</b>	<b>\$1,001,353</b>	<b>\$967,840</b>	<b>\$864,664</b>	<b>\$179,950</b>
<p>This account is for maintenance costs of SCAQMD equipment such as the following: mainframe computer hardware, phone switch, air monitoring equipment, print shop equipment, copiers, and audio visual equipment. The FY 2018-19 Proposed Budget reflects the increased cost of maintenance for the IP network as well for printers, server hardware and network hardware, as well as air monitoring equipment, but does not include amounts for federally funded grant programs. An expenditure appropriation will occur mid-year when the grants are awarded.</p>						
<b>67650</b>	<b>BUILDING MAINTENANCE</b>	<b>\$1,002,479</b>	<b>\$1,047,629</b>	<b>\$1,011,044</b>	<b>\$1,502,479</b>	<b>\$500,000</b>
<p>This account reflects expenditures for maintaining SCAQMD offices and air monitoring stations. Also included are: a contingency amount for unplanned repairs; Gateway Association dues; elevator maintenance; energy management; and compressor services. The increase from the FY 2017-18 Adopted Budget is for the implementation of the Rule 1180 air monitoring program and a project to recoat the parking structure at the Diamond Bar Headquarters. The FY 2018-19 Proposed Budget does not include amounts for federally funded grant programs. An expenditure appropriation will occur mid-year when the grants are awarded.</p>						

<sup>(a)</sup>FY 2018-19 Proposed Budget vs. FY 2017-18 Adopted Budget.

Acct. #	Account Description	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate	FY 2018-19 Proposed Budget	Increase/ (Decrease) <sup>(a)</sup>
<b>67700</b>	<b>AUTO MILEAGE</b>	<b>\$82,147</b>	<b>\$177,338</b>	<b>\$134,856</b>	<b>\$130,627</b>	<b>\$48,480</b>
This account is used to reimburse employees for the cost of using personal vehicles while on SCAQMD business. The requests include the mileage incurred for staff who are required to work on their scheduled days off and for employees who use their personal vehicles on SCAQMD-related business, conferences, and seminars and to attend various community, business and intergovernmental events. The increase from the FY 2017-18 Adopted Budget for the implementation of the Rule 1180 air monitoring program. The FY 2018-19 Proposed Budget does not include amounts for federally funded grant programs. An expenditure appropriation will occur mid-year when the grants are awarded.						
<b>67750</b>	<b>AUTO SERVICE</b>	<b>\$471,000</b>	<b>\$471,000</b>	<b>\$470,199</b>	<b>\$471,000</b>	<b>\$0</b>
This account is used for the maintenance, towing, repair, and expired CNG tank replacement of SCAQMD fleet vehicles.						
<b>67800</b>	<b>TRAVEL</b>	<b>\$311,373</b>	<b>\$349,667</b>	<b>\$316,437</b>	<b>\$338,818</b>	<b>\$ 27,445</b>
This account is for business travel, including lodging and meals paid pursuant to the Administrative Code, for participation in legislative hearings and meetings involving state, federal, and inter-agency issues that affect air quality in the South Coast Air Basin. The increase from the FY 2017-18 Adopted Budget is for the Executive Officer's travel as a Board Member to the National Association of Clean Air Agencies. The FY 2018-19 Proposed Budget reflects anticipated needs but does not include amounts for federally funded grant programs. An expenditure appropriation will occur mid-year when the grants are awarded.						
<b>67850</b>	<b>UTILITIES</b>	<b>\$2,213,288</b>	<b>\$2,098,540</b>	<b>\$1,658,229</b>	<b>\$2,213,288</b>	<b>\$0</b>
This account is used to pay gas, water, and electricity costs at the SCAQMD's headquarters building, the Long Beach field office, and air monitoring stations.						
<b>67900</b>	<b>COMMUNICATIONS</b>	<b>\$702,000</b>	<b>\$740,480</b>	<b>\$611,566</b>	<b>\$717,800</b>	<b>\$15,800</b>
This account includes telephone and fax service, leased computer lines, video conferencing, wireless internet access for inspectors in the field, radio, and microwave services. The increase from the FY 2017-18 Adopted Budget reflects anticipated needs. The FY 2018-19 Proposed Budget does not include amounts for federally funded grant programs. An expenditure appropriation will occur mid-year when the grants are awarded.						
<b>67950</b>	<b>INTEREST EXPENSE</b>	<b>\$3,756,716</b>	<b>\$3,756,716</b>	<b>\$3,756,716</b>	<b>\$3,637,290</b>	<b>(\$119,426)</b>
This account is for the interest due on the 1995 and 2004 Pension Obligation Bonds. The decrease from the FY 2017-18 Adopted Budget reflects scheduled payments for FY 2018-19.						

<sup>(a)</sup>FY 2018-19 Proposed Budget vs. FY 2017-18 Adopted Budget.

Acct. #	Account Description	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate	FY 2018-19 Proposed Budget	Increase/ (Decrease) <sup>(a)</sup>
<b>68000</b>	<b>CLOTHING</b>	<b>\$39,578</b>	<b>\$42,933</b>	<b>\$38,936</b>	<b>\$51,623</b>	<b>\$12,045</b>
This account is for the purchase of safety equipment and protective clothing used by source testing, laboratory, compliance, and stockroom personnel. The increase from the FY 2017-18 Adopted Budget reflects the anticipated level of expenditures for FY 2018-19.						
<b>68050</b>	<b>LABORATORY SUPPLIES</b>	<b>\$304,000</b>	<b>\$523,093</b>	<b>\$523,093</b>	<b>\$332,000</b>	<b>\$28,000</b>
This account is used to purchase various supplies such as chemicals, calibration gases and glassware for laboratory services. The FY 2018-19 Proposed Budget reflects anticipated needs but does not include amounts for federally funded grant programs. An expenditure appropriation will occur mid-year when the grants are awarded.						
<b>68060</b>	<b>POSTAGE</b>	<b>\$445,087</b>	<b>\$430,282</b>	<b>\$322,214</b>	<b>\$476,170</b>	<b>\$ 31,083</b>
This account covers the cost of mailing out annual billings, permits, notifications to the Governing Board and Advisory groups, monthly newsletters, warrants, outreach materials to local governments, and Rule 2202 notifications. The FY 2018-19 Proposed Budget reflects mailings based on current activity.						
<b>68100</b>	<b>OFFICE EXPENSE</b>	<b>\$1,113,975</b>	<b>\$1,514,842</b>	<b>\$1,378,582</b>	<b>\$1,215,225</b>	<b>\$101,250</b>
This account is used for the purchase of office supplies, computer hardware and software under \$5,000, photocopier supplies, print shop and artist supplies, and stationery and forms. The FY 2018-19 Proposed Budget reflects anticipated needs but does not include amounts for federally funded grant programs. An expenditure appropriation will occur mid-year when the grants are awarded.						
<b>68200</b>	<b>OFFICE FURNITURE</b>	<b>\$105,425</b>	<b>\$147,800</b>	<b>\$123,219</b>	<b>\$104,925</b>	<b>(\$ 500)</b>
This account is for office furniture under \$5,000. The decrease in the FY 2018-19 Proposed Budget reflects anticipated needs.						
<b>68250</b>	<b>SUBSCRIPTIONS &amp; BOOKS</b>	<b>\$175,517</b>	<b>\$249,902</b>	<b>\$242,265</b>	<b>\$178,517</b>	<b>\$3,000</b>
This account is used to purchase reference materials, magazine subscriptions, books, and on-line database legal research services. The FY 2018-19 Proposed Budget reflects anticipated cost increases.						
<b>68300</b>	<b>SMALL TOOLS, INSTRUMENTS, EQUIPMENT</b>	<b>\$222,039</b>	<b>\$254,245</b>	<b>\$234,404</b>	<b>\$242,799</b>	<b>\$20,760</b>
This account covers the purchase of small tools and equipment for air monitoring stations, laboratory, and headquarters building maintenance. The increase from the FY 2017-18 Adopted Budget reflects anticipated needs but it does not include amounts for federally funded grant programs. An expenditure appropriation will occur mid-year when the grants are awarded.						

<sup>(a)</sup>FY 2018-19 Proposed Budget vs. FY 2017-18 Adopted Budget.

Acct. #	Account Description	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate	FY 2018-19 Proposed Budget	Increase/ (Decrease) <sup>(a)</sup>
68400	GAS & OIL	\$372,000	\$372,000	\$333,840	\$372,000	\$0
This account is for the purchase of gasoline, oil, and alternative fuels for the SCAQMD fleet. The FY 2018-19 Proposed Budget reflects anticipated needs.						
69500	TRAINING/CONF/ TUITION/BOARD EXP	\$926,337	\$870,118	\$812,277	\$975,257	\$48,920
This account is used for tuition reimbursement, conference and training registrations, certain costs associated with the SCAQMD's Governing and Hearing Boards and advisory groups, and training-related travel expenditures. The FY 2018-19 Proposed Budget reflects anticipated needs and includes increases in Governing and Hearing Board costs.						
69550	MEMBERSHIPS	\$68,128	\$220,628	\$187,737	\$68,428	\$300
This account provides for SCAQMD membership in in scientific, clean fuels, advanced technology, and related environmental business/policy organizations. The FY 2018-19 Proposed Budget reflects anticipated needs.						
69600	TAXES	\$74,000	\$54,000	\$21,227	\$59,000	(\$15,000)
This account is for unsecured property and use taxes, fuel taxes, and sales taxes. The decrease in the FY 2018-19 Proposed Budget reflects a decrease in anticipated needs.						
69650	AWARDS	\$77,023	\$77,023	\$68,688	\$79,023	\$2,000
This account covers employee service awards for continuous service, employee recognition programs, plaques/awards the SCAQMD may present to individuals/businesses/community groups for outstanding contributions towards air quality goals, and promotional items for community events. The cost is anticipated to increase from the FY 2017-18 Adopted Budget.						
69700	MISCELLANEOUS EXPENSES	\$156,725	\$219,675	\$181,070	\$204,725	\$48,000
This account is to record expenditures that do not fall in any other account such as SCAQMD advisory group per diems, meeting and event expenses, and sponsorships. The increase from the FY 2017-18 Adopted Budget reflects the anticipated level of expenditures for FY 2018-19.						
69750	PRIOR YEAR EXPENSE	\$0	\$0	\$0	\$0	\$0
This account is used to record actual expenditures attributable to prior year budgets. No amount is budgeted for this account due to the nature of the account.						

<sup>(a)</sup>FY 2018-19 Proposed Budget vs. FY 2017-18 Adopted Budget.

	Account Description	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate	FY 2018-19 Proposed Budget	Increase/ (Decrease) <sup>(a)</sup>
<b>69800</b>	<b>UNCOLLECTIBLE ACCOUNTS RECEIVABLE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
No amount is budgeted for this account due to the nature of the account.						
<b>89100</b>	<b>PRINCIPAL REPAYMENT</b>	<b>\$2,432,798</b>	<b>\$2,432,798</b>	<b>\$2,432,798</b>	<b>\$2,553,110</b>	<b>\$120,312</b>
This account reflects the principal due on pension obligation bonds. The increase from the FY 2017-18 Adopted Budget reflects scheduled payments for FY 2018-19.						

<sup>(a)</sup> FY 2018-19 Proposed Budget vs. FY 2017-18 Adopted Budget.

Proposed Fiscal Year 2018-19 Professional & Special Services Detail by Office			
Office	Program	Contract Description	Amount
District General	Dist. General Overhead	Administrative Fees for 1995 & 2004 Pension Obligation Bonds (POBs)	\$1,500
	Dist. General Overhead	Arbitration/Hearing Officer	9,400
	Dist. General Overhead	Benefits Administrator	13,000
	Dist. General Overhead	COBRA Administration Services	6,000
	Dist. General Overhead	Custodial Fees for 1995 & 2004 POBs	800
	Dist. General Overhead	Employee Assistance Program	13,995
	Dist. General Overhead	Employee Relations Litigation	250,000
	Dist. General Overhead	Health Reimbursement Arrangement Plan Administration	5,000
	Dist. General Overhead	Modular Furniture Maintenance, Setup, and Moving Services	15,000
	Dist. General Overhead	Oracle Software Support	30,400
	Dist. General Overhead	PeopleSoft Maintenance	208,400
	Dist. General Overhead	Plans and Design Consulting Services	95,000
	Dist. General Overhead	Security Alarm Monitoring	1,980
	Dist. General Overhead	Security Guard Services	528,000
	Dist. General Overhead	Wellness Program	37,500
	<b>Sub-total District General</b>		<b>\$1,215,975</b>
Governing Board	Operational Support	Board Member Assistant/Consultants	\$771,284
	<b>Sub-total Governing Board</b>		<b>\$771,284</b>
Executive Office	Develop Programs	Professional & Special Services	\$150,000
	<b>Sub-total Executive Office</b>		<b>\$150,000</b>
Finance	Operational Support	AB 2766 Audit of DMV Fee Recipients	\$10,000
	Operational Support	Bank Service Charges/Los Angeles County Treasurer Office	60,000
	Ensure Compliance	Bank Services Fund 15, Hot Spots Lockbox	15,000
	Operational Support	Financial Audit	53,910
	Operational Support	Financial Consultant for Treasury Management	23,000
	Operational Support	LA County Treasurer Office - PGP Maintenance	1,650
	<b>Sub-total Finance</b>		<b>\$163,560</b>
Legal	Ensure Compliance	Experts/Court Reporters/Attorney Services	\$30,000
	Ensure Compliance	Litigation Counsel	169,500
	Ensure Compliance	Software Maintenance & Licensing	30,000
	Operational Support	Specialized Legal Services	50,000
	<b>Sub-total Legal</b>		<b>\$279,500</b>

Proposed Fiscal Year 2018-19 Professional & Special Services Detail by Office (cont.)			
Office	Program	Contract Description	Amount
Administrative & Human Resources	Operational Support	Architectural, Engineering and Surveyor Consultants	\$10,000
	Operational Support	In-house Training Classes	2,000
	Operational Support	Locksmith	2,000
	Operational Support	Medical Services Provider	30,000
	Operational Support	NEOGOV Subscription License	10,000
	Operational Support	Occupational Health Services	25,000
	Customer Service & Business Assistance	Outside Binding Services	6,000
	Customer Service & Business Assistance	Outside Printing Services	31,750
	Operational Support	Test Development	15,000
	Operational Support	Third-Party Claims Administrator for Workers Compensation	20,000
	Sub-total Administrative & Human Resources		\$151,750
Clerk of the Boards	Ensure Compliance	Court Reporting, Audio-visual, and/or Security Services	\$63,800
	Ensure Compliance	Outside Legal Contract	15,000
	Ensure Compliance	Professional Interpreter Services	6,400
	Sub-total Clerk of the Boards		\$85,200
Information Management	Operational Support	Action Works Metro System Software Support	\$20,000
	Operational Support	Adobe Creative Cloud Software Support	2,500
	Operational Support	AER & R1113/314 Upgrade & Maintenance	15,000
	Operational Support	AIS (Address Information System) Five Digit Subscription	1,200
	Operational Support	Anti-Spam Maintenance/Support	15,000
	Operational Support	ArcGIS Online Annual Subscription	1,000
	Operational Support	Backup Software	50,000
	Operational Support	Backup Utility Maintenance	11,500
	Operational Support	CLASS System Maintenance	88,000
	Operational Support	Component One Software Support	1,200
	Operational Support	Computer-Based Training Software Support	1,800
	Operational Support	CourtView System Maintenance	10,000



Proposed Fiscal Year 2018-19 Professional & Special Services Detail by Office (cont.)			
Office	Program	Contract Description	Amount
Information Management (cont.)	Operational Support	Crystal Reports Software Support	\$22,000
	Operational Support	Disaster Recovery Software	60,000
	Operational Support	Dundas Chart Software Support	700
	Operational Support	Dynamic Web Twain License Renewal	5,700
	Operational Support	Email Recovery Software (PowerControls) Maint/Support	2,750
	Operational Support	Email Reporting	4,000
	Operational Support	ERwin ERX & BPwin SW Support	26,000
	Operational Support	Faxcom FaxServer Support	15,000
	Operational Support	Imaging Software Support	145,000
	Operational Support	Infragistics Pro Software Support	1,000
	Operational Support	Ingres/OpenIngres Additional Licensing	72,000
	Operational Support	Ingres/OpenIngres Advanced Success Pack	140,000
	Operational Support	Installshield Software Support	3,800
	Operational Support	Internet Filtering Maintenance/Support	70,000
	Operational Support	Kronos Time Keeper	2,000
	Operational Support	Microsoft Developer Network CD - Application Development	15,196
	Operational Support	Microsoft Developer Network Premium Renewal	4,000
	Operational Support	Microsoft Technical Software Support (Server Applications)	15,000
	Operational Support	Microsoft Virtual Earth Maintenance/Support	15,000
	Operational Support	Network Analyzer (Sniffer) Maintenance/Support	4,500
	Operational Support	Network Backbone Support	15,000
	Operational Support	NT Software Support - Proactive	62,000
	Operational Support	Off-site Document Destruction Services	24,000
	Operational Support	Off-site Storage Nightly Computer Backup	22,000
	Operational Support	Online Filing Infrastructure	25,000
	Operational Support	PowerBuilder Software Support	24,000
	Operational Support	PreEmptive Analytics Software Support	7,000
	Operational Support	Proxy Reporting Support	3,250
	Operational Support	PVCS Software Support	4,900
	Operational Support	ScaleOut StateServer Maintenance	8,500

Proposed Fiscal Year 2018-19 Professional & Special Services Detail by Office (cont.)			
Office	Program	Contract Description	Amount
<b>Information Management (cont.)</b>	Operational Support	SCAQMD Web Application Modifications	\$20,000
	Operational Support	Secure Service Digital ID Services	2,000
	Operational Support	Secure Service Digital ID DEC Internet Server	850
	Operational Support	Sitefinity CMS Software Support	9,500
	Operational Support	Software Support for EOS.Web Enterprise	6,300
	Operational Support	Software Support for On-Line Catalog	2,050
	Operational Support	Swiftview Software Support	950
	Operational Support	Telephone Switchview Software Support	9,500
	Operational Support	Terminal Emulation (Reflection) Maintenance/Support	1,175
	Operational Support	Videoteleconferencing Maintenance & Support	20,000
	Operational Support	Virus Scan Support	15,000
	Operational Support	Visual Expert Software Support	6,000
	Operational Support	Web Consulting Support	64,300
	Operational Support	Web Core Technology Upgrade (.NET Upgrade)	10,000
	Operational Support	Website Evaluation & Improvement	200,000
	<b>Sub-total Information Management</b>		<b>\$1,404,121</b>
<b>Planning, Rule Development, &amp; Area Sources</b>	Ensure Compliance	AER Printing	\$5,000
	Monitoring Air Quality	Air Quality Forecast and Alert Notification Support	50,000
	Develop Programs	California Emissions Estimator Model (CalEEMod) Upgrades/Support	25,000
	Develop Programs	CEQA for AQMD Projects	125,000
	Develop Programs	CEQA Special Studies	50,000
	Timely Review of Permits	Dispersion Modeling Support	50,000
	Develop Programs	Implementation of Abts Recommendations	111,300
	Monitoring Air Quality	Maintain Wind Stations and Analyze Data	60,000
	Monitoring Air Quality	MATES V	50,000
	Monitoring Air Quality	Meteorological Data Services	7,500
	Develop Rules	PM and Ozone Model Consulting	90,000
	Develop Programs	Rule 2202 Computer System Maintenance	15,000
	Customer Service & Business Assistance	Rule 2202 ETC On-Line Training	20,000

Proposed Fiscal Year 2018-19 Professional & Special Services Detail by Office (cont.)			
Office	Program	Contract Description	Amount
Planning, Rule Development, & Area Sources (cont.)	Develop Programs	SIP, AQMP and Rule Printing	\$8,000
	Develop Rules	Software renewal, upgrades and purchase in support of economic modeling	150,000
	Develop Rules	Technical Assessment in of Regional Modeling	50,000
	Ensure Compliance	Technology Assessment Studies	100,000
	Monitoring Air Quality	Weather Data Services Communications	7,500
	<b>Sub-total Planning, Rule Development &amp; Area Sources</b>		<b>\$974,300</b>
Legislative & Public Affairs/Media Office	Policy Support	After-hours Call Center Service	\$3,500
	Customer Service & Business Assistance	Clean Air Awards	12,600
	Customer Service & Business Assistance	Community Outreach	410,000
	Policy Support	Graphics & Printing	33,616
	Policy Support	Graphics, Printing & Outreach Materials	4,000
	Policy Support	Legislative Advocacy - Sacramento	365,000
	Policy Support	Legislative Advocacy - Washington DC	665,130
	Policy Support	Legislative Computer Services	10,000
	Customer Service & Business Assistance	Multi-Lingual Translation - Public Participation	20,000
	Policy Support	News Release Services	9,000
	Policy Support	Photographic and Video Services - MO	55,000
	Customer Service & Business Assistance	Promotion Marketing of Smart Phone Tools	50,000
	Policy Support	Radio/Television Monitoring	11,000
	<b>Sub-total Legislative &amp; Public Affairs/Media Office</b>		<b>\$1,648,846</b>
Science & Technology Advancement	Ensure Compliance	Laboratory Analytical Services	\$15,000
	Monitoring Air Quality	Rule 1180 Support	175,000
	Advanced Clean Air Technology	Technical Assistance, Expert Consultation, Outreach/Education – Clean Fuels	1,000,000
	Advanced Clean Air Technology	Technical Assistance, Expert Consultation, Outreach/Education – CMP, AB923	75,000
	Develop Programs	Technical Assistance, Expert Consultation, Outreach/Education – Prop 1B	300,000
	Ensure Compliance	Source Testing Services	30,000
	Ensure Compliance	Technical Support for Air Monitoring and Community Complaint Resolution	35,000
	<b>Sub-total Science &amp; Technology Advancement</b>		<b>\$1,630,000</b>

Proposed Fiscal Year 2018-19 Professional & Special Services Detail by Office (cont.)			
Office	Program	Contract Description	Amount
Engineering & Permitting	Operational Support	Workspace Reconfiguration	\$2,500
	Sub-total Engineering & Permitting		\$2,500
Compliance & Enforcement	Ensure Compliance	Compliance Notice Printing	\$3,000
	Ensure Compliance	Lab Analysis Services for R1176 and other air samples	8,000
	Operational Support	Workspace Reconfiguration	4,500
	Sub-total Compliance & Enforcement		\$15,500
Total Professional & Special Services			\$8,492,536

## CAPITAL OUTLAYS & BUILDING REMODELING

Acct. #	Account Description	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate	FY 2018-19 Proposed Budget	Increase/ (Decrease) <sup>(a)</sup>
<b>77000</b>	<b>CAPITAL OUTLAYS</b>	<b>\$1,950,717</b>	<b>\$7,506,651</b>	<b>\$6,754,214</b>	<b>\$2,210,800</b>	<b>\$260,083</b>

This account is for tangible asset expenditures with a value of at least \$5,000 and a useful life of at least three years and intangible asset expenditures with a value of at least \$5,000 and a useful life of at least one year. The increase from the FY 2017-18 Adopted Budget reflects anticipated needs. The FY 2018-19 Proposed Budget does not include amounts for federally funded grant programs. An expenditure appropriation will occur mid-year when the grants are awarded.

A listing by office of the proposed Capital Outlays for FY 2018-19 is provided at the end of this section.

<sup>(a)</sup>FY 2018-19 Proposed Budget vs. FY 2017-18 Adopted Budget.

Acct. #	Account Description	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate	FY 2018-19 Proposed Budget	Increase/ (Decrease) <sup>(a)</sup>
<b>79050</b>	<b>BUILDING REMODELING</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

This account is used for minor remodeling projects which become necessary as a result of reorganizations or for safety reasons. No projects are anticipated in Fiscal Year 2018-19.

<sup>(a)</sup>FY 2018-19 Proposed Budget vs. FY 2017-18 Adopted Budget.

## CAPITAL OUTLAYS & BUILDING REMODELING

Fiscal Year 2018-19 Capital Outlays Detail				
Office	Program	Category	Description	Amount
District General	Operational Support	N/A	<u>Unbudgeted Capital Outlay</u> - This amount is set aside for unanticipated needs or emergency situations to avoid interruption of operations.	\$75,000
	Operational Support	Replacement	<u>System Support and Programming (PeopleSoft/CLASS)</u> - For functional and technical support and special reporting needs for the Clean Air Support System (CLASS)-Finance automated billing and the PeopleSoft Human Capital Management and Financial Accounting systems.	75,000
	Operational Support	Replacement	<u>Redundant Core Network Switch</u> – To provide a secondary interconnection between the servers and desktop or network devices so services are uninterrupted during an update or outage.	225,000
	Operational Support	Replacement	<u>Maintenance Truck</u> - To replace a 1991 pickup truck that is used to pick up or carry parts, materials, and equipment as well as to travel to air monitoring stations for repairs or new installations.	18,717
	<b>Sub-total District General</b>			<b>\$435,000</b>
Finance	Operational Support	New	<u>PeopleSoft Online Requisition and Work Flow Project</u> – To develop an electronic requisition system to provide internal users and approvers with a streamlined ordering process.	\$75,800
	<b>Sub-total Finance</b>			<b>\$75,800</b>
Planning, Rule Development & Area sources	Ensure Compliance	New	<u>Rule 1415 Online Reporting System</u> - To make necessary enhancements and correct deficiencies to the web application for Rule 1415 – Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems.	\$10,000
	Develop Rules	New	<u>Regional Modeling Computer Upgrades</u> – To provide sufficient CPUs and data storage capacity to the Regional Air Quality Modeling Program’s computer server clusters.	100,000
	<b>Sub-total Planning, Rule Development &amp; Area Sources</b>			<b>\$110,000</b>
Information Management	Operational Support	New	<u>Miscellaneous Telecommunication Upgrade/Enhancement</u> – To enable Telecommunications to meet unforeseen network needs/changes required to support SCAQMD staff.	\$35,000
	Operational Support	Replacement	<u>Network Server Upgrade</u> – To upgrade network servers to support new operating systems and new server applications.	75,000

## CAPITAL OUTLAYS & BUILDING REMODELING

Fiscal Year 2018-19 Capital Outlays Detail (cont.)				
Office	Program	Category	Description	Amount
Information Management (cont.)	Operational Support	Replacement	Fiber Channel Switch Replacement –For an up-to-date Core Fiber Channel Switch that has auto configuration capability and can support much larger bandwidth than current the fiber switch.	\$60,000
	Operational Support	New	High Capacity Internet Router with Backup/Redundancy – To provide network core router backup to support uninterruptable data and voice over IP network traffic and video streaming.	35,000
	Operational Support	New	Next Generation Firewall - For a next generation firewall.	75,000
	Operational Support	Replacement	SAN Replacement – For a new Storage Area Network (SAN) that will support direct and efficient file servers.	200,000
	Sub-total Information Management			\$480,000
Science & Technology Advancement	Monitoring Air Quality	Replacement	Replacement Instrument for Gaseous Measurements – To replace 15+ year old ozone monitors (10) and NOx Monitors (10) and upgrade the calibration dilution systems (10) due to more stringent U.S. EPA requirements.	\$445,000
	Advance Clean Air Technology	New	Annual July Board Letter Clean Fuels: Advanced Tech Vehicles/Infrastructure – For advanced technology vehicles.	285,000
	Monitoring Air Quality	New	Zero Air Generation System – For a zero air generator system to verify and compare outputs for a mobile field unit and for daily automated calibration checks throughout the SCAQMD monitoring network.	10,000
	Sub-total Science & Technology Advancement			\$740,000
Engineering & Permitting	Timely Review of Permits	Replacement	NSR Program Enhancement – To provide continuing enhancements to the New Source Review (NSR) software.	\$50,000
	Timely Review of Permits	Replacement	PAATS & Permit Processing System – To provide enhancements to the PAATS software.	20,000
	Timely Review of Permits	Replacement	Title V Online Permit Publishing – To complete the online indexing system.	20,000
	Sub-total Engineering & Permitting			\$90,000
Compliance & Enforcement	Ensure Compliance	New	Programmatic Updates to Rule 1403 Notification Web Application – To enhance and update the web application due to rule changes.	\$80,000
	Ensure Compliance	Replacement	Title V Automation - To complete the web-based Title V application process.	200,000
	Sub-total Compliance & Enforcement			\$280,000
Total Capital Outlays				\$2,210,800



**SOUTH COAST**  
**AIR QUALITY MANAGEMENT DISTRICT**



## SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT DRAFT GOALS AND PRIORITY OBJECTIVES FOR FY 2018-2019

### MISSION STATEMENT

“To clean the air and protect the health of all residents in the South Coast Air District through practical and innovative strategies.”

### GOALS AND PRIORITY OBJECTIVES

The following Goals and Priority Objectives have been identified as being critical to meeting SCAQMD’s Mission in Fiscal Year 2018-19.

#### **GOAL I.    Achieve Clean Air Standards.**

	Priority Objective	Performance Indicator	Performance Measurement
1	Implementation of the 2016 AQMP	Adherence to adoption and implementation schedules for rules, working groups, assessments and programs as adopted in the 2016 AQMP.	Complete 6 rule adoptions and/or actions that result in achievements towards AQMP emissions reductions.
2	Implement the SCAQMD Action Plan for Toxics Facilities	Conduct monitoring and achieve emissions reductions if necessary at previously unknown high risk facilities.	Conduct monitoring of at least 10 facilities and reduce emissions from those found to have high toxics risk to the community.
3	Secure Incentive Funding for Emissions Reduction	Dollar amount of new funding sources for pollution reduction projects.	Secure \$400 Million of new funding sources.
4	Ensure Efficient Air Monitoring and Laboratory Operations	Achieve acceptable completion of valid data points out of the scheduled measurements in the SCAQMD air monitoring network for NAAQS pollutant before U.S. EPA deadline.	Achieve acceptable valid data completion submitted to U.S. EPA before deadline.
5	Ensure Timely Inspections of Facilities	Total number of Title V Inspections completed annually.	Complete 378 Title V Inspections.
6	Maintain progress in reducing the permit applications inventory	Number of pending permit applications.	Maintain pending permit applications inventory excluding Permits to Construct issued and RECLAIM transition applications between 2,500 and 3,000.
7	Support Development of Cleaner Advanced Technology	Amount of Clean Fuels Program projects funded.	Fund \$10 Million of Clean Fuels program projects with a 1:4 leveraging ratio.
8	Initiate implementation of the fifth Multiple Air Toxics Exposure Study	Conduct monitoring and updates to emissions inventory for the evaluation of air toxics health impacts.	Conduct fixed-site monitoring at 10 sites, begin work on updating the emissions inventory, and deploy 5 different advanced monitoring methods.

**GOAL II. Enhance Public Education and Equitable Treatment for All Communities.**

Priority Objective		Performance Indicator	Performance Measurement
1	Evaluation of Low Cost Air Quality Sensors	Evaluation and posting of results of low cost air quality sensors that have reached the market.	Evaluate and post results of 75% of sensors that have reached the market.
2	Outreach Events and Media Relations	Number of large community outreach events conducted in each County.	Conduct 4 large community outreach events, including 1 in each County.
3	Timely Investigation of Community Complaints	Initiate complaint investigation within 2 hours of complaint receipt.	During normal SCAQMD business hours, contact 90% of complainants within 2 hours of complaint receipt.
4	Social Media Efforts	Percentage increase in number of social media followers.	30% increase in social media followers.
5	Engage Young Persons	Conduct meetings with the Young Persons advisory group.	Conduct 4 meetings with the Young Persons advisory group.

**GOAL III. Operate Efficiently and Transparently.**

Priority Objective		Performance Indicator	Performance Measurement
1	Ensure Transparent Governance	Percentage of Committee and Board meeting agendas with materials made available to the public one week prior to the meeting.	100% of Committee and Board meeting agendas with materials made available to the public one week prior to the meeting.
2	Ensure Transparent Governance	Percentage of Stakeholder and Working Group meeting agendas with materials made available to the public one week prior to the meeting.	100% of Stakeholder and Working Group meeting agendas with materials made available to the public 72 hours prior to the meeting.
3	Maintain a Well Informed Staff	Number of all staff information sessions offered and conducted.	Offer and conduct 10 information sessions/training for all staff.
4	Partner with Public Agencies, Stakeholder Groups, & Business	Number of meetings with Permit Streamlining Task Force subcommittee and stakeholders.	Conduct 4 meetings of the Permit Streamlining Task Force subcommittee and stakeholders.
5	IT Systems Improvements	Number of completed Enterprise GIS improvement projects.	Complete the remaining 6 of the 15 Enterprise GIS projects identified in the Enterprise GIS Implementation Plan.
6	Timely Financial Monitoring	Timely budgetary financial reporting.	Submit quarterly budgetary financial reports to the Governing Board within 6 working days of the end of the quarter.
7	Implement Cloud Office Suite	Percentage of staff migrated to a particular cloud office service.	Migrate 100% of staff to cloud office email service.

## **PROGRAM CATEGORIES**

### **ADVANCE CLEAN AIR TECHNOLOGY**

Identify technologies from anywhere in the world that may have application in reducing emissions from mobile and stationary sources in the SCAQMD's jurisdiction. Suggest strategies to overcome any barriers and, when appropriate, implement those strategies.

- (A) Identify short-term and long-term technical barriers to the use of low-emission clean fuels and transportation technologies.
- (B) Promote development and assess the use of clean fuels and low-emitting technologies.
- (C) Work with industry to promote research and development in promising low-emission technologies and clean fuels.
- (D) Provide technical and program support to the Mobile Source Air Pollution Reduction Review Committee (MSRC).
- (E) Conduct source tests and analysis of samples to assess effectiveness of low-emissions technology.
- (F) Implement and administer state-funded programs such as the Carl Moyer program for retrofitting, re-powering, or replacing diesel engines with newer and cleaner engines and the Proposition 1B program that provides funding for projects to reduce air pollution associated with freight movement along California's trade corridors.

### **ENSURE COMPLIANCE WITH CLEAN AIR RULES**

Ensure compliance with SCAQMD rules for existing major and small stationary sources.

- (A) Verify compliance with SCAQMD rules through inspections, sample collections, Visible Emissions Evaluations, certification of Continuous Emission Monitoring Systems (CEMS), and emissions audits.
- (B) Issue Notices of Violation for major violations when discovered or a Notice to Comply for minor violations or to request records.
- (C) Respond to and resolve public complaints concerning air pollution.
- (D) Participate in Hearing Board cases, investigate breakdowns and notifications of demolitions or renovations of structures which may contain asbestos, conduct periodic monitoring, and observe source tests.
- (E) Respond to industrial and chemical emergencies when requested by other agencies.
- (F) Provide training classes for compliance with various SCAQMD rules such as Gasoline Transfer and Dispensing (Rule 461), Asbestos Demolition and Renovation (Rule 1403), Chrome Plating Operations (Rule 1469), Fugitive Dust Plans (Rule 403 & 403.1), Sump and Wastewater Separators (Rule 1176) and Combustion Gas Portable Analyzer Training & Certification (Rules 1146, 1146.1 & 1110.2).

## **PROGRAM CATEGORIES**

### **CUSTOMER SERVICE AND BUSINESS ASSISTANCE**

Support local government, businesses, and the general public.

- (A) Provide local government, business and the public with accesses and input into the regulatory and policy processes of the SCAQMD.
- (B) Assist cities and others with AB 2766 projects.
- (C) Interact with local, state and federal agencies as well as others to share air quality information, resolve jurisdictional questions, and implement joint programs.
- (D) Support air pollution reduction through implementation of comprehensive public information, legislative and customer service programs.
- (E) Provide small business assistance services and support economic development and business retention activities.
- (F) Make presentations to and meet with regulated organizations, individuals, public agencies and the media.
- (G) Notify all interested parties of upcoming changes to air quality rules and regulations through public meetings, workshops, and printed and electronic information.
- (H) Resolve permit- and fee-related problems and provide technical assistance to industry.
- (I) Respond to Public Records Act requests.
- (J) Produce brochures, newsletters, television, radio and print media information and materials, and digital information.
- (K) Respond to letters and Internet inquiries from the public and to media inquiries and requests.

### **DEVELOP PROGRAMS TO ACHIEVE CLEAN AIR**

Develop a regional Air Quality Management Plan (AQMP) to achieve federal and state ambient air quality standards and to meet all other requirements of the federal and California Clean Air Acts.

- (A) Analyze air quality data and provide an estimation of pollutant emissions by source category.
- (B) Develop pollutant control strategies and project future air quality using computer models and statistical analysis of alternative control scenarios.
- (C) Analyze issues pertaining to air toxics, acid deposition, and potential socioeconomic and environmental impacts (CEQA) of SCAQMD plans and regulations.
- (D) Conduct outreach activities to solicit public input on proposed control measures.
- (E) Implement Rule 2202 On-Road Motor Vehicle Mitigation Options and process employee commute reduction program submittals and registrations. Provide one-on-one assistance to employers to ensure compliance with the rule.

## **PROGRAM CATEGORIES**

### **DEVELOP PROGRAMS TO ACHIEVE CLEAN AIR (Cont.)**

- (F) Develop and update emissions inventories; conduct in-house auditing of annual emission reports; conduct field audits.

### **DEVELOP RULES TO ACHIEVE CLEAN AIR**

Develop emission reduction regulations for sulfur dioxide, nitrogen dioxide, organic gases, particulate matter, toxics, and other pollutants to implement the regional AQMP, Tanner Air Toxics Process (AB 1807), National Emission Standards for Hazardous Air Pollutants (NESHAPS), and Prevention of Significant Deterioration (PSD) requirements.

- (A) Provide an assessment of control technologies, evaluation of control cost, source testing and analysis of samples to determine emissions.
- (B) Test and analyze products and processes to demonstrate pollution reduction potential.
- (C) Solicit public input through meetings and workshops.
- (D) Prepare rules to provide flexibility to industry, ensure an effective permit program and increase rule effectiveness.
- (E) Evaluate effectiveness of area source rules, evaluate area source emission inventories, and propose new rules or amendments to improve implementation of area source programs, including the certification/registration of equipment, and as necessary pursuant to statewide regulatory requirements.
- (F) Implement the AQMP. Develop feasibility studies and control measures.
- (G) Conduct research and analyze health effects of air pollutants and assess the health implications of pollutant reduction strategies.

### **MONITORING AIR QUALITY**

Operate and maintain within SCAQMD's jurisdiction a network of air quality monitoring sites for ozone, nitrogen oxides, sulfur oxides, particulate matter, carbon monoxide and other pollutants to obtain data regarding public exposure to air contaminants.

- (A) Analyze, summarize, and report air quality information generated from the monitoring sites.
- (B) Provide continuous records for assessment of progress toward meeting federal and state air quality standards.
- (C) Develop and prepare meteorological forecasts and models.
- (D) Respond to emergency requests by providing technical assistance to first-response public safety agencies.

## **PROGRAM CATEGORIES**

### **MONITORING AIR QUALITY (Cont.)**

- (E) Notify the public, media, schools, regulated industries and others whenever predicted or observed levels exceed the episode levels established under state law.
- (F) Conduct special studies such as MATES V, National Air Toxics Trends (NATTS), Near Road NO<sub>2</sub> Monitoring, and Photochemical Assessment Monitoring Stations (PAMS).
- (G) Conduct measurement activities to identify and monitor potential sources of all toxics including high-risk facilities under the Community Air Toxics Initiative (CATI).
- (H) Evaluate and deploy low-cost sensors to monitor air pollution within communities of the South Coast Air Basin.
- (I) Assess the ability of optical remote sensing technology to characterize and quantify emissions from refineries and other sources, and to serve as a useful tool for enhancing existing leak detection and repair programs.

### **OPERATIONAL SUPPORT**

Provide operational support to facilitate overall air quality improvement programs.

- (A) Provide services that enable SCAQMD offices to function properly. Services include facility administration, human resources and financial services.
- (B) Provide information management services in support of all SCAQMD operations, including automation of permitting and compliance records, systems analysis and design, computer programming and operations, records management, and the library.
- (C) Provide legal support and representation on all policy and regulatory issues and all associated legal actions.

### **TIMELY REVIEW OF PERMITS**

Ensure timely processing of permits for new sources based on compliance with New Source Review and other applicable local, state and federal air quality rules and regulations.

- (A) Process applications for Permits to Construct and/or to Operate for new construction, modification and change of conditions for major and non-major sources.
- (B) Process Title V permits (Initial, Renewal, and Revisions) and facility permits for RECLAIM sources.
- (C) Process applications for Administrative Changes, Change of Operator, Plans, Emission Reductions Credits (ERCs) and RECLAIM Trading Credits (RTCs).

## **PROGRAM CATEGORIES**

### **TIMELY REVIEW OF PERMITS (Cont.)**

- (D) Continue efforts to streamline and expedite permit issuance through:
  - (1) Equipment certification/registration programs
  - (2) Streamlined standard permits
  - (3) Enhancement of permitting systems (including electronic permitting)
  - (4) Expedited Permit Processing Program
  - (5) Maintaining adequate staff resources
  - (6) Improved training
  - (7) Revisiting policies and rules

### **POLICY SUPPORT**

Monitor, analyze and attempt to influence the outcome of state/federal legislation.

- (A) Track changes to the state/federal budgets that may affect SCAQMD.
- (B) Respond to Congressional and Senatorial inquiries regarding SCAQMD programs, policies or initiatives.
- (C) Assist SCAQMD consultants in identifying potential funding sources and securing funding for SCAQMD programs.
- (D) Provide support staff to the Governing Board, Board committees, and various advisory and other groups including but not limited to: the Air Quality Management Plan Advisory Group, the Environmental Justice Advisory Group, the Home Rule Advisory Group, the Local Government and Small Business Assistance Advisory Group, the Mobile Source Air Pollution Reduction Review Committee (MSRC) and MSRC Technical Advisory Committee, the Scientific, Technical and Modeling Peer Review Advisory Group, the Technology Advancement Advisory Group, as well as ad hoc committees established from time to time and various Rule working groups.

## REVENUE CATEGORIES

### I. **Allocatable**

A portion of SCAQMD revenue offsets operational support costs of the SCAQMD.

1a Allocatable SCAQMD: District-wide administrative and support services (e.g., Human Resources, Payroll, Information Management).

1b Allocatable Office: Administrative activities specific to a division/office.

### II. **Annual Operating Emissions Fees**

### III. **Permit Processing Fees**

### IV. **Annual Operating Permit Renewal Fees**

### V. **Federal Grants/Other Federal Revenue**

### VI. **Source Test/Sample Analysis Fees**

### VII. **Hearing Board Fees**

### VIII. **Clean Fuels Fees**

### IX. **Mobile Sources**

### X. **Air Toxics AB 2588**

### XI. **Transportation Programs**

XII - XIV. These revenue categories are no longer used.

### XV. **California Air Resources Board Subvention/State Grants**

XVI. This revenue category is no longer used.

### XVII. **Other Revenue**

### XVIII. **Area Sources**

### XIX. **Portable Equipment Registration Program (PERP)**

For a description of the revenue categories listed above, please refer to the corresponding revenue account in the FUND BALANCE & REVENUES section, "Explanation of Revenue Sources" within this document.



## WORK PROGRAM OVERVIEW

The Work Program is a management tool that allocates resources by Office, Program Category, and project. It is developed from Program Output Justification forms prepared during the budget process by each Office. Work Programs for each Office can be found in the “OFFICE BUDGETS” section of this document. Work Programs by Program Category are within the following pages. A glossary of terms and acronyms used in the Work Programs are at the end of this section.

Professional & Special Services, Temporary Agency Services, and Capital Outlays expenditures are assigned to specific Work Program Codes associated with the project the expenditures support. All other expenditures (Salaries and Benefits and most Services and Supplies line items) are distributed within an Office by Full-Time Equivalent (FTE). A prorated share of the District General Budget has been allocated to each line in the work program based on the number of FTEs reflected on the line.

The following is a brief description of each column in the Work Program:

The **#** column identifies each line in the Work Program in numerical order.

The **Program Code** is a five-digit code assigned to each program. The first two digits represent the Office. The last three digits are the Program.

The **Goal** column identifies which of the three Program Goals (defined in the Draft Goals and Priority Objectives) applies to that output. The Goals are:

**GOAL I**      **Achieve Clean Air Standards.**

**GOAL II**      **Enhance Public Education and Equitable Treatment for All Communities.**

**GOAL III**      **Operate Efficiently and Transparently.**

The **Office** column, which appears on the Work Program by Category document, identifies the Office responsible for performing the work.

The **Program Category** column, which appears on the Work Program by Office document, identifies one of the nine Program Categories associated with an activity.

The **Program** column identifies the Program associated with the work.

The **Activities** column provides a brief description of the work.

The **FTEs** column identifies the number of Full Time Equivalent staff positions in the current-year adopted budget, mid-year and proposed changes (+/-), and the proposed budget for the next fiscal year. An FTE position represents one person-year.

The **Expenditures** column, found in the Work Program by Category document, identifies the expenditures in the current-year adopted budget, proposed changes (+/-) and the proposed budget for the next fiscal year.

The **Revenue Category** column identifies the revenue that supports the work. Revenue Category titles can be found within this section and revenue descriptions are in the FUND BALANCE & REVENUES section, “Explanation of Revenue Sources” within this document.

**Advance Clean Air Technology  
Work Program by Category**

#	Program Code	Goal	Office	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Expenditures FY 2017-18	+/-	Expenditures FY 2018-19	Revenue Categories	
1	08	001	I	LEG	AB2766/Mob Src/Legal Advice	AB2766 Leg Adv: Trans/Mob Source	0.05	0.00	0.05	\$ 10,603	\$ 154	\$ 10,757	IX
2	04	003	III	FIN	AB2766/MSRC	MSRC Program Administration	0.35	0.00	0.35	52,494	771	53,265	IX
3	08	003	I	LEG	AB2766/MSRC	Legal Advice: MSRC Prog Admin	0.15	-0.05	0.10	31,809	(10,294)	21,514	IX
4	44	003	I	STA	Advisory Group/Small Business	Mob Src Review Comm Prog Admin	0.50	0.00	0.50	82,134	4,360	86,494	IX
5	44	004	I	STA	AB2766/MSRC/Contract Admin	AB2766 Admin Discretionary Prog	3.00	0.00	3.00	492,806	26,159	518,965	IX
6	44	012	I	STA	AQMP/Control Tech Assessment	Tech Supp: Quantify Cost Effec	0.10	0.90	1.00	16,427	156,562	172,988	VIII
7	04	030	I	FIN	AB 134	AB 134	0.00	2.00	2.00	-	304,372	304,372	IX
8	08	030	I	LEG	AB 134	AB 134	0.00	2.00	2.00	-	430,288	430,288	IX
9	44	030	I	STA	AB 134	AB 134	0.00	6.00	6.00	-	1,037,931	1,037,931	IX
10	44	039	I	STA	Admin/Office Mgt/Tech Adv	Admin Support/Coordination	0.77	0.00	0.77	126,487	6,714	133,201	VIII
11	44	048	I	STA	Admin/Prog Mgmt/Tech Advance	Overall TA Program Mgmt/Coord	1.55	0.00	1.55	254,617	13,516	268,132	VIII
12	44	066	I	STA	AQIP Marine SCR DPF	AQIP Marine SCR DPF/Admin/Impl	0.15	-0.15	0.00	24,640	(24,640)	-	IX
13	44	095	I	STA	CA Natural Gas Veh Partnership	CA Natural Gas Veh Partnership	0.05	0.05	0.10	8,213	9,085	17,299	VIII
14	04	130	III	FIN	Clean Fuels/Contract Admin	Clean Fuels Contract Admin/Monitor	0.15	0.00	0.15	22,497	331	22,828	VIII
15	44	130	I	STA	Clean Fuels/Contract Admin	Admin/Project Supp for TA Cont	3.40	1.00	4.40	558,514	202,635	761,149	VIII
16	08	131	I	LEG	Clean Fuels/Legal Advice	Legal Advice: Clean Fuels	0.05	0.10	0.15	10,603	21,669	32,272	VIII
17	44	132	I	STA	Clean Fuels/Mobile Sources	Dev/Impl Mobile Src Proj/Demo	6.00	-4.50	1.50	2,270,613	(726,130)	1,544,483	VIII
18	44	134	I	STA	Clean Fuels/Stationary Combust	Dev/Demo Clean Combustion Tech	0.50	-0.20	0.30	82,134	(30,238)	51,897	VIII
19	44	135	I	STA	Clean Fuels/Stationary Energy	Dev/Demo Alt Clean Energy	0.55	0.00	0.55	90,348	4,796	95,144	VIII
20	44	136	I	STA	Clean Fuels/Tech Transfer	Disseminate Low Emiss CF Tech	1.25	1.06	2.31	205,336	194,267	399,603	VIII
21	44	187	I	STA	DERA Sch Bus Repl	DERA Sch Bus Repl Admin/Impl	0.03	0.00	0.03	4,928	262	5,190	V
22	44	188	I	STA	DERA FY 13 Veh Repl	DERA Vehicle Repl Admin/Impl	0.20	-0.10	0.10	32,854	(15,555)	17,299	XVII
23	44	190	I	STA	Diesel Projects EPA	Diesel Projects EPA/Admin/Impl	0.11	0.00	0.11	18,070	959	19,029	V
24	44	203	I	STA	EFMP Program Support	EFMP Program Support	1.19	3.81	5.00	195,480	669,462	864,942	XVII
25	44	356	I	STA	GGRF ZEDT Demo	GGRF ZEDT Demo Admin	1.10	-0.10	1.00	180,696	(7,707)	172,988	XVII
26	44	361	I	STA	HD Trucks DOE ARRA	DOE HD Trucks Admin (ARRA)	2.00	-2.00	0.00	328,538	(328,538)	-	V,XVII
27	44	453	I	STA	Mob Src: Emiss Inven Method	Rvw CARB/US EPA emissions inven methodology	1.50	0.00	1.50	246,403	13,080	259,483	VIII,IX
28	04	457	III	FIN	Mobile Source/Moyer Adm	Carl Moyer: Contract/Fin Admin	1.02	0.00	1.02	152,982	2,248	155,230	IX
29	08	457	I	LEG	Mob Src/C Moyer/Leg Advice	Moyer/Implem/Program Dev	0.10	0.00	0.10	21,206	309	21,514	IX
30	16	457	I	AHR	MS/Carl Moyer Admin	C Moyer/Contractor Compliance	0.10	0.00	0.10	18,663	438	19,101	IX
31	44	457	I	STA	Mob Src/C Moyer Adm/Outreach	Carl Moyer: Impl/Admin Grant	11.15	1.00	12.15	1,906,597	270,213	2,176,810	IX
32	44	459	I	STA	Mob Src/C Moyer/Impl/Prg Dev	Moyer/Implem/Program Dev	2.80	0.20	3.00	459,952	59,013	518,965	IX
33	44	460	I	STA	VIP Admin	VIP Admin/Outreach/Impl	0.80	-0.30	0.50	131,415	(44,921)	86,494	IX
34	44	497	I	STA	Plug-in Hybrid EV DOE ARRA	DOE Plug-in Hybrid EV Admin (ARRA)	0.75	-0.75	0.00	123,202	(123,202)	-	V
35	44	533	I	STA	POLB AMECS Demo	POLB AMECS Demo-Admin/Impl	0.47	0.00	0.47	77,206	4,098	81,305	XVII
36	04	542	I	FIN	Prop 1B:Goods Movement	Contracts/Finance Admin	0.50	0.00	0.50	74,991	1,102	76,093	IX
37	16	542	I	AHR	Prop 1B:Goods Movement	Prop 1B: Goods Movement	0.10	0.00	0.10	18,663	438	19,101	IX
38	04	544	I	FIN	Prop 1B:Low Emiss Sch Bus	Grants/Finance Admin	0.05	0.00	0.05	7,499	110	7,609	IX
39	44	677	I	STA	School Bus/Lower Emission Prog	School Bus Program Oversight	0.70	0.80	1.50	114,988	144,495	259,483	IX
40	26	738	I	PRA	Target Air Shed EPA	Targeted Air Shed Admin/Impl	0.25	-0.25	0.00	43,023	(43,023)	-	V,XVII
41	44	738	I	STA	Target Air Shed EPA	Targeted Air Shed Admin/Impl	0.15	0.35	0.50	24,640	61,854	86,494	V,XVII
42	44	740	I	STA	Tech Adv/Commercialization	Assess CFs/Adv Tech Potential	0.25	0.00	0.25	41,067	2,180	43,247	VIII
43	44	741	I	STA	Tech Adv/Non-Combustion	Dev/Demo Non-Combustion Tech	0.10	0.90	1.00	16,427	156,562	172,988	VIII
44	44	816	I	STA	Transportation Research	Transport Research/Adv Systems	0.50	0.00	0.50	82,134	4,360	86,494	VIII

**Total Advance Clean Air Technology**

44.49	11.77	56.26	\$ 8,661,899	\$ 2,450,544	\$ 11,112,443
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A prorated share of the District General Budget has been allocated to each line in the work program based on the number of FTEs reflected on the line.

Customer Service and Business Assistance Work Program by Category												
#	Program Code	Goal	Office	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Expenditures FY 2017-18	+/-	Expenditures FY 2018-19	Revenue Categories
1	04	002	III	FIN	AB2766/Mobile Source	Prog Admin: Monitor/Dist/Audit	0.10	0.00	0.10	\$ 14,998	\$ 10,220	\$ 25,219 IX
2	26	007	I	PRA	AB2766/MSRC	AB2766 Prov Tech Asst to Cities	1.22	-0.02	1.20	209,951	6,212	216,164 IX
3	35	037	I	LPA	AB 617-Outreach	AB 617-Outreach	0.00	2.00	2.00	-	356,935	356,935 XV
4	50	038	I	EP	Admin/Office Management	Dev/Coord Goals/Policies/Overs	1.00	2.00	3.00	176,160	359,296	535,456 Ib
5	60	038	III	CE	Admin/Office Budget	Dev/Coord Goals/Policies/Overs	6.00	1.00	7.00	890,304	206,490	1,096,794 Ib
6	35	046	III	LPA	Admin/Prog Mgmt	Admin Office/Units/SuppCoord Staff	4.02	0.00	4.02	693,948	23,490	717,438 Ib
7	50	047	I	EP	Admin/Operations Support	Budget/Contracts/Reports/Projects	2.00	1.00	3.00	342,820	195,136	537,956 Ib
8	60	047	I	CE	Admin/Operations Support	Budget/Contracts/Reports/Projects	6.00	-1.10	4.90	892,804	(121,948)	770,856 Ib
9	35	126	II	LPA	Clean Air Connections	Coord of region-wide community group	1.00	0.00	1.00	172,624	5,843	178,467 II,IX
10	04	170	I	FIN	Billing Services	Answer/Resp/Resolv Prob & Inq	8.00	0.00	8.00	1,215,360	17,628	1,232,987 II,III,IV
11	50	200	I	EP	Economic Dev/Bus Retention	Perm Proc/Public Participation	0.10	0.00	0.10	17,016	833	17,849 III
12	35	205	II	LPA	Environmental Education	Curriculum Dev/Project Coord	0.25	0.00	0.25	43,156	1,461	44,617 II,IX,XV
13	26	216	I	PRA	AER Public Assistance	AER Design/Impl/Monitor Emiss	2.00	-2.00	0.00	344,183	(344,183)	- II
14	35	240	I	LPA	Environmental Justice	Impl Board's EJ Pgrms/Policies	2.00	0.00	2.00	345,248	11,687	356,935 II,IV
15	04	260	III	FIN	Fee Review	Cmte Mtg/Fee-Related Complaint	0.10	0.00	0.10	14,998	220	15,219 II,III,IV,XV
16	35	260	III	LPA	Fee Review	Cmte Mtg/Fee-Related Complaint	0.50	0.00	0.50	86,312	2,922	89,234 II,III,IV,XV
17	50	260	III	EP	Fee Review	Fee Review Committee	0.45	0.00	0.45	76,572	3,746	80,318 II,III,IV
18	04	355	III	FIN	Grants Management	Grant Anlyz/Eval/Negot/Acc/Rpt	1.00	0.00	1.00	149,982	2,203	152,186 IV,V,XV
19	35	381	III	LPA	Interagency Liaison	Interact Gov Agns/Promote SCAQMD	0.15	0.00	0.15	25,894	876	26,770 Ia,XV
20	35	390	I	LPA	Intergov/Geographic Deployment	Dev/Impl Local Govt Outreach	9.50	1.00	10.50	1,677,928	233,979	1,911,907 II,IX
21	08	404	I	LEG	Legal Rep/Legislation	Draft Legis/SCAQMD Position/Mtgs	0.25	0.00	0.25	53,015	771	53,786 II,IX
22	50	425	I	EP	Lobby Permit Services	Supp Perm Proc/Customer Svc	1.00	0.00	1.00	170,160	8,325	178,485 III
23	27	481	III	IM	New System Development	Dev sys in supp of Dist-wide	1.75	0.00	1.75	357,792	17,914	375,706 Ia,III
24	03	490	II	EO	Outreach	Publ Awareness Clean Air Prog	0.97	0.00	0.97	313,039	(8,014)	305,025 Ia
25	35	491	II	LPA	Outreach/Business	Chambers/Business Meetings	1.00	0.00	1.00	172,624	5,843	178,467 II,IV
26	35	492	II	LPA	Public Education/Public Events	Pub Events/Conf/Rideshare Fair	1.00	0.00	1.00	582,624	5,843	588,467 II,V,IX,XV
27	60	492	II	CE	Outreach/Business	Pub Events/Conf/Rideshare Fair	0.20	0.00	0.20	29,610	1,670	31,280 IX
28	35	496	II	LPA	Outreach/Visiting Dignitary	Tours/Briefings-Dignitary	0.25	0.00	0.25	43,156	1,461	44,617 Ia
29	35	514	I	LPA	Permit: Expired Permit Program	Assist w Permit Reinstatement	0.30	0.00	0.30	51,787	1,753	53,540 IV
30	50	520	I	EP	Perm Proc/Pre-Appl Mtg Outreac	Pre-App Mtgs/Genl Prescreening	1.00	0.00	1.00	170,160	8,325	178,485 III
31	16	540	III	AHR	Print Shop	Printing/Collating/Binding	4.00	0.00	4.00	757,526	44,282	801,808 Ia
32	35	555	II	LPA	Public Information Center	Inform public of unhealthy air	1.00	0.00	1.00	262,624	5,843	268,467 II,V,IX
33	03	565	III	EO	Public Records Act	Comply w/ Public Req for Info	0.01	0.00	0.01	3,227	(83)	3,145 Ia
34	04	565	I	FIN	Public Records Act	Comply w/ Public Rec Requests	0.02	0.00	0.02	3,000	44	3,044 Ia
35	08	565	III	LEG	Public Records Act	Comply w/ Public Rec Requests	1.50	0.00	1.50	318,088	4,628	322,716 Ia
36	16	565	III	AHR	Public Records Act	Comply w/ Public Rec Requests	0.05	0.00	0.05	9,332	219	9,551 Ia
37	17	565	III	CB	Public Records Act	Comply w/ Public Rec Requests	0.02	0.00	0.02	4,477	355	4,832 Ia
38	26	565	III	PRA	Public Records Act	Comply w/ Public Rec Requests	0.57	0.25	0.82	98,092	49,620	147,712 Ia
39	27	565	III	IM	Public Records Act	Comply w/ Public Req for Info	4.75	0.00	4.75	887,550	48,625	936,175 Ia
40	35	565	III	LPA	Public Records Act	Comply w/ Public Req for Info	0.10	0.00	0.10	17,262	584	17,847 Ia

**Customer Service and Business Assistance (Cont.)**  
**Work Program by Category**

#	Program Code	Goal	Office	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Expenditures FY 2017-18	+/-	Expenditures FY 2018-19	Revenue Categories
41	44	565	III	STA	Public Records Act	0.17	0.00	0.17	\$ 27,926	\$ 1,482	\$ 29,408	Ia
42	50	565	III	EP	Public Records Act	0.25	0.00	0.25	42,540	2,081	44,621	Ia
43	60	565	III	CE	Public Records Act	2.00	1.00	3.00	296,101	173,096	469,198	Ia
44	04	631	III	FIN	Cash Mgmt/Refunds	0.30	0.00	0.30	44,995	661	45,656	III,IV,XI
45	35	679	III	LPA	Small Business Assistance	1.00	0.00	1.00	172,624	5,843	178,467	III
46	08	681	III	LEG	Small Business/Legal Advice	0.05	0.00	0.05	10,603	154	10,757	II,III
47	50	690	I	EP	Source Education	2.80	0.00	2.80	476,448	23,311	499,759	III,IV,V,XV
48	60	690	I	CE	Source Education	0.40	0.00	0.40	59,220	3,339	62,560	III,IV,V,XV
49	44	701	I	STA	Source Testing/Customer Svc	0.05	0.00	0.05	8,213	436	8,649	VI
50	44	709	I	STA	VOC Sample Analysis/SBA/Other	0.50	0.00	0.50	82,134	4,360	86,494	VI
51	35	710	I	LPA	Speakers Bureau	0.10	0.00	0.10	17,262	584	17,847	Ia
52	16	720	I	AHR	Subscription Services	1.70	0.00	1.70	317,274	7,451	324,725	IV,XVII
53	35	791	I	LPA	Toxics/AB2588	0.01	0.00	0.01	1,726	58	1,785	X
54	26	833	II	PRA	Rule 2202 ETC Training	0.93	0.02	0.95	185,045	6,085	191,130	XI

**Total Customer Service & Business Assistance**

75.39	5.15	80.54	\$ 13,437,515	\$ 1,400,002	\$ 14,837,517
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**Develop Programs  
Work Program by Category**

#	Program Code	Goal	Office	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Expenditures FY 2017-18	+/-	Expenditures FY 2018-19	Revenue Categories	
1	26	002	I	PRA	AB2766/Mobile Source	AB2766 Mobile Source Outreach	1.04	0.01	1.05	\$ 178,975	\$ 10,168	\$ 189,143	IX
2	04	009	I	FIN	AB 1318 Mitigation	AB 1318 Projects Admn/Impl	0.13	0.00	0.13	19,498	286	19,784	XVII
3	08	009	I	LEG	AB 1318 Mitigation	AB 1318 Projects Admn/Impl	0.05	-0.05	0.00	10,603	(10,603)	-	XVII
4	26	009	I	PRA	AB 1318 Mitigation	AB 1318 Projects Admn/Impl	0.30	-0.30	0.00	51,627	(51,627)	-	XVII
5	44	009	I	STA	AB 1318 Mitigation	AB 1318 Projects Admn/Impl	0.75	0.00	0.75	123,202	6,540	129,741	XVII
6	03	010	I	EO	AQMP	Develop/Implement AQMP	0.05	0.00	0.05	16,136	(413)	15,723	II,IX
7	08	010	I	LEG	AQMP	AQMP Revision/CEQA Review	0.20	-0.10	0.10	42,412	(20,897)	21,514	II,IV,IX
8	26	010	I	PRA	AQMP	AQMP Special Studies	2.00	-1.90	0.10	352,183	(326,169)	26,014	IV,V,IX,XV
9	03	028	I	EO	Admin/SCAQMD Policy	Dev/Coord Goals/Policies/Overs	0.44	0.00	0.44	291,997	(3,635)	288,362	Ia
10	26	033	I	PRA	AB 617-Em Inventory	AB 617-Em Inventory	0.00	0.50	0.50	-	90,068	90,068	XV
11	26	034	I	PRA	AB 617-Em Reduc Plns	AB 617-Em Reduc Plns	0.00	0.50	0.50	-	90,068	90,068	XV
12	26	038	I	PRA	Admin/Office Management	Coordinate Off/Admin Activities	4.55	0.00	4.55	783,016	36,605	819,620	Ib
13	26	068	II	PRA	SCAQMD Projects	Prepare Environmental Assessments	3.35	0.00	3.35	766,506	11,951	778,457	II,IV,IX
14	44	069	I	STA	AQIP Evaluation	AQIP Contract Admin/Evaluation	0.65	-0.15	0.50	106,775	(20,280)	86,494	IX
15	26	102	II	PRA	CEQA Document Projects	Review/Prepare CEQA Comments	3.50	0.25	3.75	602,320	73,191	675,511	II,IX
16	26	104	I	PRA	CEQA Policy Development	ID/Develop/Impl CEQA Policy	1.20	-0.70	0.50	216,510	(101,441)	115,068	IV,IX
17	26	128	I	PRA	Cln Communities Pln	Cln Communities Plan Admn/Impl	0.25	0.00	0.25	43,023	2,011	45,034	II,IX
18	26	217	I	PRA	Emissions Inventory Studies	Dev Emiss DB/Dev/Update Emiss	0.70	-0.20	0.50	120,464	(30,396)	90,068	II,V,IX,XV
19	26	218	I	PRA	AQMP/Emissions Inventory	Dev Emiss Inv: Forecasts/RFPs	1.30	-0.56	0.74	223,719	(90,418)	133,301	II,IX
20	26	219	I	PRA	Emissions Field Audit	Emissions Field Audit	0.50	-0.50	0.00	86,046	(86,046)	-	II
21	44	396	I	STA	Lawnmower Exchange	Lawn Mower Admin/Impl/Outreach	0.30	0.00	0.30	49,281	2,616	51,897	XVII
22	26	397	II	PRA	Lead Agency Projects	Prep Envrnmt Assmts/Perm Proj	1.75	0.75	2.50	301,160	149,181	450,341	III
23	26	448	I	PRA	Mobile Src Strategies-Off Road	CARB Off-Road Mob Src ctrl strategy for SIP	1.00	-1.00	0.00	172,091	(172,091)	-	XVII
24	26	451	I	PRA	Mob Src/CARB/EPA Monitoring	CARB/US EPA Mob Src Fuel Policies	1.50	-1.00	0.50	258,137	(168,069)	90,068	IX
25	26	452	I	PRA	Mob Src/CEC/US DOE Monitoring	CEC/US DOE Mob Src rulemaking proposals	1.00	-0.50	0.50	172,091	(82,023)	90,068	IX,XVII
26	44	458	I	STA	Mobile Source Strategies	Implement Fleet Rules	1.00	0.00	1.00	164,269	8,720	172,988	VIII
27	26	503	I	PRA	PM Strategies	PM10 Plan/Analyze/Strategy Dev	3.40	0.00	3.40	585,111	27,353	612,464	II,V,XV
28	44	542	I	STA	Prop 1B:Goods Movement	Prop 1B:Goods Movement	9.70	-0.70	9.00	1,893,407	(36,511)	1,856,896	IX
29	35	560	I	LPA	Public Notification	Public notif of rules/hearings	0.50	0.00	0.50	106,312	2,922	109,234	II,IV,IX
30	26	685	I	PRA	Socio-Economic	Apply econ models/Socio-econ	4.10	0.40	4.50	1,185,575	(113,661)	1,071,913	II,IV
31	44	702	I	STA	ST Methods Development	Eval ST Methods/Validate	0.95	0.00	0.95	156,055	8,284	164,339	II
32	44	705	I	STA	ST Sample Analysis/Air Program	Analyze ST Samples/Air Prgms	0.25	0.00	0.25	41,067	2,180	43,247	II
33	26	745	I	PRA	Rideshare	Dist Rideshare/Telecommute Prog	0.61	0.07	0.68	104,976	17,517	122,493	IX
34	26	816	I	PRA	Transportation Regional Progs	Dev AQMP Meas/Coord w/Reg Agn	0.35	0.00	0.35	60,232	77,816	138,048	V,IX
35	26	834	I	PRA	Rule 2202 Implement	Rule 2202 Proc/Sub Plans/Tech Eval	2.55	0.12	2.67	438,833	42,131	480,964	XI
36	26	836	I	PRA	Rule 2202 Support	R2202 Supt/CmptmrMaint/WebSubmt	2.59	0.06	2.65	460,717	31,645	492,361	V,XI

**Total Develop Programs**

52.51	(5.00)	47.51	\$ 10,184,322	\$ (623,030)	\$ 9,561,292
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**Develop Rules  
Work Program by Category**

#	Program Code	Goal	Office	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Expenditures FY 2017-18	+/-	Expenditures FY 2018-19	Revenue Categories	
1	26	031	I	PRA	AB 617-BARCT Rules	AB 617-BARCT Rules	0.00	11.40	11.40	\$ -	\$ 2,053,554	\$ 2,053,554	XV
2	26	035	I	PRA	AB 617-General	AB 617-General	0.00	1.60	1.60	-	288,218	288,218	XV
3	44	043	I	STA	Admin/Office Mgmt/Rules	Rules: Assign/Manage/Supp	0.15	0.00	0.15	24,640	1,308	25,948	Ib
4	26	050	I	PRA	Admin/Rule Dev/PRA	Admin: Rule Development	0.60	0.50	1.10	103,255	94,895	198,150	Ib
5	26	071	I	PRA	Arch Ctgs - Admin	Rdev/Aud/DB/TA/SCAQMD/Rpts/AER	1.10	-0.10	1.00	189,301	(9,164)	180,136	XVIII
6	26	077	I	PRA	Area Sources/Rulemaking	Dev/Eval/Impl Area Source Prog	2.05	-0.05	2.00	352,787	7,485	360,273	II,IX
7	26	165	I	PRA	Conformity	Monitor Transp. Conformity	0.25	0.00	0.25	43,023	2,011	45,034	V,IX
8	26	257	I	PRA	Fac Based Mob Src	Facility Based Mobile Src Meas	0.00	5.00	5.00	-	900,682	900,682	IX
9	26	362	II	PRA	Health Effects	Study Health Effect/Toxicology	2.25	0.00	2.25	387,206	18,101	405,307	II,III,IX
10	26	385	I	PRA	Criteria Pollutants/Mob Srcs	Dev/Impl Intercredit Trading	0.75	0.00	0.75	129,069	6,034	135,102	IV,IX
11	26	449	I	PRA	Mob Src/SCAQMD Rulemaking	Prepare SCAQMD Mob Src rulemaking proposals	0.81	1.49	2.30	139,394	274,920	414,314	IX
12	44	456	I	STA	MS & AQMP Control Strategies	AQMP Control Strategies	0.30	0.00	0.30	49,281	2,616	51,897	VIII
13	26	460	I	PRA	Regional Modeling	Rule Impact/Analyses/Model Dev	5.30	-0.90	4.40	1,052,084	(19,484)	1,032,600	II,V,IX
14	50	650	I	EP	Rulemaking	Dev/Amend/Impl Rules	0.25	0.00	0.25	42,540	2,081	44,621	II,XV
15	08	651	I	LEG	Rules/Legal Advice	Legal Advice: Rules/Draft Regs	1.00	0.20	1.20	212,059	46,114	258,173	II
16	44	653	I	STA	Rulemaking/BACT	Dev/Amend BACT Guidelines	2.00	0.00	2.00	328,538	17,439	345,977	II
17	26	654	I	PRA	Rulemaking/NOX	Rulemaking/NOx	2.50	0.00	2.50	430,228	20,112	450,341	II,IV,XV
18	26	655	I	PRA	NSR/Adm Rulemaking	Amend/Develop NSR & Admin Rules	2.50	0.00	2.50	430,228	20,112	450,341	II,IV,V,XV
19	26	656	I	PRA	Rulemaking/VOC	Dev/Amend VOC Rules	5.70	-2.45	3.25	1,030,921	(445,478)	585,443	II,IV,XV
20	44	657	I	STA	Rulemaking/Support PRA	Assist PRA w/ Rulemaking	0.05	0.00	0.05	8,213	436	8,649	II
21	50	657	I	EP	Rulemaking/Support PRA	Provide Rule Development Supp	0.25	0.00	0.25	42,540	2,081	44,621	II,XV
22	60	657	I	CE	Rulemaking/Support PRA	Provide Rule Development Supp	0.50	0.50	1.00	74,025	82,374	156,399	IV,XV
23	26	659	I	PRA	Rulemaking/Toxics	Develop/Amend Air Toxic Rules	9.50	1.50	11.00	1,634,868	346,632	1,981,500	II,XV
24	08	661	I	LEG	Rulemaking/RECLAIM	RECLAIM Legal Adv/Related Iss	0.25	0.25	0.50	53,015	54,557	107,572	II
25	26	661	I	PRA	Rulemaking/RECLAIM	RECLAIM Amend Rules/Related Is	2.50	0.00	2.50	430,228	20,112	450,341	II
26	44	706	I	STA	ST Sample Analysis/Air Program	Analyze ST Samples/Rules	0.25	0.00	0.25	41,067	2,180	43,247	II
27	44	708	I	STA	VOC Sample Analysis/Rules	VOC Analysis & Rptg/Rules	0.25	0.00	0.25	41,067	2,180	43,247	II,XV
28	50	752	I	EP	Title III Rulemaking	Title III Dev/Implement Rules	0.25	0.00	0.25	42,540	2,081	44,621	II,V,XV
29	50	773	I	EP	Title V & NSR Rulemaking-Supp	Title V Rules Dev/Amend/Impl	0.25	0.00	0.25	42,540	2,081	44,621	II

**Total Develop Rules**

41.56	18.94	60.50	\$ 7,354,657	\$ 3,796,272	\$ 11,150,929
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**Ensure Compliance  
Work Program by Category**

#	Program Code	Goal	Office	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Expenditures FY 2017-18	+/-	Expenditures FY 2018-19	Revenue Categories	
1	44	015	I	STA	Acid Rain Program	Acid Rain CEMS Eval/Cert	0.50	0.00	0.50	\$ 82,134	\$ 4,360	\$ 86,494	II,IV
2	44	042	I	STA	Admin/Office Mgmt/Compliance	Compliance: Assign/Manage/Supp	0.37	0.00	0.37	60,779	3,226	64,006	Ib
3	60	070	I	CE	CARB PERP Program	CARB Audits/Statewide Equip Reg	5.00	1.00	6.00	740,253	198,142	938,395	XIX
4	08	072	I	LEG	Arch Ctgs - End User	Case Dispo/Rvw, Track, Prep NOVs	0.05	0.00	0.05	10,603	154	10,757	XVIII
5	26	072	I	PRA	Arch Ctgs - End User	Compliance/Rpts/Rule Implementation	0.80	0.00	0.80	137,673	6,436	144,109	XVIII
6	44	072	I	STA	Arch Ctgs - End User	Sample Analysis/Rpts	2.00	0.00	2.00	328,538	17,439	345,977	XVIII
7	08	073	I	LEG	Arch Ctgs - Other	Case Dispo/Rvw, Track, Prep NOVs	0.05	0.00	0.05	10,603	154	10,757	XVIII
8	26	073	I	PRA	Arch Ctgs - Other	Compliance/Rpts/Rule Implementation	0.80	0.00	0.80	137,673	6,436	144,109	XVIII
9	26	076	I	PRA	Area Sources/Compliance	Area Source Compliance	4.70	-0.20	4.50	913,829	(3,216)	910,613	III,IV,V,IX,XV
10	16	080	III	AHR	Auto Services	Vehicle/Radio Repair & Maint	3.00	0.00	3.00	559,895	13,149	573,044	Ia
11	44	105	I	STA	CEMS Certification	CEMS Review/Approval	6.15	0.00	6.15	1,010,253	53,626	1,063,879	II,III,VI
12	35	111	II	LPA	Call Center/CUT SMOG	Smoking Vehicle Complaints	8.00	0.00	8.00	1,380,992	46,747	1,427,738	IX,XV
13	08	115	I	LEG	Case Disposition	Trial/Dispo-Civil Case/Injunct	5.00	-0.25	4.75	1,060,295	(38,361)	1,021,934	II,IV,V,VII,XV
14	60	152	III	CE	Compliance/IM Related Activiti	Assist IM: Design/Review/Test	0.50	0.00	0.50	274,025	7,174	281,200	IV
15	08	154	I	LEG	Compliance/NOV Administration	Review/Track/Prep NOVs/MSAs	1.00	-0.25	0.75	212,059	(50,701)	161,358	IV
16	60	155	I	CE	Compliance Guidelines	Procedures/Memos/Manuals	2.50	-1.00	1.50	370,127	(135,528)	234,599	IV
17	50	156	I	EP	Perm Proc/Info to Compliance	Prov Permit Info to Compliance	3.00	0.00	3.00	510,480	24,976	535,456	III,IV,XV
18	60	157	I	CE	Compliance/Special Projects	Prog Audits/Data Req/Brd Supp	5.00	-2.00	3.00	740,253	(271,056)	469,198	II
19	60	158	I	CE	Compliance Testing	R461/Combustion Equip Testing	0.50	0.50	1.00	240,025	(75,626)	164,399	IV
20	44	175	I	STA	DB/Computerization	Develop Systems/Database	0.44	0.00	0.44	72,278	3,837	76,115	II,IV,VI
21	08	185	I	LEG	Database Management	Support IM/Dev Tracking System	0.75	0.25	1.00	214,044	31,100	245,144	IV
22	26	215	I	PRA	Annual Emission Reporting	Annl Des/Impl/Emiss Monitor Sys	8.00	3.00	11.00	1,481,731	504,769	1,986,500	II,V
23	08	235	I	LEG	Enforcement Litigation	Maj Prosecutions/Civil Actions	2.00	0.00	2.00	424,118	6,170	430,288	IV
24	50	240	I	EP	Environmental Justice	R461/Combustion Equip Testing	0.50	0.00	0.50	85,080	4,163	89,243	II,IV,XV
25	26	358	I	PRA	GHG Rules-Compl	Green House Gas Rules-Compliance	1.05	-0.35	0.70	180,696	(44,600)	136,095	IV
26	17	364	I	CB	Hearing Board/Abatement Orders	Attnd/Recrd/Monitr Mtgs	0.10	0.00	0.10	22,384	1,776	24,159	IV
27	17	365	I	CB	Hearing Board/Variances/Appeal	Attend/Record/Monitor HB Mtgs	3.20	0.00	3.20	801,778	56,517	858,295	IV,V,VII
28	50	365	I	EP	Hearing Bd/Variances	Variances/Orders of Abatement	0.75	0.00	0.75	127,620	6,244	133,864	VII
29	60	365	I	CE	Hearing Bd/Variances	Variances/Orders of Abatement	2.00	0.00	2.00	296,101	16,697	312,798	VII
30	08	366	I	LEG	Hearing Board/Legal	Hear/Disp-Varian/Appeal/Rev	3.00	0.00	3.00	636,177	9,255	645,432	IV,V,XV
31	60	375	I	CE	Inspections	Compliance/Inspection/Follow-up	83.10	4.90	88.00	12,303,011	1,460,116	13,763,127	II,V,XV
32	50	377	I	EP	Inspections/RECLAIM Audits	Audit/Compliance Assurance	6.00	0.00	6.00	1,020,960	49,953	1,070,912	II,IV
33	60	377	I	CE	Inspections/RECLAIM Audits	Audit/Compliance Assurance	15.00	-1.00	14.00	2,220,760	(31,172)	2,189,588	II,IV
34	08	380	I	LEG	Interagency Coordination	Coordinate with Other Agencies	0.20	0.00	0.20	42,412	617	43,029	II,V
35	08	403	III	LEG	Legal Rep/Litigation	Prep/Hearing/Disposition	3.50	0.00	3.50	941,706	10,798	952,504	Ia,II
36	44	450	I	STA	Microscopic Analysis	Asbestos/PM/Metals Analysis	2.00	0.00	2.00	328,538	17,439	345,977	VI
37	08	465	I	LEG	Mutual Settlement	Mutual Settlement Program	3.00	-1.50	1.50	636,177	(313,461)	322,716	IV
38	50	492	I	EP	Customer Service	Compliance/Inspection/Follow-up	0.50	0.00	0.50	85,080	4,163	89,243	II,V,IX,XV
39	44	500	I	STA	PM2.5 Program	Est/Operate/Maint PM2.5 Network	11.30	0.00	11.30	1,856,237	98,533	1,954,770	II,V,IX
40	60	539	I	CE	Procedure 5 Review	Evaluate Proc 5 Asbestos Plans	0.40	0.00	0.40	59,220	3,339	62,560	XVII

**Ensure Compliance (Cont.)  
Work Program by Category**

#	Program Code	Goal	Office	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Expenditures FY 2017-18	+/-	Expenditures FY 2018-19	Revenue Categories	
41	60	550	II	CE	Public Complaints/Breakdowns	Compltresp/Invflwup/Resolutn	10.00	0.00	10.00	\$ 1,480,507	\$ 83,485	\$ 1,563,992	II,IV,V,XV
42	50	605	I	EP	RECLAIM/Admin Support	Admin/Policy/Guidelines	6.50	0.00	6.50	1,106,040	54,115	1,160,155	II,III,IV,XV
43	60	605	I	CE	RECLAIM/Admin Support	Admin/Policy/Guidelines	5.00	-4.50	0.50	740,253	(662,054)	78,200	II,III,IV,XV
44	26	620	I	PRA	Refinery Pilot Project	Refinery Pilot Project	0.25	-0.25	0.00	43,023	(43,023)	-	II
45	26	645	I	PRA	Rule 1610 Plan Verification	Rule 1610 Plan Verification	0.75	0.00	0.75	129,069	6,034	135,102	V,IX
46	50	678	I	EP	School Siting	Identify Haz. Emission Sources near Schools	0.25	0.00	0.25	42,540	2,081	44,621	II
47	60	678	I	CE	School Siting	Identify Haz. Emission Sources near Schools	0.05	-0.05	0.00	7,403	(7,403)	-	IV
48	50	680	I	EP	Small Business Assistance	Asst sm bus w/ Permit Process	0.50	0.00	0.50	85,080	4,163	89,243	III,IV
49	44	700	I	STA	Source Testing/Compliance	Conduct ST/Prov Data/Compl	2.25	0.00	2.25	399,605	19,619	419,224	VI
50	44	704	I	STA	ST/Sample Analysis/Compliance	Analyze ST Samples/Compliance	4.00	0.00	4.00	732,075	(40,121)	691,954	VI
51	44	707	I	STA	VOC Sample Analysis/Compliance	VOC Analysis & Rptg/Compliance	7.00	0.00	7.00	1,186,881	61,038	1,247,919	IV,XV
52	44	716	I	STA	Special Monitoring	Rule 403 Compliance Monitoring	2.20	0.00	2.20	396,391	19,183	415,575	III,IV,IX,XV
53	60	751	I	CE	Title III Inspections	Title III Comp/Insp/Follow Up	0.10	-0.10	0.00	14,805	(14,805)	-	IV
54	60	771	I	CE	Title V	Title V Compl/Inspect/Follow Up	3.50	1.00	4.50	518,177	185,619	703,796	II,IV
55	04	791	III	FIN	Toxics/AB2588	AB2588 Toxics HS Fee Collection	0.15	0.00	0.15	37,497	331	37,828	X
56	08	791	I	LEG	Toxics/AB2588	AB2588 Legal Advice: Plan & Impl	0.05	0.00	0.05	10,603	154	10,757	X
57	27	791	III	IM	Toxics/AB2588	AB2588 Database Software Supp	0.50	0.00	0.50	149,026	5,118	154,145	X
58	50	791	I	EP	Toxics/AB2588	AB2588 Rev Rpts/Risk Redplans	0.25	0.00	0.25	42,540	2,081	44,621	X
59	60	791	I	CE	Toxics/AB2588	Risk Reduct Plan Rvw/Comm Mtgs	0.10	0.00	0.10	14,805	835	15,640	X
60	26	794	I	PRA	Toxics/AB2588	AB2588 Core, Tracking, IWS	13.00	0.00	13.00	2,237,188	104,584	2,341,772	X
61	44	794	I	STA	Toxics/AB2588	Eval Protocols/Methods/ST	4.25	0.00	4.25	698,142	37,059	735,201	X
62	44	795	I	STA	Toxics/Engineering	R1401 Toxics/HRA Prot/Rpt Eval	0.05	0.00	0.05	8,213	436	8,649	VI,X
63	08	805	III	LEG	Training	Continuing Education/Training	0.50	0.25	0.75	106,029	55,329	161,358	Ib

**Total Ensure Compliance**

256.91	(0.55)	256.36	\$ 42,802,491	\$ 1,577,643	\$ 44,380,133
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**Monitoring Air Quality  
Work Program by Category**

#	Program Code	Goal	Office	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Expenditures FY 2017-18	+/-	Expenditures FY 2018-19	Revenue Categories	
1	44	036	I	STA	AB 617-Monitoring	AB 617-Monitoring	0.00	12.00	12.00	-	\$ 2,075,861	\$ 2,075,861	XV
2	44	038	I	STA	Admin/Office Mgmt/Monitoring	Overall Program Mgmt/Coord	1.40	0.00	1.40	229,976	12,208	242,184	Ib
3	44	046	I	STA	Admin/Program Management	STA Program Administration	2.00	0.00	2.00	340,538	17,439	357,977	Ib
4	26	061	I	PRA	Air Quality Evaluation	Air Quality Evaluation	2.25	0.00	2.25	387,206	18,101	405,307	IX
5	44	063	I	STA	Ambient Air Analysis	Analyze Criteria/Tox/Pollutants	8.91	5.00	13.91	1,463,635	1,593,474	3,057,108	II,V,IX
6	44	064	I	STA	Ambient Network	Air Monitoring/Toxics Network	19.85	-0.80	19.05	3,368,335	479,695	3,848,030	II,IV,V,IX
7	44	065	I	STA	Air Quality Data Management	AM Audit/Validation/Reporting	1.00	0.00	1.00	164,269	8,720	172,988	II,V,IX
8	44	067	II	STA	Ambient Lead Monitoring	Lead Monitoring/Analysis/Reporting	0.50	0.00	0.50	82,134	4,360	86,494	IV
9	44	073	I	STA	Arch Ctgs - Other	Sample Analysis/Rpts	2.00	0.00	2.00	328,538	17,439	345,977	XVIII
10	44	079	II	STA	AQ SPEC	AQ SPEC	3.00	0.00	3.00	492,806	26,159	518,965	XVII
11	44	081	I	STA	Air Filtration EPA	Air Filtration EPA/Admn/Impl	0.15	-0.05	0.10	24,640	(7,341)	17,299	V
12	44	082	I	STA	Air Filtration Other	Air Filtration Other/Admn/Impl	0.15	0.33	0.48	24,640	58,394	83,034	XVII
13	44	084	I	STA	Blk Carbon Stdy EPA	EPA Blck Carbon Climate Study	0.20	-0.20	0.00	32,854	(32,854)	-	XVII
14	44	161	I	STA	Comm Air Tox Init	Community Air Toxics Initiative	0.00	2.19	2.19	-	378,845	378,845	XVII
15	60	210	II	CE	Emergency Response	Emerg Tech Asst to Public Saf	0.10	0.00	0.10	14,805	835	15,640	IV,XV
16	44	240	I	STA	Environmental Justice	Implement Environmental Justice	0.45	0.00	0.45	73,921	3,924	77,845	II,IX
17	44	248	I	STA	EPA Community Scale AQ-SPEC	EPA Community Scale AQ-SPEC	1.00	0.00	1.00	164,269	8,720	172,988	V,XVII
18	26	443	I	PRA	MATES V	MATES V	0.30	0.00	0.30	101,627	2,413	104,041	II,IX
19	26	445	I	PRA	Meteorology	ModelDev/Data Analysis/Forecast	2.05	0.40	2.45	477,787	113,547	591,334	II,V,IX
20	44	468	I	STA	NATTS(Natl Air Tox Trends Sta)	NATTS (Natl Air Tox Trends)	1.50	0.00	1.50	246,403	13,080	259,483	II,V,IX
21	44	469	I	STA	Near Roadway Mon	Near Roadway Monitoring	1.50	0.00	1.50	246,403	13,080	259,483	IV,V,IX
22	44	505	I	STA	PM Sampling Program (EPA)	PM Sampling Program - Addition	10.60	-2.19	8.41	1,741,249	(286,416)	1,454,833	V
23	44	507	I	STA	PM Sampling Spec	PM Sampling Special Events	0.10	0.00	0.10	16,427	872	17,299	V
24	26	530	I	PRA	Photochemical Assessment	Photochemical Assessment	0.25	0.00	0.25	43,023	2,011	45,034	II,V
25	44	530	I	STA	Photochemical Assessment	Photochemical Assess & Monitor	3.00	0.00	3.00	492,806	26,159	518,965	V,IX
26	44	585	I	STA	Quality Assurance	Quality Assurance Branch	3.00	1.00	4.00	552,806	149,148	701,954	II,V,IX
27	44	663	I	STA	Salton Sea Monit	Mon/Analyze Hydrogen Sulfide	0.25	0.00	0.25	41,067	2,180	43,247	XVII
28	44	715	II	STA	Spec Monitoring/Emerg Response	Emergency Response	0.50	0.00	0.50	82,134	4,360	86,494	II
29	44	821	II	STA	TraPac Air Filt Prg	Admin/Tech Suppt/Reptg/Monitor	1.00	-1.00	0.00	164,269	(164,269)	-	XVII

**Total Monitoring Air Quality**

67.01	16.68	83.69	\$ 11,398,567	\$ 4,540,143	\$ 15,938,710
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**Operational Support  
Work Program by Category**

#	Program Code	Goal	Office	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Expenditures FY 2017-18	+/-	Expenditures FY 2018-19	Revenue Categories	
1	04	020	III	FIN	Admin/SCAQMD Budget	Analyze/Prepare/Impl/Track WP	2.65	0.00	2.65	\$ 397,454	\$ 5,839	\$ 403,293	1a
2	04	021	III	FIN	Admin/SCAQMD Contracts	Contract Admin/Monitor/Process	3.20	0.00	3.20	479,944	7,051	486,995	1a
3	04	023	III	FIN	Admin/SCAQMD Capital Assets	FA Rep/Reconcile/Inv/Acct	0.70	0.00	0.70	104,988	1,542	106,530	1a
4	17	024	III	CB	Admin/SCAQMD/GB/HB Mgmt	Admin Governing/Hearing Brds	1.25	0.00	1.25	279,796	22,194	301,990	1a,VII,XV
5	08	025	III	LEG	Admin/SCAQMD-Legal Research	Legal Research/Staff/Exec Mgmt	1.10	0.10	1.20	233,265	24,908	258,173	1a
6	16	026	III	AHR	SCAQMD Mail	Posting/Mailing/Delivery	2.30	0.00	2.30	429,252	10,081	439,334	1a
7	04	035	I	FIN	AB 617-General	AB 617-General	0.00	0.50	0.50	-	76,093	76,093	XV
8	08	035	I	LEG	AB 617-General	AB 617-General	0.00	1.00	1.00	-	215,144	215,144	XV
9	16	035	I	AHR	AB 617-General	AB 617-General	0.00	2.00	2.00	-	382,029	382,029	XV
10	27	035	I	IM	AB 617-General	AB 617-General	0.00	5.00	5.00	-	985,447	985,447	XV
11	03	038	III	EO	Admin/Office Management	Budget/Program Management	2.00	-1.00	1.00	322,721	(8,261)	314,459	1b
12	04	038	III	FIN	Admin/Office Management	Fin Mgmt/Oversee Activities	4.75	-1.00	3.75	712,417	(141,719)	570,697	1b
13	08	038	III	LEG	Admin/Office Management	Attorney Timekeeping/Perf Eval	3.50	0.00	3.50	749,706	10,548	760,254	1b
14	16	038	III	AHR	Admin/Office Management	Reports/Proj/Budget/Contracts	3.85	0.00	3.85	723,531	28,875	752,406	1b
15	27	038	III	IM	Admin/Office Management	Overall Direction/Coord of IM	2.25	-0.25	2.00	607,271	(213,092)	394,179	1b
16	04	045	III	FIN	Admin/Office Budget	Office Budget/Prep/Impl/Track	0.05	0.00	0.05	7,499	110	7,609	1b
17	16	060	III	AHR	Equal Employment Opportunity	Program Dev/Monitor/Reporting	0.10	0.00	0.10	18,663	438	19,101	1a
18	04	071	I	FIN	Arch Ctgs - Admin	Cost Analysis/Payments	0.04	0.00	0.04	5,999	88	6,087	XVIII
19	08	071	I	LEG	Arch Ctgs - Admin	Rule Dev/TA/Reinterpretations	0.05	0.00	0.05	10,603	154	10,757	XVIII
20	27	071	I	IM	Arch Ctgs - Admin	Database Dev/Maintenance	0.25	0.00	0.25	46,713	2,559	49,272	XVIII
21	04	085	III	FIN	Building Corporation	Building Corp Acct/Fin Reports	0.02	0.00	0.02	3,000	44	3,044	1a
22	16	090	III	AHR	Building Maintenance	Repairs & Preventative Maint	7.00	0.00	7.00	1,309,671	37,432	1,347,102	1a
23	16	092	III	AHR	Business Services	Building Services Admin/Contracts	2.55	0.00	2.55	475,910	11,177	487,087	1a
24	08	102	II	LEG	CEQA Document Projects	CEQA Review	0.50	0.25	0.75	106,029	55,329	161,358	II,III,IX
25	27	160	III	IM	Computer Operations	Oper/Manage Host Computer Sys	5.25	0.00	5.25	1,389,926	53,743	1,443,669	1a
26	27	184	III	IM	Database Information Support	Ad Hoc Reports/Bulk Data Update	1.00	0.00	1.00	206,853	10,237	217,089	1a
27	27	185	III	IM	Database Management	Dev/Maintain Central Database	2.25	0.00	2.25	420,418	23,033	443,451	1a
28	27	215	I	IM	Annual Emission Reporting	System Enhancements for GHG	0.50	0.00	0.50	93,426	5,118	98,545	II,XVII
29	16	225	III	AHR	Employee Benefits	Benefits Analysis/Orient/Records	1.50	0.00	1.50	279,947	6,575	286,522	1a
30	16	226	III	AHR	Classification & Pay	Class & Salary Studies	0.30	0.00	0.30	55,989	1,315	57,304	1a
31	08	227	III	LEG	Employee/Employment Law	Legal Advice: Employment Law	0.50	0.00	0.50	106,029	1,543	107,572	1a
32	16	228	III	AHR	Recruitment & Selection	Recruit Candidates for SCAQMD	3.25	0.00	3.25	630,052	17,745	647,797	1a
33	16	232	III	AHR	Position Control	Track Positions/Workforce Analys	0.55	0.00	0.55	102,647	2,411	105,058	1a
34	04	233	III	FIN	Employee Relations	Assist HR/Interpret Salary Res	0.10	0.00	0.10	14,998	220	15,219	1a
35	16	233	III	AHR	Employee Relations	Meet/Confer/Labor-Mgmt/Grievance	2.20	0.00	2.20	410,589	9,643	420,232	1a
36	16	255	III	AHR	Facilities Services	Phones/Space/Keys/Audio-Visual	1.00	0.00	1.00	188,632	4,383	193,015	1a
37	04	265	III	FIN	Financial Mgmt/Accounting	Record Accts Rec & Pay/Rpts	6.20	0.00	6.20	974,891	22,571	997,463	1a
38	04	266	III	FIN	Financial Mgmt/Fin Analysis	Fin/SCAQMD Stat Analysis & Audit	0.80	0.00	0.80	119,986	1,763	121,749	1a
39	04	267	III	FIN	Financial Mgmt/Treasury Mgmt	Treas Mgt Anlyz/Trk/Proj/Invst	1.00	0.00	1.00	234,632	2,203	236,836	1a
40	04	268	III	FIN	Financial Systems	CLASS/Rev/Acct/PR/Sys Analyze	0.10	0.00	0.10	14,998	220	15,219	1a
41	02	275	II	GB	Governing Board	Rep of Dist Meet/Conf/Testimony	0.00	0.00	0.00	1,711,896	71,791	1,783,687	1a
42	08	275	III	LEG	Governing Board	Legal Advice:Attend Board/Cmte Mtgs	1.00	0.00	1.00	212,059	3,085	215,144	1a
43	17	275	III	CB	Governing Board	Attend/Record/Monitor Meetings	1.40	0.00	1.40	313,372	24,857	338,229	1a
44	35	350	III	LPA	Graphic Arts	Graphic Arts	2.00	0.00	2.00	364,648	(7,713)	356,935	1a

A prorated share of the District General Budget has been allocated to each line in the work program based on the number of FTEs reflected on the line.

**Operational Support (Cont.)**  
**Work Program by Category**

#	Program Code	Goal	Office	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Expenditures FY 2017-18	+/-	Expenditures FY 2018-19	Revenue Categories	
45	27	370	III	IM	Information Technology Svcs	Enhance Oper Effic/Productivity	2.75	0.00	2.75	\$ 536,595	\$ 28,151	\$ 564,746	1a
46	08	401	III	LEG	Legal Advice/SCAQMD Programs	General Advice: Contracts	2.00	0.00	2.00	474,118	6,170	480,288	1a
47	27	420	III	IM	Library	General Library Svcs/Archives	0.25	0.00	0.25	55,063	2,559	57,622	1a
48	04	447	I	FIN	Mobile Sources/Accounting	Record Acct Rec & Pay/Special Funds	0.65	0.00	0.65	97,489	1,432	98,921	IX
49	27	470	III	IM	Network Operations/Telecomm	Operate/Maintain/implem SCAQMD	9.25	0.00	9.25	2,054,047	464,691	2,518,738	1a
50	27	480	III	IM	New System Development	Dev sys for special oper needs	2.50	0.00	2.50	559,327	592	559,920	II,IV
51	04	493	II	FIN	Outreach/SB/MB/DVBE	Outreach/Incr SB/DVBE Partic	0.05	0.00	0.05	7,499	110	7,609	1a
52	04	510	III	FIN	Payroll	Ded/Ret Rpts/PR/St & Fed Rpts	3.60	0.50	4.10	587,437	84,025	671,462	1a
53	04	570	III	FIN	Purchasing	Purch/Track Svcs & Supplies	2.50	0.00	2.50	374,956	81,309	456,265	1a
54	04	571	III	FIN	Purchasing/Receiving	Receive/Record SCAQMD Purchases	1.20	0.00	1.20	179,979	2,644	182,623	1a
55	04	572	III	FIN	Purchasing-Receiving/Stockroom	Track/Monitor SCAQMD Supplies	1.00	0.00	1.00	149,982	2,203	152,186	1a
56	27	615	III	IM	Records Information Mgmt Plan	Plan/Impl/Dir/Records Mgmt plan	1.25	0.00	1.25	285,566	12,796	298,362	1a
57	27	616	III	IM	Records Services	Records/Documents processing	3.75	0.00	3.75	838,297	31,788	870,085	1a,III,IV
58	04	630	III	FIN	Cash Mgmt/Revenue Receiving	Receive/Post Pymts/Reconcile	5.25	0.00	5.25	787,408	11,568	798,976	II,III,IV,XI
59	16	640	III	AHR	Risk Management	Liabl/Property/Wk Comp/SelfIns	2.25	0.00	2.25	531,921	(27,138)	504,783	1a
60	27	735	III	IM	Systems Maintenance	Maintain Existing Software Prog	4.50	0.00	4.50	1,351,177	136,700	1,487,876	II,III,IV
61	27	736	III	IM	Systems Implementation/PeopleS	Fin/HR PeopleSoft Systems Impl	1.50	0.00	1.50	530,279	(234,645)	295,634	1a
62	04	805	III	FIN	Training	Continuing Education/Training	0.20	0.00	0.20	29,996	441	30,437	1b
63	26	805	III	PRA	Training	Training	0.25	0.00	0.25	43,023	2,011	45,034	1b
64	50	805	III	EP	Training	Dist/Org Unit Training	3.10	0.00	3.10	527,496	25,809	553,305	1b
65	60	805	III	CE	Training	Dist/Org Unit Training	4.00	-2.00	2.00	592,203	(279,404)	312,798	1b
66	04	825	III	FIN	Union Negotiations	Official Labor/Mgmt Negotiate	0.02	0.00	0.02	3,000	44	3,044	1a
67	08	825	III	LEG	Union Negotiations	Legal Adv: Union Negotiations	0.05	-0.05	0.00	10,603	(10,603)	-	1a
68	26	825	III	PRA	Union Negotiations	Official Labor/Mgmt Negotiate	0.02	0.00	0.02	3,442	161	3,603	1a
69	35	825	III	LPA	Union Negotiations	Official Labor/Mgmt Negotiate	0.01	0.00	0.01	1,726	58	1,785	1a
70	44	825	III	STA	Union Negotiations	Labor/Mgmt Negotiations	0.05	0.00	0.05	8,213	436	8,649	1a
71	50	825	III	EP	Union Negotiations	Official Labor/Mgmt Negotiate	0.05	0.00	0.05	8,508	416	8,924	1a
72	60	825	III	CE	Union Negotiations	Official Labor/Mgmt Negotiate	0.10	0.00	0.10	14,805	835	15,640	1a
73	04	826	III	FIN	Union Steward Activities	Rep Employees in Grievance Act	0.01	0.00	0.01	1,500	22	1,522	1a
74	08	826	III	LEG	Union Steward Activities	Rep Employees in Grievance Act	0.05	-0.05	0.00	10,603	(10,603)	-	1a
75	26	826	III	PRA	Union Steward Activities	Rep Employees in Grievance Act	0.02	0.00	0.02	3,442	161	3,603	1a
76	35	826	III	LPA	Union Steward Activities	Union Steward Activities	0.01	0.00	0.01	1,726	58	1,785	1a
77	44	826	III	STA	Union Steward Activities	Rep Employees in Grievance Act	0.05	0.00	0.05	8,213	436	8,649	1a
78	50	826	III	EP	Union Steward Activities	Rep Employees in Grievance Act	0.05	0.00	0.05	8,508	416	8,924	1a
79	60	826	III	CE	Union Steward Activities	Rep Employees in Grievance Act	0.10	0.00	0.10	14,805	835	15,640	1a
80	03	855	II	EO	Web Tasks	Create/edit/review web content	0.03	0.00	0.03	9,682	(248)	9,434	1a
81	04	855	II	FIN	Web Tasks	Create/edit/review web content	0.02	0.00	0.02	3,000	44	3,044	1a
82	17	855	II	CB	Web Tasks	Create/edit/review web content	0.03	0.00	0.03	6,715	533	7,248	1a
83	26	855	II	PRA	Web Tasks	Create/edit/review web content	0.50	0.00	0.50	86,046	4,022	90,068	1a
84	27	855	II	IM	Web Tasks	Create/edit/review web content	3.25	0.00	3.25	893,071	33,270	926,341	1a
85	35	855	II	LPA	Web Tasks	Create/edit/review web content	0.40	0.00	0.40	69,050	2,337	71,387	1a
86	50	855	II	EP	Web Tasks	Creation/Update of Web Content	0.25	0.00	0.25	42,540	2,081	44,621	1a
87	60	855	II	CE	Web Tasks	Creation/Update of Web Conten	0.50	1.00	1.50	74,025	240,573	314,599	1a

**Total Operational Support**

126.38	6.00	132.38	\$ 26,747,503	\$ 2,387,853	\$ 29,135,356
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**Policy Support  
Work Program by Category**

#	Program Code	Goal	Office	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Expenditures FY 2017-18	+/-	Expenditures FY 2018-19	Revenue Categories	
1	44	041	I	STA	Admin/Office Mgmt/Policy Supp	Overall Policy Supp/Mgmt/Coord	0.49	0.00	0.49	\$ 80,492	\$ 4,273	\$ 84,764	Ib
2	03	083	II	EO	Hlth Effects Air Pollution Fou	Health Effects Air Poll Foundation Support	0.01	0.00	0.01	3,227	(83)	3,145	Ia
3	04	083	II	FIN	Hlth Effects Air Pollution Fou	Health Effects Air Poll Foundation Support	0.02	0.00	0.02	3,000	44	3,044	Ia
4	26	083	II	PRA	Hlth Effects Air Pollution Fou	Health Effects Air Poll Foundation Support	0.10	0.00	0.10	17,209	804	18,014	Ia,II,IV
5	26	148	I	PRA	Climate Change	GHG/Climate Change Policy Development	3.10	0.25	3.35	533,483	69,973	603,457	IV,XVII
6	50	148	I	EP	Climate Change	GHG/Climate Change Support	0.50	0.00	0.50	85,080	4,163	89,243	II,IX
7	60	148	I	CE	Climate Change	GHG/Climate Chg Support	0.10	-0.10	0.00	14,805	(14,805)	-	IV,IX
8	26	240	I	PRA	EJ-AQ Guidance Document	AQ Guidance Document	0.05	0.05	0.10	8,605	9,409	18,014	II,IX
9	03	275	I	EO	Governing Board	Board/Committee Support	1.72	0.00	1.72	555,079	(14,210)	540,870	Ia
10	26	276	I	PRA	Advisory Group/Home Rule	Governing Board Advisory Group	0.30	0.00	0.30	51,627	2,413	54,041	Ia
11	44	276	I	STA	Advisory Group/Technology Adva	Tech Adv Advisory Group Supp	0.10	0.00	0.10	16,427	872	17,299	VIII
12	50	276	I	EP	Board Committees	Admin/Stationary Source Committees	0.25	0.00	0.25	42,540	2,081	44,621	Ia
13	60	276	I	CE	Board Committees	Admin/Stationary Source Committee	0.15	0.00	0.15	22,208	1,252	23,460	Ia
14	26	277	I	PRA	Advisory Group/AQMP	Governing Board AQMP Advisory Group	0.05	0.00	0.05	8,605	402	9,007	II,IX
15	26	278	I	PRA	Advisory Group/Sci,Tech,Model	Scientific/Tech/Model Peer Rev	0.15	0.00	0.15	25,814	1,207	27,020	II,IX
16	35	280	I	LPA	Advisory Group/Ethnic Comm	GB Ethnic Comm Advisory Group	0.40	0.00	0.40	69,050	2,337	71,387	II,IX
17	35	281	I	LPA	Advisory Group/Small Business	SBA Advisory Group Staff Support	0.50	0.00	0.50	86,312	2,922	89,234	IV,IX
18	35	283	I	LPA	Governing Board Policy	Brd sup/Respond to GB req	0.55	0.00	0.55	94,943	3,214	98,157	Ia
19	35	345	II	LPA	Goods Mvmt&Financial Incentive	Goods Movement & Financial Incentives Progr	1.00	0.00	1.00	172,624	5,843	178,467	IX
20	03	381	I	EO	Interagency Liaison	Local/State/Fed Coord/Interact	0.71	0.00	0.71	229,132	(5,866)	223,266	Ia,IX
21	03	410	I	EO	Legislation	Testimony/Mtgs:New/Current Leg	0.03	0.00	0.03	9,682	(248)	9,434	Ia,IX
22	44	410	I	STA	Legislation	Support Pollution Reduction thru Legislatio	0.50	0.00	0.50	82,134	4,360	86,494	IX
23	35	412	I	LPA	Legislation/Federal	Lobbying/Analyses/Tracking/Out	0.25	0.00	0.25	708,286	1,461	709,747	Ia
24	35	413	I	LPA	Legislation/Exec Office Suppor	Coord Legis w/ EO, EC, Mgmt	0.25	0.00	0.25	43,156	1,461	44,617	Ia
25	35	414	I	LPA	Legislation-Effects	Lobbying/Analyses/Tracking/Out	0.80	0.00	0.80	148,099	4,675	152,774	Ia,IX
26	03	416	I	EO	Legislative Activities	Supp/Promote/Influence Legis/Adm	0.03	0.00	0.03	9,682	(248)	9,434	Ia
27	08	416	I	LEG	Legislative Activities	Lobbying: Supp/Promote/Influence legis/Adm	0.10	0.00	0.10	21,206	309	21,514	Ia
28	26	416	I	PRA	Legislative Activities	Supp/Promote/Influence Legis/Adm	0.50	0.00	0.50	86,046	4,022	90,068	Ia
29	35	416	I	LPA	Legislative Activities	Supp/Promote/Influence Legis/Adm	0.50	0.00	0.50	451,312	2,922	454,234	Ia
30	50	416	I	EP	Legislative Activities	Legislative Activities	0.25	0.00	0.25	42,540	2,081	44,621	Ia
31	60	416	I	CE	Legislative Activities	Legislative Activities	0.05	-0.05	0.00	7,403	(7,403)	-	Ia
32	26	454	I	PRA	Mob Src:Greenhs Gas Reduc Meas	Provide comments on mob src portion of AB32	0.89	-0.89	0.00	153,161	(153,161)	-	XVII
33	35	494	I	LPA	Outreach/Collateral/Media	Edits,Brds,Talk shows,Commercl	5.60	0.00	5.60	1,131,410	32,723	1,164,133	Ia
34	08	717	II	LEG	Student Interns	Gov Board/Student Intern Program	0.10	0.00	0.10	21,206	309	21,514	Ia
35	16	717	II	AHR	Student Interns	Gov Board/Student Intern Program	0.20	0.00	0.20	37,326	877	38,203	Ia
36	26	717	II	PRA	Student Interns	Gov Bd/Student Intern Program	0.25	0.00	0.25	43,023	2,011	45,034	Ia
37	35	717	II	LPA	Student Interns	Student Interns	0.10	0.00	0.10	17,262	584	17,847	Ia
38	60	717	II	CE	Student Interns	Gov Board/Student Intern Program	0.05	0.00	0.05	7,403	417	7,820	Ia
Total Policy Support						20.70	(0.74)	19.96	\$ 5,140,597	\$ (26,601)	\$ 5,113,996		

**Timely Review of Permits  
Work Program by Category**

#	Program Code	Goal	Office	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Expenditures FY 2017-18	+/-	Expenditures FY 2018-19	Revenue Categories	
1	50	120	I	EP	Certification/Registration Pro	Certification/Registration Prog	2.00	-1.00	1.00	\$ 340,320	\$ (161,835)	\$ 178,485	III
2	50	253	I	EP	ERC Appl Processing	Process ERC Applications	3.50	0.00	3.50	595,560	29,139	624,699	III
3	50	367	I	EP	Hearing Board/Appeals	Appeals: Permits & Denials	0.25	0.00	0.25	42,540	2,081	44,621	III
4	26	461	I	PRA	Permit & CEQA Modeling Review	Review Model Permit/Risk Assmt	1.30	0.00	1.30	273,719	10,458	284,177	III
5	50	475	I	EP	NSR Implementation	Implement NSR/Allocate ERCs	2.50	0.00	2.50	425,400	20,814	446,214	II,III,V,XV
6	50	476	I	EP	NSR Data Clean Up	Edit/Update NSR Data	0.50	0.00	0.50	85,080	4,163	89,243	II
7	50	515	I	EP	Perm Proc/Non TV/Non RECLAIM	PP: Non TitlV/TitlIII/RECLAIM	51.75	-1.00	50.75	8,831,779	316,356	9,148,135	III,XV
8	08	516	I	LEG	Permit Processing/Legal	Legal Advice: Permit Processing	0.20	-0.10	0.10	42,412	(20,897)	21,514	III
9	50	517	I	EP	Permit Services	Facility Data-Create/Edit	12.50	0.00	12.50	2,127,000	104,068	2,231,068	III,XV
10	50	518	I	EP	RECLAIM Non-Title V	Process RECLAIM Only Permits	4.50	0.00	4.50	765,720	37,464	803,184	III,IV,XV
11	50	519	I	EP	Perm Proc/Title III (Non TV)	Process Title III Permits	1.00	0.00	1.00	170,160	8,325	178,485	III
12	50	521	I	EP	Perm Proc/Expedited Permit	Proc Expedited Permits (301OT)	4.00	0.00	4.00	680,640	33,302	713,942	III
13	27	523	III	IM	Permit Streamlining	Permit Streamlining	0.25	0.00	0.25	46,713	2,559	49,272	III
14	50	523	I	EP	Permit Streamlining	Permit Streamlining	3.75	1.00	4.75	638,100	209,706	847,806	III
15	44	545	I	STA	Protocols/Reports/Plans	Eval Test Protocols/Cust Svc	0.10	0.00	0.10	16,427	872	17,299	III,IV
16	44	546	I	STA	Protocols/Reports/Plans	Eval Test Protocols/Compliance	6.15	0.00	6.15	1,010,253	53,626	1,063,879	IV,VI
17	50	607	I	EP	RECLAIM & Title V	Process RECLAIM & TV Permits	18.40	0.00	18.40	3,150,944	153,188	3,304,132	III
18	26	643		PRA	Rule 222 Filing Program	Rule 222 Filing Program	0.00	0.00	0.00	50,000	(50,000)	-	IV
19	50	643	I	EP	Rule 222 Filing Program	Rule 222 Filing Program	0.50	0.00	0.50	85,080	4,163	89,243	IV
20	35	680	I	LPA	Small Business/Permit Streamln	Asst sm bus to comply/SCAQMD req	3.95	0.00	3.95	681,865	23,081	704,946	II,III,IV,V,XV
21	44	725	I	STA	Permit Processing/Support E&C	Assist EAC w/ Permit Process	0.05	0.00	0.05	8,213	436	8,649	III
22	50	728	I	EP	Perm Proc/IM Programming	Assist IM: Design/Review/Test	2.55	0.00	2.55	433,908	21,230	455,138	II,III,IV
23	08	770	I	LEG	Title V	Leg Advice: Title V Prog/Perm Dev	0.05	0.00	0.05	10,603	154	10,757	II,IV
24	27	770	I	IM	Title V	Dev/Maintain Title V Program	1.50	0.00	1.50	395,279	(99,645)	295,634	III
25	08	772	I	LEG	Title V Permits	Leg Advice: New Source Title V Permit	0.05	0.00	0.05	10,603	154	10,757	III
26	50	774	I	EP	TV/Non-RECLAIM	Process Title V Only Permits	18.00	0.00	18.00	3,062,880	149,858	3,212,737	III
27	50	775	I	EP	Title V – Admin	Title V Administration	1.00	0.00	1.00	170,160	8,325	178,485	III

**Total Timely Review of Permits**

140.30	(1.10)	139.20	\$ 24,151,356	\$ 861,146	\$ 25,012,502
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**Total SCAQMD**

825.25	51.15	876.40	\$ 149,878,906	\$ 16,363,971	\$ 166,242,877
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## WORK PROGRAM GLOSSARY

**Below are descriptions of the activities related to the Work Program.**

**AB 134** – Community Air Protection Program adds funding to the Carl Moyer Program (See Carl Moyer Program).

**AB 617** – Community Air Protection Program to improve air quality in disadvantaged communities with high cumulative exposure through monitoring and emission reduction plans.

**AB 1318 Mitigation** - an eligible electrical generating facility shall pay mitigation fees for the transfer of emission credits from SCAQMD's internal emission credit accounts. Mitigation fees shall be used to finance emission reduction projects, pursuant to the requirements of AB 1318.

**AB 2766** (Mobile Sources, MSRC) - programs funded from motor vehicle registration revenues. The activities include: evaluation, monitoring, technical assistance, and tracking of AB2766 Subvention Fund Program progress reports including cost-effectiveness and emissions reductions achieved; supporting programs implemented by the Mobile Source Review Committee (MSRC); disbursing and accounting for revenues subvented to local governments; and performing SCAQMD activities related to reduction of emissions from mobile sources.

**Acid Rain Program** - developing and implementing the Continuous Emissions Monitoring (CEMS) Program in compliance with 40 CFR Part 75 of the Clean Air Act.

**Administration/SCAQMD** - supporting the administration of the SCAQMD. Examples are tracking fixed assets, operating the mailroom, preparing and reviewing contracts, conducting oversight of SCAQMD activities, developing District-wide policies and procedures, preparing the SCAQMD budget, providing legal advice on SCAQMD programs and other activities, and performing activities in support of the SCAQMD as a whole.

**Admin/SCAQMD Capital Assets (Asset Management)** – tracking of acquisitions, disposals/retirements and reconciliation of capital assets to the Capital Outlay account, and conducting annual lab and biennial asset inventories.

**Administration/Office Management** - supporting the administration of an organizational unit or a unit within an Office. This includes such items as preparing Office budgets, tracking programs, providing overall direction and coordination, providing program management and integration, preparing policies and procedures manuals, and preparing special studies and projects.

**Advisory Group** – providing support to various groups such as: AQMP (Air Quality Management Plan), Environmental Justice, Home Rule, Local Government and Small Business Assistance, Technology Advancement, and Permit Streamlining Task Force.

**Air Filtration** - installation of high-efficiency air filtration devices in schools with the goal of reducing children's exposure to particulate matter in the classroom.

## WORK PROGRAM GLOSSARY

**Air Quality Evaluation** - analyzing air quality trends and preparing the Reasonable Further Progress (RFP) report.

**Ambient Air Analysis/Ambient Network** (Audit, Data Reporting, Special Monitoring) – complying with Federal regulations to monitor air quality for criteria pollutants at air monitoring stations to determine progress toward meeting the federal ambient air quality standards. This includes operating the SCAQMD’s air monitoring network and localized monitoring at landfill sites as well as conducting specialized monitoring in response to public nuisance situations. SCAQMD monitoring stations also collect samples which are analyzed by SCAQMD’s laboratory. Also see Special Monitoring.

**Ambient Lead Monitoring** – maintain the current ambient lead monitoring network to meet federal monitoring requirements.

**Annual Emission Reporting (AER)** – implementing the AER Program and tracking actual emissions reported by facilities, conducting audits of data, handling refunds, and preparing inventories and various reports.

**Annual Emission Reporting Program Public Assistance** - providing public assistance in implementing SCAQMD’s AER program by conducting workshops, resolving fee-related issues, and responding to questions.

**AQIP Evaluation** – provides incentive funding for projects to meet VOC, NOx, and CO emission targets with funds generated from companies who pay fees in lieu of carpool programs. Projects are funded through a semi-annual solicitation process.

**AQMP** (Air Quality Management Plan) – Management Plan for the South Coast Air Basin and the Interagency AQMP Implementation Committee.

**Air Quality Sensor Performance Evaluation Center (AQ-SPEC)** - program to test commercially available, low-cost air quality sensors.

**Architectural Coatings** – Rule 314 requires architectural coatings manufacturers which distribute into and/or sell their manufactured architectural coatings within the SCAQMD for use in the SCAQMD to submit an Annual Quantity and Emissions Report. To recover the cost of the program, a fee is assessed to these manufacturers. The fee is based on the quantity of coatings sold as well as the cumulative emissions from the quantity of coatings distributed or sold for use in the SCAQMD.

**Area Sources/Compliance** – developing rules and compliance programs, as well as alternatives to traditional permitting for smaller sources of emissions of VOCs and NOx.

**Auto Services** - maintaining the SCAQMD's fleet of automobiles, trucks, and vans as well as providing messenger services as needed.

## WORK PROGRAM GLOSSARY

**Billing Services** - administering the SCAQMD's permit billing system, responding to inquiries, and resolving issues related to fees billed.

**Black Carbon Study** – analyzing black carbon emissions in the Basin to determine climate implications that may be used within the AB 32 climate programs and in other air districts.

**Board Committees** - participation in Governing Board committees by preparing materials, presenting information on significant or new programs and providing technical expertise.

**Building Corporation** - managing the South Coast Air Quality Management District Building Corporation. The Building Corporation issued Installment Sale Revenue Bonds in conjunction with the construction of the SCAQMD's Diamond Bar headquarters facility.

**Building Maintenance** - maintaining and repairing the Diamond Bar Headquarters facility and SCAQMD air monitoring sites.

**Business Services** – overseeing operation of Facilities Services, Automotive Services, Print Shop and Mail/Subscriptions Services; negotiating and administering leases for the Diamond Bar facility, Long Beach Office, and air monitoring stations.

**California Natural Gas Vehicle Partnership** – strategic, non-binding partnership formed to work together in developing and deploying natural gas vehicles and implementing a statewide natural gas infrastructure.

**Call Center** - operates the 24-hour radio communication system via telephone between SCAQMD headquarters and the public/field staff.

**CARB PERP (Portable Equipment Registration Program)** – a program established by CARB allowing the operation of portable equipment in any air district throughout the state without individual local district permits. Amended to enhance enforceability and expand CARB's requirements for portable engines and equipment units, creating a more comprehensive and inclusive statewide registration program that now provides for triennial inspection and renewal of PERP registration.

**Carl Moyer Program** – provides incentive funding for the repower, replacement, or purchase of new heavy-duty vehicles and equipment beyond the emission limits mandated by regulations. Awards are granted through an annual solicitation process. Separate program announcements are also issued for pre-1990 diesel Class 7 or 8 truck fleet and ports truck fleet modernization programs. Also see Mobile Sources.

**Case Disposition** - resolving Notices of Violation (NOV) issued by SCAQMD inspectors. This includes preparing both civil and criminal cases and administering SCAQMD's Mutual Settlement Agreement Program.



## WORK PROGRAM GLOSSARY

**Cash Management** – receiving revenue, posting of payments, processing of refunds associated with SCAQMD programs, and bank and preparing cash reconciliations.

**CEMS Certification** (Continuous Emissions Monitoring System) - evaluating, approving, and certifying the continuous emissions monitoring systems installed on emissions sources to ensure compliance with SCAQMD rules and permit conditions.

**CEQA Document Projects/Special Projects** (California Environmental Quality Act) - reviewing, preparing, assessing, and commenting on projects which have potential air quality impacts.

**Certification/Registration Program** – manufacturers can voluntarily apply to have standard, off-the-shelf equipment certified by SCAQMD to ensure that it meets all applicable requirements.

**Classification and Pay** – maintaining the classification plan and conducting job analyses to ensure SCAQMD positions are allocated to the proper class, and conducting compensation studies to ensure classes are appropriately compensated and salaries remain competitive in the workforce.

**Clean Air Connections** – increase awareness of air quality issues and SCAQMD's programs and goals by developing and nurturing a region-wide group of community members with an interest in air quality issues.

**Clean Communities Plan (CCP)** – an update to the 2000 Air Toxics Control Plan (ATCP) and the 2004 Addendum. The objective of the 2010 CCP is to reduce the exposure to air toxics and air-related nuisances throughout the District, with emphasis on cumulative impacts.

**Clean Fuels Program** – accelerate the development and deployment of advanced, low emission technologies, including, but not limited to electric, hydrogen, and plug-in hybrid electric vehicles, low emission heavy-duty engines, after treatment for off-road construction equipment and identification of tailpipe emissions from biofuels.

**Climate Change** – developing and evaluating policy and strategy related to local, state, federal and international efforts on climate change. Seek to maximize synergies for criteria and toxic reduction and minimize and negative impacts.

**Compliance** – ensuring compliance of clean air rules and regulations through regular inspection of equipment and facilities, as well as responding to air quality complaints made by the general public.

**Compliance/Notice of Violation (NOV) Administration** – NOV processing and review for preparation for assignment to Mutual Settlement Agreement (MSA), civil, or criminal handling.

## WORK PROGRAM GLOSSARY

**Computer Operations** - operating and managing the SCAQMD's computer resources. These resources support the SCAQMD's business processes, air quality data, and modeling activities and the air monitoring telemetry system. Also see Systems Maintenance.

**Conformity** - reviewing of federal guidance and providing input on conformity analysis for the Regional Transportation Improvement Program (RTIP). Staff also participates in various Southern California Association of Governments (SCAG) meetings, the Statewide Conformity Working group, and other meetings to address conformity implementation issues. Staff participates in the federal Conformity Rule revision process, and monitors and updates Rule 1902, Transportation Conformity, as needed.

**Credit Generation Programs** (Intercredit Trading) – rulemaking and developing and implementing a program that expands emission credit trading by linking the SCAQMD's stationary and mobile source credit markets.

**Criteria Pollutants/Mobile Sources** – coordinating the implementation of the AQMP and conducting feasibility studies for mobile source categories; developing control measures and amended rules as warranted.

**1-800-CUT-SMOG** - The Call Center handles (1-800-CUT-SMOG) calls from drivers who identify a vehicle emitting excessive amounts of exhaust smoke.

**Database Information Support** – day-to-day support of ad hoc reports and bulk data updates required from SCAQMD's enterprise databases.

**Database Management** - developing and supporting the data architecture framework, data modeling, database services, and the ongoing administration of SCAQMD's central information repository.

**DB/Computerization** – developing laboratory instrument computer systems for data handling and control, evaluating the quality of the stored information. Further develop and maintain the Source Test Information Management System (STIMS).

**DERA (Diesel Emission Reduction Act) School Bus Replacement** – a U.S. EPA funded project to replace diesel school buses with Compressed Natural Gas (CNG) and electric buses.

**DERA (Diesel Emission Reduction Act) FY 13 Vehicle Replacement** – a U.S. EPA funded project to replace on-road medium-duty diesel trucks with battery electric trucks.

**Economic Development/Business Retention** – meeting with various governmental agencies to assist company expansion or retention in the Basin.

**EJ-AQ Guidance Document (Environmental Justice-Air Quality Guidance Document)** – providing outreach to local governments as they update their general plans and make land use

## WORK PROGRAM GLOSSARY

decisions. Providing updates to the reference document titled “Guidance Document for Addressing Air Quality Issues in General Plans and Local Planning.”

**Emergency Response** - responding to emergency air pollution (toxic) incidents, providing air quality monitoring support to local authorities.

**Emission Reduction Credit Application Processing** – processing applications for Emission Reduction Credits (ERC).

**Emissions Field Audit** – conducting field audits at facilities that have reported through Annual Emissions Reporting (AER) to ensure accurate emission reporting and to improve the program.

**Emissions Inventory Studies** – developing major point source emissions data and area source emissions inventory, updating emissions factors, developing and updating control factors, performing special studies to improve emission data, and responding to public inquiries regarding emission data.

**Employee Benefits** – administering SCAQMD’s benefit plans, including medical, dental, vision, and life insurance, as well as State Disability Insurance, Section 125 cafeteria plan, Long Term Care and Long Term Disability plans, Section 457 Deferred Compensation Plan, and Consolidated Omnibus Budget Reconciliation Act (COBRA) program.

**Employee Relations** – managing the collective bargaining process, administering MOU’s, preparing disciplinary documents, and administering SCAQMD’s performance appraisal program, Family and Medical Leave Act (FMLA) requests, tuition reimbursement, and outside training requests.

**Employee/Employment Law** – handling legal issues dealing with employment law in coordination with outside counsel.

**Enforcement Litigation** – staff attorneys pursue enforcement litigation including actions for civil penalties or injunctions when violations have not been settled or circumstances otherwise dictate.

**Environmental Education** - informing and educating the public about air pollution and their role in bringing clean air to the basin.

**Environmental Justice (EJ)** - a strategy for equitable environmental policymaking and enforcement to protect the health of all persons who live or work in the South Coast District from the health effects of air pollution regardless of age, culture, ethnicity, gender, race, socioeconomic status, or geographic location. The Environmental Justice Initiatives help to identify and address potential areas where citizens may be disproportionately impacted by air pollutants and ensure clean air benefits are afforded to all citizens and communities of the region.

## WORK PROGRAM GLOSSARY

**Equal Employment Opportunity** – ensuring non-discrimination and equal employment for employees and applicants through broad-based, targeted advertising; training interviewers to ensure fairness in evaluating candidates; ensuring that selection processes and testing instruments are appropriate and job-related; coaching supervisors and managers regarding hiring processes; and gathering data and preparing related staffing reports.

**Facilities Services** – monitoring service contracts, supporting tenants, overseeing conference center use, administering identification badges, overseeing building access control, maintaining key/lock systems, and configuring workspaces.

**Facility-Based Mobile Source Measures (FBMSMs)** – effort to begin implementation of the five FBMSMs (Warehouse Distribution Centers, Commercial Airports, New or Redevelopment Projects, Commercial Marine Ports, and Railyard & Intermodal Facilities) adopted in the 2016 AQMP to reduce emissions from facilities and ensure that these reductions are counted towards the region's emissions budget.

**Fee Review** – activities relating to conducting Fee Review Committee hearings for businesses that contest SCAQMD fees (Rule 313).

**Financial Management** - managing the financial aspects of the SCAQMD. This includes cash management, treasury/investment, accounting, and program and financial audits. It also includes maintaining SCAQMD's permit-related financial and accounting records as well as maintaining and enhancing SCAQMD's payroll and accounting systems.

**Goods Movement and Financial Incentives** – programs to evaluate the air quality issues associated with goods movement and traffic congestion, and for the identification of financial incentives for expedited facility modernization and diesel engine conversion.

**Governing Board** – supporting the operation of the Governing Board and advisory groups of the SCAQMD. These activities range from preparing the agenda and minutes to providing support services, legal advice, speeches, letters, and conference coordination.

**Grants Management** - coordinating, negotiating, monitoring, accounting, and reporting of the SCAQMD's air pollution program and financial activities relating to grants, including U.S. EPA, DOE, CEC, DHS grants, and CARB Subvention.

**Graphics Arts** - designing and producing presentation materials and SCAQMD publications.

**Green House Gas Reporting (GHG)** - many of the businesses and facilities within SCAQMD's jurisdiction are required to report their GHG emissions to CARB under the regulation for Mandatory Reporting of Greenhouse Gases (state) and, beginning in 2011, to the U.S. EPA under their Mandatory Reporting Rule (federal).

**Green House Gas Reduction Fund** – CARB's Low Carbon Transportation Greenhouse Gas Reduction Fund (GGRF) Investment Program funds a project to demonstrate zero emission drayage trucks.

## WORK PROGRAM GLOSSARY

**Health Effects** – conducting research and analyzing the health effects of air pollutants and assessing the health implications of pollutant reduction strategies; working with industry, trade associations, environmental groups, CARB and U.S. EPA and providing information to concerned citizens.

**Hearing Board** – supporting operation of the SCAQMD’s Hearing Board. These activities include accepting petitions filed; preparing and distributing notices; preparing minute orders, findings, and decisions of the Board; collecting fees; and general clerical support for the Board.

**Information Technology Services** - implementing new information technologies to enhance operational efficiency and productivity. Examples include developing workflow applications, training and supporting computer end users, and migrating network operating systems.

**Inspections** - inspecting facilities and equipment that emit or have the potential to emit air pollutants.

**Inspections/RECLAIM Audits** – conducting RECLAIM inspections and audits at facilities subject to Regulation XX (RECLAIM).

**Interagency Coordination/Liaison** - interacting with state, local, and federal control agencies and governmental entities.

**Intergovernmental/Geographic Deployment** - influencing local policy development and implementing a local government clean air program.

**Lawnmower Exchange** – residents of the South Coast Air Basin may trade in their gas-powered lawnmower and purchase a new zero-emission, battery electric lawnmower at a significant discount.

**Lead Agency Projects** – SCAQMD permitting and rule development projects where a CEQA document is prepared and the SCAQMD is the lead agency.

**Legal** - providing legal support to SCAQMD in the areas of liability defense, writs of mandate, injunctions, and public hearings. This activity also includes reviewing contracts, and advising staff on rules, fees and other governmental issues.

**Legislation** - drafting new legislation, analyzing and tracking proposed legislation, and developing position recommendations on legislation which impacts air quality.

**Library** - acquiring and maintaining reference materials and documentation that support the SCAQMD's programs.

## WORK PROGRAM GLOSSARY

**Lobby Permit Services** – providing information and support to applicants to expedite permit processing. Includes consolidating forms, prescreening review for completeness of applications, providing internet access of certain forms, and providing “over-the-counter” permits in the lobby of the SCAQMD’s Diamond Bar headquarters.

**Meteorology** - modeling, characterizing, and analyzing both meteorological and air quality data to produce the SCAQMD's daily air quality forecast.

**Microscopic Analysis** - analyzing, identifying, and quantifying asbestos for compliance with SCAQMD, state, and federal regulations.

**Mobile Sources** - transportation monitoring, strategies, control measures, demonstration projects, the Mobile Source Air Pollution Reduction Review Committee (MSRC), implementation of Fleet Rules, High Emitter Repair & Scrappage Program, and locomotive remote sensing.

**Mobile Source and AQMP (Air Quality Management Plan) Control Strategies** – provide technical assistance on the mobile source element of the AQMP.

**Moyer Program** – see Carl Moyer Program

**Mutual Settlement Program** - resolving civil penalties without court intervention; this program is a mechanism to resolve violations and avoid criminal proceedings.

**National Air Toxics Trends Stations (NATTS)** – through U.S. EPA funding, two sites in the monitoring network are utilized to collect ambient VOC and particulate samples. Samples are analyzed by the SCAQMD lab and reported to U.S. EPA where the data is used to determine toxic trends.

**Near Roadway (NO<sub>2</sub>) Monitoring** – federal monitoring requirement that calls for state and local air monitoring agencies to install near-road NO<sub>2</sub> monitoring stations at locations where peak hourly NO<sub>2</sub> concentrations are expected to occur within the near-road environment in larger urban areas.

**Network Operations/Telecommunications** – installing, maintaining, and providing operational support of the SCAQMD's PC, voice, data, image, and radio networks; planning, designing, and implementing new network systems or services in response to the SCAQMD's communications and business needs; and providing training, support, and application development services for end-users of voice and PC systems.

**New Systems Development** – providing support for major computer systems development efforts.

## WORK PROGRAM GLOSSARY

**New Source Review (NSR)** - developing and implementing New Source Review rules; designing, implementing, and maintaining the Emission Reduction Credits and the New Source Review programs. These programs streamline the evaluation of permit renewal and emissions reporting.

**Outreach** - increasing public awareness of the SCAQMD's programs, goals, permit requirements, and employment opportunities; interacting, providing technical assistance, and acting as liaison between SCAQMD staff and various sectors of private industry, local governments, small businesses, and visiting dignitaries.

**Outreach Media/Communications** - monitoring local and national press accounts, both print and broadcast media, to assess SCAQMD's outreach and public opinion on SCAQMD rules and activities. This also includes responding to media calls for informational background material on SCAQMD news stories.

**Payroll** - paying salaries and benefits to SCAQMD employees, withholding and remitting applicable taxes, and issuing W2s.

**Permit Processing** - inspecting, evaluating, auditing, analyzing, reviewing and preparing final approval or denial to operate equipment which may emit or control air contaminants.

**Permit Streamlining** – activities relating to reducing organizational costs and streamlining regulatory and permit requirements on businesses.

**Photochemical Assessment Monitoring Systems (PAMS)** - promulgating PAMS (a federal regulation), which requires continuous ambient monitoring of speciated hydrocarbons during smog season. Through U.S. EPA funding, ozone precursors are measured at seven stations and samples are collected.

**PM Sampling Program (U.S. EPA)** – daily collection of particulate samples

**Port of Long Beach (POLB) Advanced Maritime Emission Control System (AMECS) Demo** – funded by the Port of Long Beach, the proposed project will assess the performance and effectiveness of a barge-mounted emission control system to capture and treat hoteling emissions from ocean-going vessels (OGV) at berth at the Port of Long Beach.

**Portable Equipment Registration Program (PERP)** – see CARB PERP Program.

**Position Control** – tracking Board-authorized positions and SCAQMD workforce utilization, processing personnel transactions for use by Payroll, and preparing reports regarding employee status, personnel transactions, and vacant positions.

**Print Shop** – performing in-house printing jobs and contracting outside printing/binding services when necessary.

## WORK PROGRAM GLOSSARY

**Proposition 1B** - providing incentive funding for goods movement and lower emission school bus projects with funds approved by voters in November 2006.

**Protocols/Reports/Plans/LAP** - evaluating and approving protocols, source testing plans and reports submitted by regulated facilities as required by SCAQMD rules and permit conditions, New Source Review, state and federal regulations; and evaluating the capabilities of source test laboratories under the Laboratory Approval Program (LAP).

**Public Complaints/Breakdowns** - responding to air pollution complaints about odors, smoke, dust, paint overspray, or companies operating out of compliance; responding to industry notifications of equipment breakdowns, possibly resulting in emission exceedances.

**Public Education/Public Events** – implementing community events and programs to increase the public’s understanding of air pollution and their role in improving air quality.

**Public Information Center** - notifying schools and large employers of predicted and current air quality conditions on a daily basis and providing the public with printed SCAQMD information materials.

**Public Notification** – providing timely and adequate notification to the public of SCAQMD rulemaking workshops and public hearings, proposed rules, upcoming compliance dates, and projects of interest to the public.

**Public Records Act** - providing information to the public as requested and as required by Government Code, Section 6254.

**Purchasing** (Receiving, Stockroom) - procuring services and supplies necessary to carry out SCAQMD programs.

**Quality Assurance** – assuring the data quality from the Monitoring and Analysis Division meets or exceeds state and federal standards and also assuring the appropriateness of the data for supporting SCAQMD regulatory, scientific and administrative decisions.

**RECLAIM/Admin Support** – developing and implementing rules, and monitoring of emissions of the REgional CLean Air Incentives Market (RECLAIM) program, a market incentives trading program designed to help achieve federal and state ambient air quality standards in a cost-effective manner with minimal impacts to jobs or public health.

**RECLAIM and Title V** – permit processing of applications from facilities that are both RECLAIM and Title V.

**RECLAIM Non-Title V** – permit processing of applications from RECLAIM facilities only.



## WORK PROGRAM GLOSSARY

**Records Information Management Plan** – providing the process to comply with internal and external requirements for the retention and retrieval of information pertinent to the mission and operation of the SCAQMD.

**Records Services** – maintaining SCAQMD’s central records and files, converting paper files to images, and operating the network image management system; providing for all off-site long-term storage of records and for developing and monitoring the SCAQMD’s Records Retention Policy.

**Recruitment and Selection** – assisting SCAQMD management in meeting staffing needs by conducting fair and non-discriminatory recruitment and selection processes that result in qualified, diverse applicants for SCAQMD jobs; overseeing promotional and transfer processes, and reviewing proposed staff reassignments.

**Refinery Pilot Project** – pursuant to the AQMP, a working group was formed to examine the efficacy of an alternative regulatory approach to reducing refinery emissions beyond the current requirements by establishing a targeted emission reduction commitment for each refinery for a set period of time and allow the use of on-site or off-site reduction strategies with acceptable environmental justice attributes.

**Regional Modeling** – designing, performing, and reviewing modeling and risk assessment analysis to assess the air quality impacts of new or modified sources of air pollution. Also see Meteorology.

**Ridesharing** - implementing the SCAQMD’s Rule 2202 Trip Reduction Plan.

**Risk Management** - developing and administering SCAQMD's liability, property, and workers' compensation and safety programs.

**Rule 1610** – ensuring compliance with Rule 1610, Old-Vehicle Scrapping.

**Rule 2202 ETC Training** – administering and conducting monthly Rule 2202 implementation training classes, workshops and/or forums for the regulated public and other interested individuals.

**Rule 222 Implement/Support/Filing Program** – ensuring compliance with Rule 222 for equipment subject to a filing requirement with the SCAQMD.

**Rulemaking/Rules** – developing new rules and evaluating existing SCAQMD and CARB rules and compliance information to assure timely implementation of the AQMP and its control measures.

**Salton Sea Monitoring** – maintaining the monitoring network for expected nuisance pollutants, primarily hydrogen sulfide, which are released from the Salton Sea area.

## WORK PROGRAM GLOSSARY

**School Bus Lower Emission Program** – funding to replace pre-1987 diesel school buses with new alternative fuel buses owned and operated by public school districts.

**SCAQMD Mail** – processing and delivering all incoming and outgoing mail.

**SCAQMD Projects** – SCAQMD permitting and rule development projects where a California Environmental Quality Act (CEQA) document is prepared and the SCAQMD is the lead agency.

**School Siting** – identifying any hazardous emission sources within one-quarter mile of a new school site as required by AB3205. District activities include reporting of criteria and toxic pollutant information and conducting inspections of permitted facilities within a quarter-mile radius of proposed schools.

**Small Business Assistance** - providing technical and financial assistance to facilitate the permit process for small businesses.

**Socio-Economic** - developing an economic database to forecast economic activity, analyzing economic benefits of air pollution control, and analyzing the social impact of economic activity resulting from air quality regulations and plans.

**Source Education** - providing classes to facility owners and operators to ensure compliance with applicable SCAQMD's rules and regulations.

**Source Testing (ST)** – conducting source tests as needed in support of permitting functions and to determine compliance with permit conditions and SCAQMD Rules. Additionally, data submitted by facilities is reviewed for protocol approval, CEMS certification, or test data acceptance.

**Speaker's Bureau** - training SCAQMD staff for advising local government and private industry on air quality issues.

**Special Monitoring** – performing special ambient air sampling at locations where public health, nuisance concern, or Rule 403 violations may exist; determining the impacts from sources emitting toxics on receptor areas; and performing special monitoring in support of the emergency response program and public complaints response. Also see Emergency Response.

**Sample Analyses** – analyzing samples submitted by inspectors to determine compliance with SCAQMD Rules. Samples are also analyzed in support of rule development activities.

**Student Interns** – providing mutually beneficial educational hands-on experience for high school and college students by providing them with the opportunity to engage in day-to-day work with mentoring professionals within SCAQMD.

## WORK PROGRAM GLOSSARY

**Subscription Services** - maintaining SCAQMD's rule subscription mailing list and coordinating the mailing of SCAQMD publications.

**Systems Implementation PeopleSoft** – implementing activities required to maintain an integrated Financial and Human Resources system, including additional features and functions introduced with scheduled software upgrades.

**Systems Maintenance** - routinely maintaining installed production data systems that support SCAQMD's business fluctuations, including minor modifications, special requests, fixes, and general maintenance.

**Targeted Air Shed** – funding from U.S. EPA to reduce air pollution in the nation's areas with the highest levels of ozone or particulate matter 2.5 (PM<sub>2.5</sub>) exposure.

**Technology Advancement** - supporting the development of innovative controls for mobile and stationary sources, reviewing promising control technologies, and identifying those most deserving of SCAQMD developmental support.

**Title III** - permitting equipment that emits hazardous air pollutants in compliance with the federal Clean Air Act.

**Title V** - developing and implementing a permit program in compliance with the federal Clean Air Act.

**Toxics/AB 2588** – evaluation of toxic inventories, risk assessments and risk reduction plans, with public notification as required. Analyzing, evaluating, reviewing, and making recommendations regarding toxic substances and processes and contributing input to District toxic rules and programs.

**Training** (Education, Organizational and Human Resources Development, Staff) - providing increased training in the areas of personnel education, computers, safety procedures, new programs, hazardous materials, and new technologies.

**Transportation Regional Programs/Research** – actively participating in Advisory Groups and Policy Committees involving the development and monitoring of the District's AQMP, Congestion Mitigation Air Quality Improvement Program (CMAQ), Safe Accountable Flexible Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Transportation Control Measures (TCMs) and regional alternative commute mode programs.

**TraPac Air Filtration Program** – implementing/administering the installation and maintenance of air filtration systems at Wilmington area schools.

**Union Negotiations/Union Steward Activities** – Union-related activities of union stewards including labor management negotiations and assisting in the filing of employee grievances.

## WORK PROGRAM GLOSSARY

**VOC Sample Analysis** - providing data and technical input for VOC rule development, performing analytical testing for compliance with SCAQMD rules regulating VOC content in coatings, inks, plastic foam, paint, adhesives, and solvents, and providing assistance and technical input to small businesses and other regulatory agencies, industry and the public.

**Voucher Incentive Program (VIP)** - incentive program designed to reduce emissions by replacing old, high-polluting vehicles with newer, lower-emission vehicles, or by installing a Verified Diesel Emission Control Strategy (VDECS).

**Web Tasks** – preparing and reviewing materials for posting to SCAQMD's internet and/or intranet website.

## WORK PROGRAM ACRONYMS

### ORGANIZATIONAL UNITS

AHR	Administrative & Human Resources
CB	Clerk of the Boards
CE	Compliance & Enforcement
DG	District General
EP	Engineering & Permitting
EO	Executive Office
FIN	Finance
GB	Governing Board
IM	Information Management
LEG	Legal
LPAM	Legislative & Public Affairs/Media Office
PRA	Planning, Rule Development & Area Sources
STA	Science & Technology Advancement

### PROGRAMS

AB 134	Community Air Protection Program (Carl Moyer)
AB 617	Community Air Protection Program
AB 1318	Offsets-Electrical Generating Facilities
AB 2588	Air Toxics ("Hot Spots")
AB 2766	Motor Vehicle Subvention Program
APEP	Annual Permit Emissions Program
AQIP	Air Quality Investment Program
AQMP	Air Quality Management Plan
BACT	Best Available Control Technology
CEMS	Continuous Emissions Monitoring Systems
CEQA	California Environmental Quality Act
CF	Clean Fuels Program
CMP	Carol Moyer Program
DERA	Diesel Emission Reduction Act
ERC	Emission Reduction Credit
GGRF	Greenhouse Gas Reduction Fund
MS	Mobile Sources Program
NSR	New Source Review
PERP	Portable Equipment Registration Program
PR	Public Records Act
QA	Quality Assurance
RFP	Reasonable Further Progress
RECLAIM	REgional Clean Air Incentives Market
ST	Source Test
Title III	Federally Mandated Toxics Program
Title V	Federally Mandated Permit Program
VIP	Voucher Incentive Program

### POLLUTANTS

CO	Carbon Monoxide
NO <sub>x</sub>	Oxides of Nitrogen
O <sub>3</sub>	Ozone
PM <sub>2.5</sub>	Particulate Matter <2.5 microns
PM <sub>10</sub>	Particulate Matter ≤ 10 microns
ROG	Reactive Organic Gases
SO <sub>x</sub>	Oxides of Sulfur
VOC	Volatile Organic Compound

### GOVERNMENT AGENCIES

APCD	Air Pollution Control District (Generic)
CARB	California Air Resources Board
CEC	California Energy Commission
DHS	Department of Homeland Security
DOE	Department of Energy
EPA	Environmental Protection Agency
NACAA	National Association of Clean Air Agencies
SCAG	Southern California Association of Governments

### GENERAL

AA	Affirmative Action
AER	Annual Emissions Reporting
AM	Air Monitoring
AQSCR	Air Quality Standards Compliance Report
AQ-SPEC	Air Quality Sensor Performance Evaluation Center
ATIP	Air Toxics Inventory Plan
AVR	Average Vehicle Ridership
BARCT	Best Available Retrofit Control Technology
CE-CERT	College of Engineering-Center for Environmental Research and Technology
CLASS	Clean Air Support System
CNG	Compressed Natural Gas
CTC	County Transportation Commission
CTG	Control Techniques Guideline
DB	Database
DPF	Diesel Particulate Filter
EIR	Environmental Impact Report
EJ	Environmental Justice
ERC	Emission Reduction Credit
ETC	Employee Transportation Coordinator
EV	Electric Vehicle
FBMSMs	Facility-Based Mobile Source Measures
FY	Fiscal Year
GHG	Greenhouse Gas
HR	Human Resources
HRA	Health Risk Assessment
IAIC	Interagency AQMP Implementation Committee
IGA	Intergovernmental Affairs
ISR	Indirect Source Rules
LAER	Lowest Achievable Emissions Rate
LEV	Low Emission Vehicle
LNG	Liquefied Natural Gas
LS	Laboratory Services
MOU	Memorandum of Understanding
MSERCs	Mobile Source Emission Reduction Credits
MSRC	Mobile Source (Air Pollution Reduction) Review Committee
NATTS	National Air Toxics Trends Stations
NESHAPS	National Emission Standards for Hazardous Air Pollutants
NGV	Natural Gas Vehicle
NOV	Notice of Violation
NSR	New Source Review
ODC	Ozone Depleter Compounds
PAMS	Photochemical Assessment Monitoring System
PAR	Proposed Amended Rule
PE	Program Evaluations
PR	Proposed Rule
RFP	Request for Proposal
RFQ	Request for Quotations
RTC	RECLAIM Trading Credit
SBA	Small Business Assistance
SIP	State Implementation Plan
SCR	Selective Catalytic Reduction
STE	Source Testing Evaluations
SULEV	Super Ultra Low-Emission Vehicle
TCM	Transportation Control Measure
ULEV	Ultra- Low-Emissions Vehicle
VMT	Vehicle Miles Traveled
ZECT	Zero Emission Cargo Transport
ZEV	Zero-Emission Vehicle



**SOUTH COAST**  
**AIR QUALITY MANAGEMENT DISTRICT**

## GOVERNING BOARD

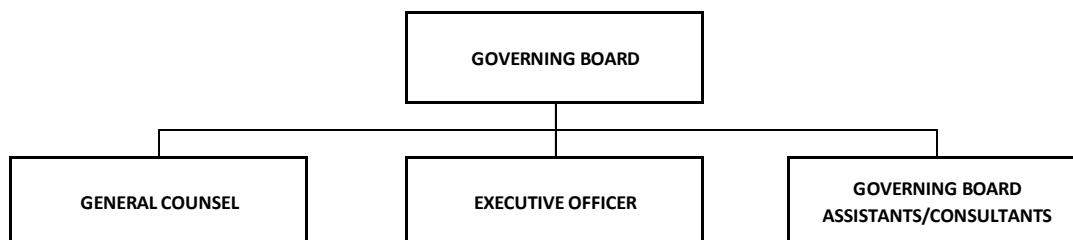
<b>At a Glance:</b>	
FY 2017-2018 Budget	\$1.7M
FY 2018-2019 Proposed	\$1.8M
Percent of SCAQMD Budget	1.1%
Total Proposed FTEs	-

### DESCRIPTION OF MAJOR SERVICES:

The Governing Board is made up of 13 officials who meet monthly to establish policy and review new or amended rules for approval. The Governing Board appoints the SCAQMD Executive Officer and General Counsel, and members of the Hearing Board. Each Governing Board member is allocated funds to retain the services of Board Consultants and/or Assistants to provide support in their duties as Governing Board members.

Governing Board members include:

- One county Board of Supervisor's representative each from the counties of Los Angeles, Orange, Riverside, and San Bernardino;
- One representative each from cities within Orange, Riverside, and San Bernardino counties, two representatives from cities within Los Angeles County, and one city representative from the City of Los Angeles;
- One representative appointed by the Governor, one by the Assembly Speaker, and one by the Senate Rules Committee.



Governing Board Line Item Expenditure						
Major Object / Account # / Account Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
<b>Salary &amp; Employee Benefits</b>						
51000-52000	Salaries	\$ 255,514	\$ 449,322	\$ 449,322	\$ 220,136	\$ 462,913
53000-55000	Employee Benefits	18,618	260,646	260,646	18,926	261,190
Sub-total Salary & Employee Benefits		\$ 274,132	\$ 709,968	\$ 709,968	\$ 239,062	\$ 724,103
<b>Services &amp; Supplies</b>						
67250	Insurance	\$ -	\$ -	\$ -	\$ -	\$ -
67300	Rents & Leases Equipment	-	-	-	-	-
67350	Rents & Leases Structure	-	-	-	-	-
67400	Household	-	-	-	-	-
67450	Professional & Special Services	664,366	713,628	713,628	713,628	771,284
67460	Temporary Agency Services	-	-	-	-	-
67500	Public Notice & Advertising	40,791	52,000	52,000	52,000	52,000
67550	Demurrage	-	-	-	-	-
67600	Maintenance of Equipment	-	-	-	-	-
67650	Building Maintenance	-	-	-	-	-
67700	Auto Mileage	13,887	10,000	10,000	10,000	10,000
67750	Auto Service	-	-	-	-	-
67800	Travel	34,950	64,800	64,800	64,800	64,800
67850	Utilities	-	-	-	-	-
67900	Communications	11,321	20,000	20,000	20,000	20,000
67950	Interest Expense	-	-	-	-	-
68000	Clothing	-	-	-	-	-
68050	Laboratory Supplies	-	-	-	-	-
68060	Postage	1,120	10,000	10,000	2,103	10,000
68100	Office Expense	1,026	4,000	4,000	2,352	4,000
68200	Office Furniture	-	-	-	-	-
68250	Subscriptions & Books	-	-	-	-	-
68300	Small Tools, Instruments, Equipment	-	-	-	-	-
68400	Gas and Oil	-	-	-	-	-
69500	Training/Conference/Tuition/ Board Exp.	141,097	112,500	112,500	112,500	112,500
69550	Memberships	-	-	-	-	-
69600	Taxes	-	-	-	-	-
69650	Awards	-	-	-	-	-
69700	Miscellaneous Expenses	8,029	15,000	15,000	14,019	15,000
69750	Prior Year Expense	-	-	-	-	-
69800	Uncollectable Accounts Receivable	-	-	-	-	-
89100	Principal Repayment	-	-	-	-	-
Sub-total Services & Supplies		\$ 916,587	\$ 1,001,928	\$ 1,001,928	\$ 991,403	\$ 1,059,584
77000	<b>Capital Outlays</b>	\$ -	\$ -	\$ -	\$ -	\$ -
79050	<b>Building Remodeling</b>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 1,190,719	\$ 1,711,896	\$ 1,711,896	\$ 1,230,465	\$ 1,783,687
* Estimates based on July 2017 through February 2018 actual expenditures and budget amendments.						



## **EXECUTIVE OFFICE**

### **WAYNE NASTRI EXECUTIVE OFFICER**

<b>At a Glance:</b>	
FY 2017-2018 Budget	\$1.7M
FY 2018-2019 Proposed	\$1.6M
Percent of SCAQMD Proposed	1.0%
Total Proposed FTEs	5

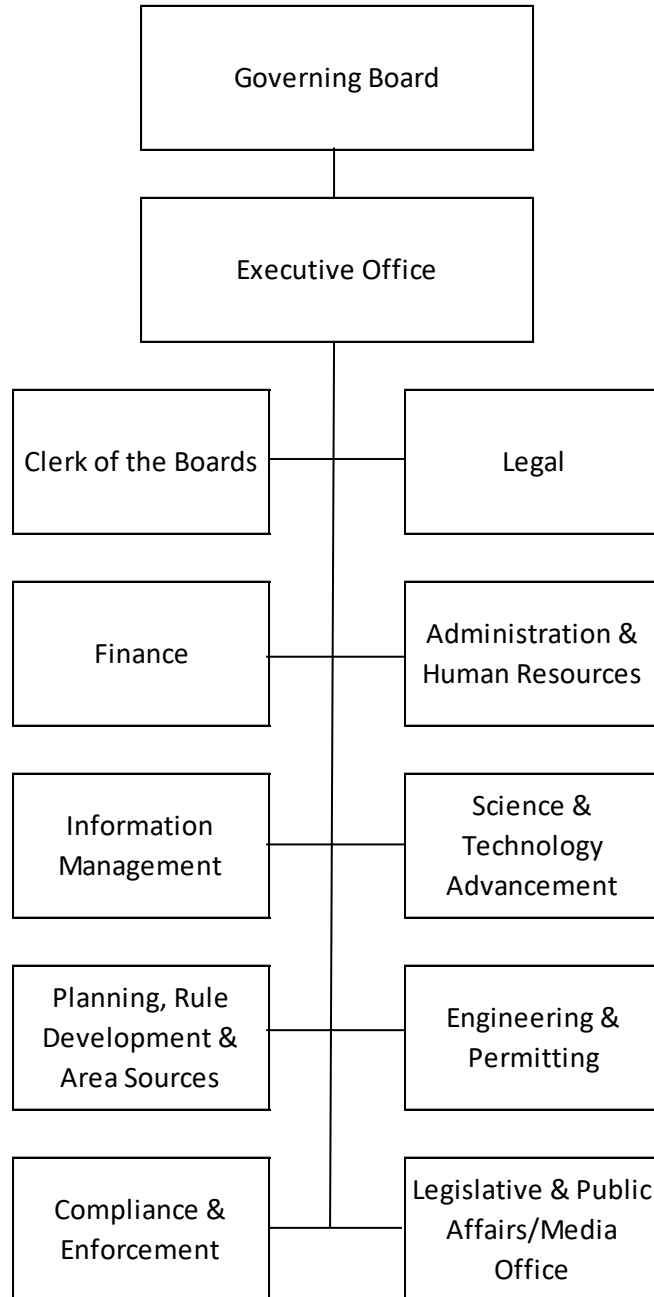
#### **DESCRIPTION OF MAJOR SERVICES:**

The Executive Office is responsible for the comprehensive management of the SCAQMD and the development and implementation of near-term and long-term strategies to attain ambient air quality standards. The Executive Office also translates set goals and objectives into effective programs and enforceable regulations that meet federal and state statutory requirements, while being sensitive to potential socioeconomic and environmental justice impacts in the South Coast Air Basin.

The Executive Office currently consists of the Executive Officer, Chief Operating Officer, and three support staff. The Executive Officer serves as Chief of Operations in implementing policy directed by the agency's 13-member Governing Board and in working proactively with state and federal regulatory officials. The Executive Officer also oversees all of the day-to-day administrative functions of staff and the annual operating budget.

## EXECUTIVE OFFICE (cont.)

### ORGANIZATIONAL CHART:



## EXECUTIVE OFFICE (cont.)

### POSITION SUMMARY: 5 FTEs

Executive Office Unit	Amended FY 2017-18	Change	Proposed FY 2018-19
Administration	6	-1	5

### STAFFING DETAIL:

#### 2018-19 Proposed Staffing

<u>Position</u>	<u>Title</u>
1	Chief Operating Officer
1	Executive Officer
<u>3</u>	Executive Secretary
5	Total Proposed Positions

**Executive Office  
Work Program by Office**

#	Program Code		Program Categories	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Revenue Categories
1	03	010	Develop Programs	AQMP	Develop/Implement AQMP	0.05	0.00	0.05	II,IX
2	03	028	Develop Programs	Admin/SCAQMD Policy	Dev/Coord Goals/Policies/Overs	0.44	0.00	0.44	Ia
3	03	038	Operational Support	Admin/Office Management	Budget/Program Management	2.00	-1.00	1.00	Ib
4	03	083	Policy Support	HIth Effects Air Pollution Fou	Health Effects Air Poll Foundation Support	0.01	0.00	0.01	Ia
5	03	275	Policy Support	Governing Board	Board/Committee Support	1.72	0.00	1.72	Ia
6	03	381	Policy Support	Interagency Liaison	Local/State/Fed Coord/Interact	0.71	0.00	0.71	Ia,IX
7	03	410	Policy Support	Legislation	Testimony/Mtgs:New/Current Leg	0.03	0.00	0.03	Ia,IX
8	03	416	Policy Support	Legislative Activities	Supp/Promote/Influence Legis/Adm	0.03	0.00	0.03	Ia
9	03	490	Customer Service and Business Assistance	Outreach	Publ Awareness Clean Air Prog	0.97	0.00	0.97	Ia
10	03	565	Customer Service and Business Assistance	Public Records Act	Comply w/ Public Req for Info	0.01	0.00	0.01	Ia
11	03	855	Operational Support	Web Tasks	Create/edit/review web content	0.03	0.00	0.03	Ia
Total Executive Office						6.00	(1.00)	5.00	

Executive Office Line Item Expenditure						
Major Object / Account # / Account Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
<b>Salary &amp; Employee Benefits</b>						
51000-52000	Salaries	\$ 913,577	\$ 928,153	\$ 912,262	\$ 929,982	\$ 855,927
53000-55000	Employee Benefits	533,913	455,978	471,869	468,404	457,306
Sub-total Salary & Employee Benefits		\$ 1,447,490	\$ 1,384,131	\$ 1,384,131	\$ 1,398,386	\$ 1,313,233
<b>Services &amp; Supplies</b>						
67250	Insurance	\$ -	\$ -	\$ -	\$ -	\$ -
67300	Rents & Leases Equipment	-	-	-	-	-
67350	Rents & Leases Structure	-	-	-	-	-
67400	Household	-	-	-	-	-
67450	Professional & Special Services	80,656	150,000	148,000	79,580	150,000
67460	Temporary Agency Services	-	-	-	-	-
67500	Public Notice & Advertising	-	7,500	7,500	-	7,500
67550	Demurrage	-	-	-	-	-
67600	Maintenance of Equipment	-	400	400	-	400
67650	Building Maintenance	-	-	-	-	-
67700	Auto Mileage	794	800	800	794	800
67750	Auto Service	-	-	-	-	-
67800	Travel	30,921	52,000	52,000	52,000	77,000
67850	Utilities	-	-	-	-	-
67900	Communications	3,548	6,500	6,500	5,465	6,500
67950	Interest Expense	-	-	-	-	-
68000	Clothing	157	-	-	-	-
68050	Laboratory Supplies	-	-	-	-	-
68060	Postage	158	7,000	7,000	158	7,000
68100	Office Expense	6,972	6,300	6,300	5,292	6,300
68200	Office Furniture	-	-	-	-	-
68250	Subscriptions & Bools	-	5,000	4,914	-	5,000
68300	Small Tools, Instruments, Equipment	-	-	-	-	-
68400	Gas and Oil	-	-	-	-	-
69500	Training/Conference/Tuition/ Board Exp.	3,361	1,000	3,000	2,801	1,000
69550	Memberships	38,000	26,000	26,000	26,000	26,000
69600	Taxes	-	-	-	-	-
69650	Awards	-	-	-	-	-
69700	Miscellaneous Expenses	2,554	25,000	25,000	3,130	25,000
69750	Prior Year Expense	-	-	-	-	-
69800	Uncollectable Accounts Receivable	-	-	-	-	-
89100	Principal Repayment	-	-	-	-	-
Sub-total Services & Supplies		\$ 167,120	\$ 287,500	\$ 287,414	\$ 175,219	\$ 312,500
77000	<b>Capital Outlays</b>	\$ -	\$ -	\$ -	\$ -	\$ -
79050	<b>Building Remodeling</b>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 1,614,610	\$ 1,671,631	\$ 1,671,545	\$ 1,573,605	\$ 1,625,733
* Estimates based on July 2017 through February 2018 actual expenditures and budget amendments.						



**SOUTH COAST**  
**AIR QUALITY MANAGEMENT DISTRICT**

## DISTRICT GENERAL

<b>At a Glance:</b>	
FY 2017-2018 Budget	\$15.2M
FY 2018-2019 Proposed	\$16.8M
Percent of SCAQMD Proposed	10.2%
Total Proposed FTEs	n/a

Accounts associated with general operations of the SCAQMD are budgeted and tracked in District General. Included are such items as retirement payouts, principal and interest payments, insurance, utilities, taxes, housekeeping, security, and building maintenance and improvements.

District General Line Item Expenditure						
Major Object / Account # / Account Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
<b>Salary &amp; Employee Benefits</b>						
51000-52000	Salaries	\$ -	\$ 990,000	\$ 902,769	\$ 902,769	\$ 1,785,964
53000-55000	Employee Benefits	250,359	380,000	380,000	382,884	480,000
Sub-total Salary & Employee Benefits		\$ 250,359	\$ 1,370,000	\$ 1,282,769	\$ 1,285,653	\$ 2,265,964
<b>Services &amp; Supplies</b>						
67250	Insurance	\$ 1,101,642	\$ 1,317,400	\$ 1,317,400	\$ 1,254,921	\$ 1,317,400
67300	Rents & Leases Equipment	35,966	28,143	28,143	28,143	117,000
67350	Rents & Leases Structure	-	-	-	-	-
67400	Household	606,374	755,866	755,866	755,866	755,866
67450	Professional & Special Services	1,071,613	1,185,975	1,201,161	1,201,161	1,215,975
67460	Temporary Agency Services	-	-	-	-	-
67500	Public Notice & Advertising	14,013	25,000	25,000	18,783	25,000
67550	Demurrage	-	-	-	-	100,000
67600	Maintenance of Equipment	43,498	259,400	270,630	270,630	403,654
67650	Building Maintenance	536,964	831,479	829,329	829,329	1,231,479
67700	Auto Mileage	-	-	-	-	-
67750	Auto Service	-	-	-	-	-
67800	Travel	-	-	-	-	-
67850	Utilities	1,679,503	2,213,288	2,096,640	1,656,329	2,213,288
67900	Communications	137,358	150,900	150,900	137,237	150,900
67950	Interest Expense	3,863,482	3,756,716	3,756,716	3,756,716	3,637,290
68000	Clothing	-	-	-	-	-
68050	Laboratory Supplies	-	-	-	-	-
68060	Postage	12,597	30,000	30,000	15,117	17,083
68100	Office Expense	242,682	287,550	277,835	245,050	288,200
68200	Office Furniture	3,749	4,000	4,000	3,749	4,000
68250	Subscriptions & Books	-	-	-	-	-
68300	Small Tools, Instruments, Equipment	-	-	5,000	530	-
68400	Gas and Oil	-	-	-	-	-
69500	Training/Conference/Tuition/ Board Exp.	-	-	-	-	-
69550	Memberships	-	-	-	-	-
69600	Taxes	14,983	71,000	51,000	20,471	56,000
69650	Awards	19,007	27,342	27,342	19,007	27,342
69700	Miscellaneous Expenses	14,784	14,375	14,375	13,723	14,375
69750	Prior Year Expense	(5,441)	-	-	-	-
69800	Uncollectable Accounts Receivable	399,092	-	-	-	-
89100	Principal Repayment	2,331,010	2,432,798	2,432,798	2,432,798	2,553,110
Sub-total Services & Supplies		\$ 12,122,878	\$ 13,391,232	\$ 13,274,135	\$ 12,659,560	\$ 14,127,962
77000	<b>Capital Outlays</b>	\$ -	\$ 418,717	\$ 343,717	\$ 274,974	\$ 435,000
79050	<b>Building Remodeling</b>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 12,373,237	\$ 15,179,949	\$ 14,900,621	\$ 14,220,186	\$ 16,828,926
* Estimates based on July 2017 through February 2018 actual expenditures and budget amendments. Does not include Transfers Out.						



## **ADMINISTRATIVE & HUMAN RESOURCES**

### **A. JOHN OLVERA**

#### **ASSISTANT DEPUTY EXECUTIVE OFFICER**

<b>At a Glance:</b>	
FY 2017-2018 Budget	\$6.2M
FY 2018-2019 Proposed	\$6.7M
Percent of SCAQMD Proposed	4.1%
Total Proposed FTEs	38

#### **DESCRIPTION OF MAJOR SERVICES:**

Administrative & Human Resources is comprised of several units: Employment & Labor Relations/Benefits & Records, Classification & Pay/Recruitment & Selection, Risk Management, Business Services, and Building Services. Human Resources units are responsible for planning and administering the personnel and employee relations programs to maximize hiring, retention, and development of highly-qualified employees necessary to meet SCAQMD's air quality goals. Risk Management is responsible for programs aimed at ensuring a healthful and safe work environment, as well as to reduce liability and accident-related costs. Business Services oversees the administration of the SCAQMD headquarters facility services, its leases, the maintenance of fleet vehicles, and the management of Print Shop and Mail/Subscription services. Building Services is responsible for the maintenance and repair of the SCAQMD headquarters building, childcare center, field offices, air monitoring stations, and meteorological stations.

#### **ACCOMPLISHMENTS:**

##### **RECENT:**

- Reached agreement with three bargaining units for a new three-year labor agreement and amended Salary Resolution and Administrative Code for unrepresented employees.
- Administered employee benefits programs, including the transition to a public agency joint powers authority to maximize cost effectiveness of the health insurance program.
- Conducted successful recruitment efforts for promotional opportunities and new hires.
- Completed reclassification studies; received Board approval for the reclassification of 14 positions.
- Provided support and direction to management and staff with respect to adherence to relevant state and federal laws and SCAQMD policies, procedures and Memos of Understanding.
- Supported SCAQMD's Succession Planning program through the Executive Office.

## ADMINISTRATIVE & HUMAN RESOURCES (cont.)

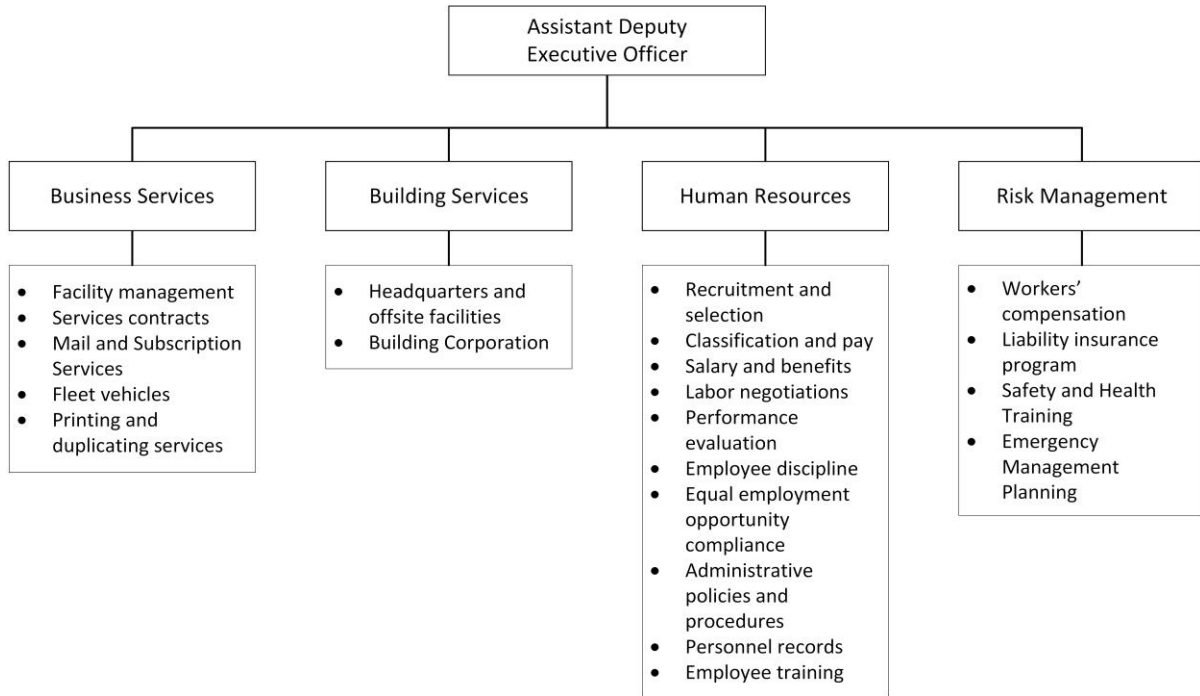
- Implemented an electronic on-boarding process for newly hired employees to complete their paperwork on-line.
- Administered the Governing Board Summer Intern Program.
- Conducted ergonomic workspace evaluations and other safety training programs.
- Implemented a Teleworking Pilot Program for employees.
- Conducted Active Assailant Training for all employees.
- Held training on sexual harassment prevention and anti-bullying policies, as well as other programs for career development and workforce education.
- Completed new office construction and conference room updates.
- Completed work space design and reconfiguration on several floors.

### **ANTICIPATED:**

- Continue to provide support and direction to management and staff with respect to adherence to relevant state and federal laws and SCAQMD policies, procedures and memoranda of understanding.
- Continue recruitment and selection efforts, and conduct classification studies.
- Provide training workshops for supervisors and managers.
- Complete the preparation of a Continuity of Operations Plan and program.
- Implement a mentorship program.
- Continue updates and implementation of SCAQMD's Succession Planning program.
- Evaluate and plan for significant turnover of vehicle fleet due to CNG tank expiration.
- Install two 770-ton chillers at Diamond Bar headquarters.
- Install two 800-ton cooling towers at Diamond Bar headquarters.

## ADMINISTRATIVE & HUMAN RESOURCES (cont.)

### ORGANIZATIONAL CHART:



### POSITION SUMMARY: 38 FTEs

Administrative & Human Resources Units	Amended FY 17-18	Change	Proposed FY 18-19
Office Administration	4	-	4
Business Services	15	(1)	14
Building Services	7	1	8
Classification & Pay/Recruitment & Selection	6	-	6
Employee & Labor Relations/Benefits & Records	4	-	4
Risk Management	2	-	2
<b>Total</b>	<b>38</b>	<b>-</b>	<b>38</b>

**STAFFING DETAIL:**2018-19 Proposed Staffing

<u>Position</u>	<u>Title</u>
1	Assistant Deputy Executive Officer/Administrative & Human Resources
1	Building Maintenance Manager
1	Building Supervisor
1	Business Services Manager
2	Career Development Intern
1	Facilities Services Technician
1	Fleet Services Supervisor
2	Fleet Services Worker II
5	General Maintenance Worker
5	Human Resources Analyst
2	Human Resources Manager
2	Human Resources Technician
2	Mail Subscription Services Clerk
1	Mail Subscription Services Supervisor
2	Office Assistant
1	Offset Press Operator
2	Print Shop Duplicator
1	Print Shop Supervisor
1	Risk Manager
2	Secretary
1	Senior Administrative Secretary
<u>1</u>	Staff Specialist
38	Total Proposed Positions

Administrative & Human Resources Work Program by Office									
#	Program Code	Program Categories	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Revenue Categories	
1	16	026	Operational Support	SCAQMD Mail	Posting/Mailing/Delivery	2.30	0.00	2.30	Ia
2	16	035	Operational Support	AB 617-General	AB 617-General	0.00	2.00	2.00	XV
3	16	038	Operational Support	Admin/Office Management	Reports/Proj/Budget/Contracts	3.85	0.00	3.85	Ib
4	16	060	Operational Support	Equal Employment Opportunity	Program Dev/Monitor/Reporting	0.10	0.00	0.10	Ia
5	16	080	Ensure Compliance	Auto Services	Vehicle/Radio Repair & Maint	3.00	0.00	3.00	Ia
6	16	090	Operational Support	Building Maintenance	Repairs & Preventative Maint	7.00	0.00	7.00	Ia
7	16	092	Operational Support	Business Services	Building Services Admin/Contracts	2.55	0.00	2.55	Ia
8	16	225	Operational Support	Employee Benefits	Benefits Analysis/Orient/Records	1.50	0.00	1.50	Ia
9	16	226	Operational Support	Classification & Pay	Class & Salary Studies	0.30	0.00	0.30	Ia
10	16	228	Operational Support	Recruitment & Selection	Recruit Candidates for SCAQMD	3.25	0.00	3.25	Ia
11	16	232	Operational Support	Position Control	Track Positions/Workforce Analsys	0.55	0.00	0.55	Ia
12	16	233	Operational Support	Employee Relations	Meet/Confer/Labor-Mgmt/Grievance	2.20	0.00	2.20	Ia
13	16	255	Operational Support	Facilities Services	Phones/Space/Keys/Audio-Visual	1.00	0.00	1.00	Ia
14	16	457	Advance Clean Air Technology	MS/Carl Moyer Admin	C Moyer/Contractor Compliance	0.10	0.00	0.10	IX
15	16	540	Customer Service and Business Assistance	Print Shop	Printing/Collating/Binding	4.00	0.00	4.00	Ia
16	16	542	Advance Clean Air Technology	Prop 1B:Goods Movement	Prop 1B: Goods Movement	0.10	0.00	0.10	IX
17	16	565	Customer Service and Business Assistance	Public Records Act	Comply w/ Public Rec Requests	0.05	0.00	0.05	Ia
18	16	640	Operational Support	Risk Management	Liabl/Property/Wk Comp/Selfins	2.25	0.00	2.25	Ia
19	16	717	Policy Support	Student Interns	Gov Board/Student Intern Program	0.20	0.00	0.20	Ia
20	16	720	Customer Service and Business Assistance	Subscription Services	Rule & Gov Board Materials	1.70	0.00	1.70	IV,XVII
Total Administrative & Human Resources					36.00	2.00	38.00		

Administrative & Human Resources						
Line Item Expenditure						
Major Object / Account # / Account Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
Salary & Employee Benefits						
51000-52000	Salaries	\$ 2,912,814	\$ 2,997,925	\$ 3,141,849	\$ 2,969,326	\$ 3,324,993
53000-55000	Employee Benefits	1,662,132	1,705,914	1,705,914	1,711,976	2,009,181
Sub-total Salary & Employee Benefits		\$ 4,574,946	\$ 4,703,839	\$ 4,847,763	\$ 4,681,302	\$ 5,334,174
Services & Supplies						
67250	Insurance	\$ -	\$ -	\$ -	\$ -	\$ -
67300	Rents & Leases Equipment	113,323	117,540	106,310	106,310	41,600
67350	Rents & Leases Structure	-	-	-	-	-
67400	Household	-	2,850	1,350	-	5,284
67450	Professional & Special Services	308,976	151,750	151,750	151,750	151,750
67460	Temporary Agency Services	-	5,000	22,000	22,000	17,000
67500	Public Notice & Advertising	10,312	26,500	24,530	24,530	12,066
67550	Demurrage	40	-	-	-	-
67600	Maintenance of Equipment	65,923	79,754	79,754	73,264	5,500
67650	Building Maintenance	-	-	-	-	-
67700	Auto Mileage	5,774	4,200	4,700	4,700	4,200
67750	Auto Service	466,402	470,000	470,000	470,000	470,000
67800	Travel	3,868	2,500	3,500	3,500	2,500
67850	Utilities	-	-	-	-	-
67900	Communications	18,173	21,900	21,900	19,212	21,900
67950	Interest Expense	-	-	-	-	-
68000	Clothing	23,833	10,808	10,808	10,808	10,808
68050	Laboratory Supplies	-	-	1,300	1,300	-
68060	Postage	5,057	11,469	5,414	4,318	5,469
68100	Office Expense	144,788	105,300	125,300	125,300	111,300
68200	Office Furniture	41,184	90,000	90,000	74,286	90,000
68250	Subscriptions & Books	3,131	2,520	2,520	2,520	2,520
68300	Small Tools, Instruments, Equipment	5,202	5,030	5,030	5,030	5,030
68400	Gas and Oil	178,020	372,000	372,000	333,840	372,000
69500	Training/Conference/Tuition/ Board Exp.	21,994	15,062	22,787	22,787	15,062
69550	Memberships	3,604	3,265	3,265	-	3,265
69600	Taxes	-	-	-	-	-
69650	Awards	-	-	-	-	-
69700	Miscellaneous Expenses	3,371	12,000	12,000	12,000	12,000
69750	Prior Year Expense	(1,282)	-	-	-	-
69800	Uncollectable Accounts Receivable	-	-	-	-	-
89100	Principal Repayment	-	-	-	-	-
Sub-total Services & Supplies		\$ 1,421,691	\$ 1,509,448	\$ 1,536,218	\$ 1,467,455	\$ 1,359,254
77000	Capital Outlays	\$ -	\$ -	\$ -	\$ -	\$ -
79050	Building Remodeling	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 5,996,638	\$ 6,213,287	\$ 6,383,981	\$ 6,148,757	\$ 6,693,428
* Estimates based on July 2017 through February 2018 actual expenditures and budget amendments.						

## CLERK OF THE BOARDS

### DENISE GARZARO CLERK OF THE BOARDS

At a Glance:	
FY 2017-2018 Budget	\$1.3M
FY 2018-2019 Proposed	\$1.4M
Percent of SCAQMD Proposed	0.9%
Total Proposed FTEs	6

#### DESCRIPTION OF MAJOR SERVICES:

Clerk of the Boards coordinates the activities, provides operational support, and maintains the official records for both the Governing Board and the Hearing Board. The Office is responsible for preparing the legal notices for hearings and meetings, and ensuring that such notices are published as required. Clerk of the Boards' staff assist petitioners and attorneys in the filing of petitions before the Hearing Board and explain the Hearing Board's functions and procedures. Staff prepares Minute Orders, Findings and Decisions of the Hearing Board, and Summary Minutes of Governing Board meetings. The Clerk acts as communication liaison for the Boards with SCAQMD staff and state and federal agencies.

#### ACCOMPLISHMENTS:

##### RECENT

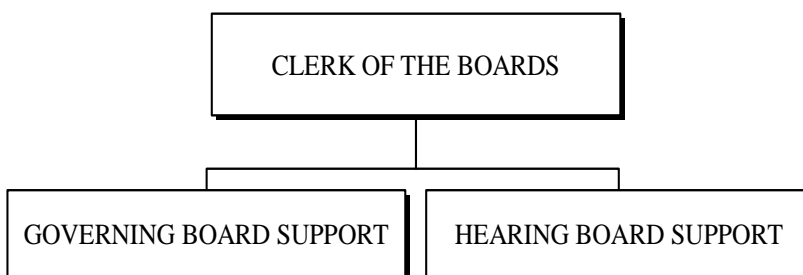
- Received and processed 70 subpoenas, public/administrative records requests, and claims against the District.
- Provided support for 11 Governing Board meetings, including: preparing an agenda and minutes for each meeting; preparation, distribution, and publication of 30 meeting and public hearing notices; preparation of 18 Board Resolutions.
- Provided support for 85 hearings, pre-hearing conferences, and general meetings held by the Hearing Board, including: processing 118 petitions; preparation, distribution, and publication of 85 meeting and public hearing notices; preparation of 125 Minute Orders, Findings & Decisions, Pre-hearing Memoranda, and General Meeting Reports of Actions; and preparation and distribution of 130 daily agendas and monthly case calendars.
- Planned/coordinated efforts and provided clerical support for special offsite meetings, including: Governing Board – Mobile Board Meeting 10/7/2016 in Riverside, Board Retreat 3/9/17 in Irvine; Hearing Board – off-site hearings held on the following Saturdays – 7/9/2016, 8/6/2016 and 9/17/2016 in Northridge and Woodland Hills.

## CLERK OF THE BOARDS (cont.)

### ANTICIPATED:

- Provide support for approximately 80 hearings, pre-hearing conferences, and general meetings held by the Hearing Board, including: processing approximately 100 petitions; preparation, distribution, and publication of 110-120 meeting and public hearing notices; preparation of over 100 Minute Orders, Findings and Decisions, Pre-hearing Memoranda, and General Meeting Reports of Actions; and preparing and distributing more than 140 daily agendas and monthly case calendars. Provide support for 11 Governing Board meetings, including preparation of meeting agendas, minutes and Board Resolutions.

### ORGANIZATIONAL CHART:



### POSITION SUMMARY: 6 FTEs

Clerk of the Boards Unit	Amended FY 2017-18	Change	Proposed FY 2018-19
Governing/Hearing Board Support	6	-	6

### STAFFING DETAIL:

#### 2018-19 Proposed Staffing

<u>Position</u>	<u>Title</u>
1	Clerk of the Board
3	Deputy Clerk/Transcriber
1	Office Assistant
<u>1</u>	Senior Deputy Clerk
6	Total Proposed Positions



**Clerk of the Boards  
Work Program by Office**

#	Program Code		Program Categories	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Revenue Categories
1	17	024	Operational Support	Admin/SCAQMD/GB/HB Mgmt	Admin Governing/Hearing Brds	1.25	0.00	1.25	Ia,VII,XV
2	17	275	Operational Support	Governing Board	Attend/Record/Monitor Meetings	1.40	0.00	1.40	Ia
3	17	364	Ensure Compliance	Hearing Board/Abatement Orders	Attnd/Recrd/Monitr Mtgs	0.10	0.00	0.10	IV
4	17	365	Ensure Compliance	Hearing Board/Variances/Appeal	Attend/Record/Monitor HB Mtgs	3.20	0.00	3.20	IV,V,VII
5	17	565	Customer Service and Business Assistance	Public Records Act	Comply w/ Public Rec Requests	0.02	0.00	0.02	Ia
6	17	855	Operational Support	Web Tasks	Create/edit/review web content	0.03	0.00	0.03	Ia
<b>Total Clerk of the Boards</b>						6.00	-	6.00	

Clerk of the Boards Line Item Expenditure						
Major Object / Account # / Account Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
Salary & Employee Benefits						
51000-52000	Salaries	\$ 410,565	\$ 382,381	\$ 382,381	\$ 406,212	\$ 401,668
53000-55000	Employee Benefits	248,659	266,774	266,775	274,738	297,490
Sub-total Salary & Employee Benefits		\$ 659,224	\$ 649,156	\$ 649,156	\$ 680,950	\$ 699,158
Services & Supplies						
67250	Insurance	\$ -	\$ -	\$ -	\$ -	\$ -
67300	Rents & Leases Equipment	-	-	-	-	-
67350	Rents & Leases Structure	-	-	-	-	-
67400	Household	-	-	-	-	-
67450	Professional & Special Services	54,648	85,500	85,500	54,680	85,200
67460	Temporary Agency Services	-	-	-	-	-
67500	Public Notice & Advertising	24,057	40,000	40,000	27,278	40,000
67550	Demurrage	-	-	-	-	-
67600	Maintenance of Equipment	-	200	200	-	200
67650	Building Maintenance	-	-	-	-	-
67700	Auto Mileage	151	100	100	33	100
67750	Auto Service	-	-	-	-	-
67800	Travel	-	200	200	30	200
67850	Utilities	-	-	-	-	-
67900	Communications	388	500	500	184	500
67950	Interest Expense	-	-	-	-	-
68000	Clothing	-	-	-	-	-
68050	Laboratory Supplies	-	-	-	-	-
68060	Postage	843	1,200	1,200	843	1,200
68100	Office Expense	905	6,600	6,600	1,504	6,600
68200	Office Furniture	-	-	-	-	-
68250	Subscriptions & Books	-	-	-	-	-
68300	Small Tools, Instruments, Equipment	-	-	-	-	-
68400	Gas and Oil	-	-	-	-	-
69500	Training/Conference/Tuition/ Board Exp.	383,775	534,200	534,200	534,200	584,920
69550	Memberships	300	-	-	-	300
69600	Taxes	-	-	-	-	-
69650	Awards	-	-	-	-	-
69700	Miscellaneous Expenses	47	500	500	-	500
69750	Prior Year Expense	-	-	-	-	-
69800	Uncollectable Accounts Receivable	-	-	-	-	-
89100	Principal Repayment	-	-	-	-	-
Sub-total Services & Supplies		\$ 465,113	\$ 669,000	\$ 669,000	\$ 618,753	\$ 719,720
77000	Capital Outlays	\$ -	\$ -	\$ -	\$ -	\$ -
79050	Building Remodeling	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 1,124,337	\$ 1,318,156	\$ 1,318,156	\$ 1,299,703	\$ 1,418,878
* Estimates based on July 2017 through February 2018 actual expenditures and budget amendments.						

## COMPLIANCE & ENFORCEMENT

### MARIAN COLEMAN DEPUTY EXECUTIVE OFFICER

<b>At a Glance:</b>	
FY 2017-2018 Budget	\$20.2M
FY 2018-2019 Proposed	\$21.1M
Percent of SCAQMD Proposed	12.8%
Total Proposed FTEs	152

#### DESCRIPTION OF MAJOR SERVICES:

Compliance and Enforcement (C&E) ensures public health by conducting unannounced field inspections to verify compliance with SCAQMD, state and federal rules and regulations and investigating air quality complaints and equipment breakdowns. Title V and RECLAIM sources are inspected at least annually, with the exception of select industries targeted for more frequent evaluation (e.g., at least quarterly inspection of chrome plating facilities). All other 24,000 stationary sources and 13,000 PERP engines/equipment are inspected at least once every three years. Notices to Comply are issued when additional information is required of a source to determine compliance, and for minor administrative violations. Notices of Violation are issued for more serious, typically emissions-based violations. Other activities include participation in Emergency Response and joint inspection activities with other agencies, providing expert testimony before the SCAQMD Hearing Board, and conducting training classes for the public and regulated community.

#### KEY ACCOMPLISHMENTS\*:

##### RECENT:

- Completed 224 inspections of chrome plating facilities (quarterly inspections of 119 facilities)
- Completed 230 Title V facility inspections
- Completed 72 RECLAIM facility audits
- Completed inspections of 4,549 other permitted stationary source facilities
- Completed inspections of 2,926 PERP-registered engines/ equipment
- Completed seven “Blue Sky” team inspections at refineries
- Responded to 6,953 complaints (93% of those received)
- Responded to 414 breakdown notifications (52% of those received)
- Conducted 50 multi-agency targeted inspections to identify and confirm possible sources of excess Cr6 emissions in the City of Compton

## COMPLIANCE & ENFORCEMENT (cont.)

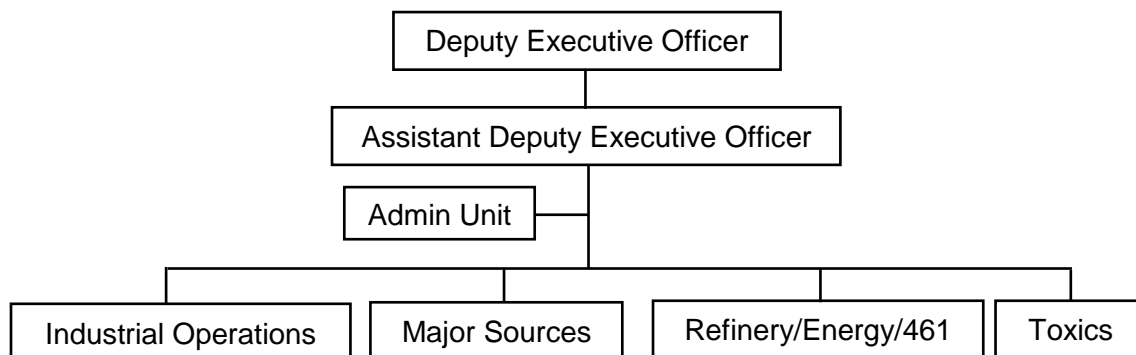
- Issued 2,551 Notices to Comply and 1,289 Notices of Violation
- Conducted 22 training classes for members of the public and the regulated community
- Promoted five AQ Inspectors II to Supervising AQ Inspector

\*FY 2017-18, through March 21, 2018

### ANTICIPATED:

- Select and train approximately ten candidates to fill Inspector vacancies
- Conduct additional multi-agency inspection sweeps to identify and confirm possible sources of excess Cr6 emissions in other communities
- Reduce paperwork and streamlining report writing process to increase inspection efficiencies
- Improve timeliness of complaint response
- Efficiently providing NOV reports to the General Counsel's office
- Work closely with the General Counsel's office to address significant violations
- Work closely with monitoring and rule-making staff to identify, assess, and address facilities with high emissions
- Update policies and procedures governing enforcement actions

### ORGANIZATIONAL CHART:



## COMPLIANCE & ENFORCEMENT (cont.)

### POSITION SUMMARY: 152 FTEs

Office of Compliance and Enforcement Units	FY 2017-18	Change	Proposed FY 2018-19
Major Sources	20	-	20
Industrial Operations	49	-	49
Refinery/Energy/461	39	-	39
Toxics	36	-	36
Senior Admin/Staff	7	1	8
Total	151	1	152

### STAFFING DETAIL:

#### 2018-19 Proposed Staffing

<u>Position</u>	<u>Title</u>
6	AQ Analysis & Compliance Supervisor
89	AQ Inspector II
14	AQ Inspector III
1	Assistant Deputy Executive Officer
1	Deputy Executive Officer
11	Office Assistant
2	Senior Office Assistant
4	Senior Enforcement Manager
3	Staff Specialist
2	Senior Administrative Secretary
2	Secretary
<u>17</u>	Supervising AQ Inspector
152	Total Proposed Positions

Compliance & Enforcement Work Program by Office									
#	Program Code		Program Categories	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Revenue Categories
1	60	038	Customer Service and Business Assistance	Admin/Office Budget	Dev/Coord Goals/Policies/Overs	6.00	1.00	7.00	Ib
2	60	047	Customer Service and Business Assistance	Admin/Operations Support	Budget/Contracts/Reports/Projects	6.00	-1.10	4.90	Ib
3	60	070	Ensure Compliance	CARB PERP Program	CARB Audits/Statewide Equip Reg	5.00	1.00	6.00	XIX
4	60	148	Policy Support	Climate Change	GHG/Climate Chg Support	0.10	-0.10	0.00	IV,IX
5	60	152	Ensure Compliance	Compliance/IM Related Activiti	Assist IM: Design/Review/Test	0.50	0.00	0.50	IV
6	60	155	Ensure Compliance	Compliance Guidelines	Procedures/Memos/Manuals	2.50	-1.00	1.50	IV
7	60	157	Ensure Compliance	Compliance/Special Projects	Prog Audits/Data Req/Brd Supp	5.00	-2.00	3.00	II
8	60	158	Ensure Compliance	Compliance Testing	R461/Combustion Equip Testing	0.50	0.50	1.00	IV
9	60	210	Monitoring Air Quality	Emergency Response	Emerg Tech Asst to Public Saf	0.10	0.00	0.10	IV,XV
10	60	276	Policy Support	Board Committees	Admin/Stationary Source Committee	0.15	0.00	0.15	Ia
11	60	365	Ensure Compliance	Hearing Bd/Variations	Variations/Orders of Abatement	2.00	0.00	2.00	VII
12	60	375	Ensure Compliance	Inspections	Compliance/Inspection/Follow-up	83.10	4.90	88.00	II,V,XV
13	60	377	Ensure Compliance	Inspections/RECLAIM Audits	Audit/Compliance Assurance	15.00	-1.00	14.00	II,IV
14	60	416	Policy Support	Legislative Activities	Legislative Activities	0.05	-0.05	0.00	Ia
15	60	492	Customer Service and Business Assistance	Outreach/Business	Pub Events/Conf/Rideshare Fair	0.20	0.00	0.20	IX
16	60	539	Ensure Compliance	Procedure 5 Review	Evaluate Proc 5 Asbestos Plans	0.40	0.00	0.40	XVII
17	60	550	Ensure Compliance	Public Complaints/Breakdowns	Compltresp/Invflwup/Resolutn	10.00	0.00	10.00	II,IV,V,XV
18	60	565	Customer Service and Business Assistance	Public Records Act	Comply w/ Public Req for Info	2.00	1.00	3.00	Ia
19	60	605	Ensure Compliance	RECLAIM/Admin Support	Admin/Policy/Guidelines	5.00	-4.50	0.50	II,III,IV,XV
20	60	657	Develop Rules	Rulemaking/Support PRA	Provide Rule Development Supp	0.50	0.50	1.00	IV,XV
21	60	678	Ensure Compliance	School Siting	Identify Haz. Emission Sources near Schools	0.05	-0.05	0.00	IV
22	60	690	Customer Service and Business Assistance	Source Education	Prov Tech Asst To Industries	0.40	0.00	0.40	III,IV,V,XV
23	60	717	Policy Support	Student Interns	Gov Board/Student Intern Program	0.05	0.00	0.05	Ia
24	60	751	Ensure Compliance	Title III Inspections	Title III Comp/Insp/Follow Up	0.10	-0.10	0.00	IV
25	60	771	Ensure Compliance	Title V	Title V Compl/Inspect/Follow Up	3.50	1.00	4.50	II,IV
26	60	791	Ensure Compliance	Toxics/AB2588	Risk Reduct Plan Rvw/Comm Mtgs	0.10	0.00	0.10	X
27	60	805	Operational Support	Training	Dist/Org Unit Training	4.00	-2.00	2.00	Ib
28	60	825	Operational Support	Union Negotiations	Official Labor/Mgmt Negotiate	0.10	0.00	0.10	Ia
29	60	826	Operational Support	Union Steward Activities	Rep Employees in Grievance Act	0.10	0.00	0.10	Ia
30	60	855	Operational Support	Web Tasks	Creation/Update of Web Conten	0.50	1.00	1.50	Ia
Total Compliance & Enforcement						153.00	(1.00)	152.00	

Compliance & Enforcement Line Item Expenditure						
Major Object / Account # / Account Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
<b>Salary &amp; Employee Benefits</b>						
51000-52000	Salaries	\$ 10,775,652	\$ 12,769,476	\$ 12,774,832	\$ 11,655,083	\$ 12,919,549
53000-55000	Employee Benefits	5,410,039	6,684,445	6,684,445	5,921,586	7,520,528
Sub-total Salary & Employee Benefits		\$ 16,185,691	\$ 19,453,921	\$ 19,459,277	\$ 17,576,669	\$ 20,440,077
<b>Services &amp; Supplies</b>						
67250	Insurance	\$ -	\$ -	\$ -	\$ -	\$ -
67300	Rents & Leases Equipment	-	-	-	-	-
67350	Rents & Leases Structure	80,895	106,791	106,791	106,791	106,791
67400	Household	-	-	-	-	-
67450	Professional & Special Services	11,263	9,500	11,000	11,000	15,500
67460	Temporary Agency Services	1,394	2,000	10,000	8,416	2,000
67500	Public Notice & Advertising	-	-	-	-	-
67550	Demurrage	-	250	250	-	250
67600	Maintenance of Equipment	6,412	20,500	12,500	3,910	26,000
67650	Building Maintenance	-	-	-	-	-
67700	Auto Mileage	336	1,000	1,000	521	1,000
67750	Auto Service	-	1,000	1,000	-	1,000
67800	Travel	11,403	17,555	13,555	8,439	15,000
67850	Utilities	-	-	-	-	-
67900	Communications	52,334	117,350	117,350	62,536	117,350
67950	Interest Expense	-	-	-	-	-
68000	Clothing	19,463	19,590	15,590	15,590	30,685
68050	Laboratory Supplies	7,480	9,000	9,000	9,000	12,000
68060	Postage	4,971	3,000	11,000	11,000	3,000
68100	Office Expense	137,062	33,800	33,800	33,800	35,400
68200	Office Furniture	9,193	1,250	11,250	11,250	1,250
68250	Subscriptions & Books	-	400	214	214	400
68300	Small Tools, Instruments, Equipment	2,177	20,009	11,009	4,580	15,769
68350	Film	-	-	-	-	-
68400	Gas and Oil	-	-	-	-	-
69500	Training/Conference/Tuition/ Board Exp.	39,294	26,250	17,750	17,750	25,450
69550	Memberships	-	750	750	-	750
69600	Taxes	-	-	-	-	-
69650	Awards	-	-	-	-	-
69700	Miscellaneous Expenses	2,757	5,000	5,000	3,608	5,000
69750	Prior Year Expense	-	-	-	-	-
69800	Uncollectable Accounts Receivable	-	-	-	-	-
89100	Principal Repayment	-	-	-	-	-
Sub-total Services & Supplies		\$ 386,433	\$ 394,995	\$ 388,809	\$ 308,405	\$ 414,595
77000	<b>Capital Outlays</b>	\$ -	\$ 361,000	\$ 787,000	\$ 787,000	\$ 280,000
79050	<b>Building Remodeling</b>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 16,572,124	\$ 20,209,916	\$ 20,635,086	\$ 18,672,074	\$ 21,134,672
* Estimates based on July 2017 through February 2018 actual expenditures and budget amendments.						



**SOUTH COAST**  
**AIR QUALITY MANAGEMENT DISTRICT**



## ENGINEERING & PERMITTING

### LAKI TISOPULOS DEPUTY EXECUTIVE OFFICER

At a Glance:	
FY 2017-2018 Budget	\$24.2M
FY 2018-2019 Proposed	\$25.7M
Percent of SCAQMD Proposed	15.6%
Total Proposed FTEs	161

#### DESCRIPTION OF MAJOR SERVICES:

The office of Engineering & Permitting (E&P) is responsible for processing applications for Permits to Construct & Operate, and special services. The permit processing activities involve nearly 400 major facilities that have been issued Title V Federal Operating permits, almost 300 facilities in the RECLAIM program, and over 27,000 large and small business operations. In addition, staff also participate in activities with other agencies, assist with Economic Development and Business Retention programs, provide engineering support to other divisions, and evaluate and implement permit backlog reduction and permit streamlining activities, including automation and other permit processing modernization efforts.

#### KEY ACCOMPLISHMENTS

##### RECENT:

- Continued implementation of the Action Plan to reduce the permit application backlog and total pending permit applications, improve permit processing efficiency and timely issuance of permits.
- Since the commencement of the backlog reduction effort in July 2016, reduced total pending applications by 46%, from more than 7,300 to less than 4,000 pending applications by the end of December, 2017.
- Processed 9,321 applications for Permits, Plans, and ERCs in FY 2016-2017. Exceeded Goals and Objectives target for FY 2016-17 by 34%.
- Issued more than 2,180 Permits to Construct (PC) in FY 2016-2017. Exceeded Goals and Objectives target of FY 2016-17 by 21%.
- Issued more than 200 Title V renewal and modification permits in Calendar Year 2017.
- Initiated a program to recognize top performing individuals and teams to help maintain high morale and acknowledge good performance.
- Initiated development of Online Permit Processing tools and other automation efforts. Deployed online permitting tool for dry cleaning equipment and issued SCAQMD's first online permit.

## **ENGINEERING & PERMITTING (cont.)**

- Met Division's Permit Streamlining goal of application delivery to Permitting Teams within 4 business days.
- Developed an end of the fiscal year summary report highlighting key accomplishments of the backlog reduction effort (uploaded to the District website).
- Refined the Online Permit Dashboard tool on SCAQMD's website to display quarterly as well as monthly progress in reducing pending applications inventory, inclusive and exclusive of Permits to Construct issued, in an effort to more accurately communicate to the public the true pending applications inventory,.
- Developed and deployed plan to address EPA Title V Program Audit Findings.
- Participated in public meetings to address public concerns regarding high toxic risks and emissions.
- Participated in multi-agency neighborhood sweeps in the cities of Paramount and Compton to investigate hexavalent chromium and other toxic air contaminant-emitting sources.
- Provided technical guidance regarding grinding operations at metal forging and metal finishing operations and lead emitting facilities to other District Offices.
- Assisted in developing and amending SCAQMD Rules and Regulations such as Rule 219/222, Reg. III, Reg. XI, Reg. XIV, including Rule 1420.1, and Reg. XX.
- Provided Pre- and Post-application conferences to help permit applicants.
- Participated, reviewed and provided permit remedies to permit holders throughout Calendar Year 2017 from Fee Review cases.
- Provided technical support to IM to test and troubleshoot CLASS programs issues, including working to test and verify assessment of fees for rapidly-deployed 2017-2018 new Title V fee schedules under the Regulation III amendment.
- Successfully provided engineering support and/or expert testimony in hearing board cases throughout calendar year 2017.
- Organized and administered the annual Certified Permit Processing Professional exam for 26 participants. Certified 11 new CPP holders as well as provided support to 170 existing CPP holders.
- Prepared Federal NSR Equivalency Determination Reports pursuant to Rule 1315.
- Prepared annual report on the NOx and SOx RECLAIM Program in accordance with Rule 2015.
- Provided an in-depth overview of District's permitting process and refinery operations to Hearing Board members.

### **ANTICIPATED:**

- Continue implementing all elements of the Action Plan developed to reduce permit backlog.
- Complete permit backlog reduction effort:
  - a) Reduce pending applications to less than 3,800 by end of FY 2017/2018 and less than 3,600 by October 2018;

## ENGINEERING & PERMITTING (cont.)

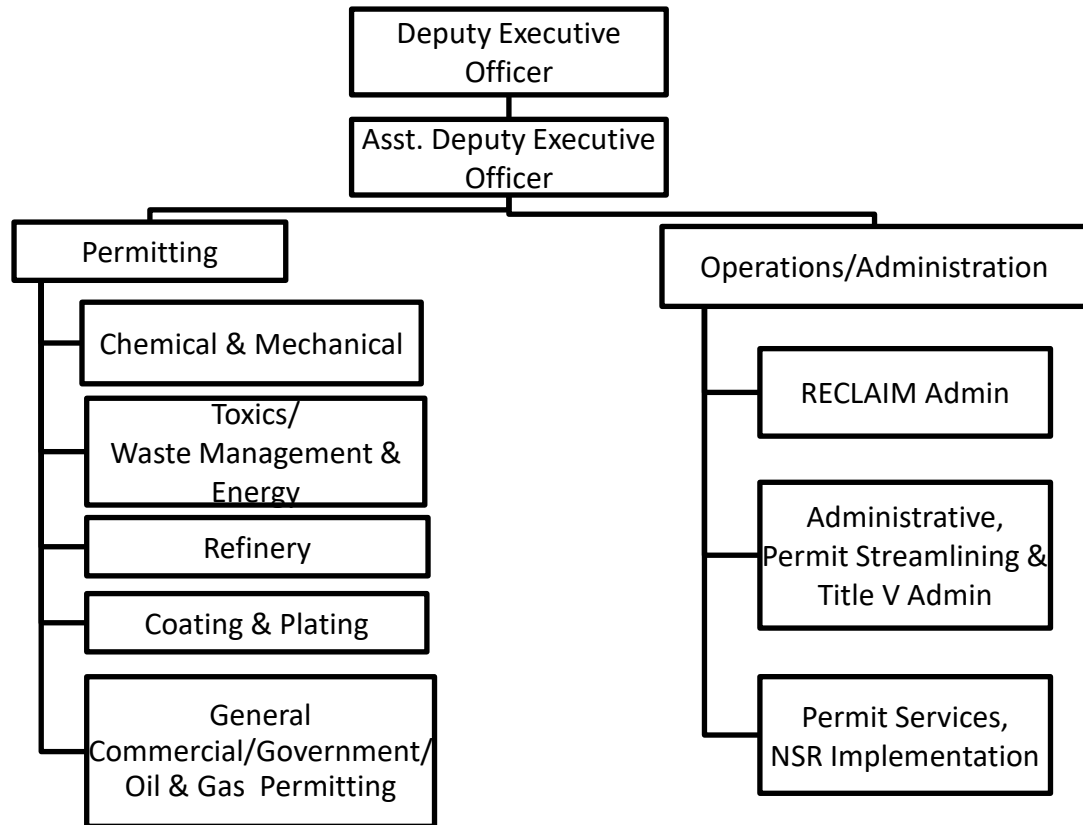
- b) Seek to process more than 1,800 Permit to Construct and a total of 7,500 applications for Permits, Plans, and ERCs during FY 2018/19;
  - c) Focus on reducing last remaining aged permit applications to the extent possible; and,
  - d) Seek to reduce pending applications beyond targets established in Action Plan in an effort to establish a cushion to help address additional incoming permit applications anticipated from RECLAIM program phase-out during the next one to three years.
- Complete timely renewal of Title V permits.
- Implement action plan to further improve Title V program pursuant to U.S. EPA's recommendations:
  - a) Prepare expanded Statement of Basis (SOB) for all initial Title V permits, at least 10% of Title V renewals, and all De-Minimus and Significant Title V revisions;
  - b) Develop capability to publish Title V permits online;
  - c) Provide more detailed account of applicable federal requirement in Title V permits,
  - d) Provide public with online access to Title V permits; and,
  - e) Develop formal policy that will allow a source to be reclassified as a synthetic minor and exit the Title V program.
- Continue efforts to streamline and expedite permit issuance and reduce permit application backlog through:
  - a) Equipment certification/registration programs;
  - b) Streamlined standard permits;
  - c) Enhancement of permitting systems; and,
  - d) Expedited Permit Processing Program
- Continue certification of Permit Processing professionals.
- Complete the development of and deploy online permitting and permit automation tools for gasoline dispensing facilities and automotive spray booths, and initiate the process to identify additional candidate equipment/processes suitable for online permitting.
- Initiate the development and deployment of Phase II Online Permitting efforts:
  - a) On-line Dash Board tool for Permit Application Status Tracking that will allow public to track the status of individual permit applications;
  - b) Rule 222 Filing & Registration Forms;
  - c) Registration/Certification for Emergency Generators and Soil Vapor Extraction Systems;
  - d) 400-E-xx Permit Application Forms; and
  - e) Enhancements to Dry Cleaning, Gasoline Dispensing and Automotive Spray Booth modules.
- Continue permit processing modernization efforts by initiating the development of a plan and business model that will facilitate transition to electronic permit application submittal and processing and can be deployed as soon as the development of electronic smart permit applications forms is complete.
- Continue implementation of the staff recognition program, recognizing top performing individuals and teams to help maintain high morale and acknowledge good performance.

## **ENGINEERING & PERMITTING (cont.)**

- Continue to improve and monitor the operational and permitting efficiency of permitting teams by:
  - a) Streamlining workflow;
  - b) Enhancing permitting tools;
  - c) Standardizing permit conditions;
  - d) Reviewing and updating outdated Permitting Policies and Procedures; and,
  - e) Tracking and developing time metrics for processing permit applications.
- Continue soliciting stakeholder input on permit application backlog reduction and permit streamlining efforts through quarterly Permit Streamlining Task Force subcommittee meetings.
- Provide quarterly status reports on permit backlog reduction efforts to Stationary Source Committee and semi-annual reports to the Governing Board until permit backlog reduction goals are fully accomplished.
- Continue to improve customer services and public outreach by:
  - a) Providing public education by attending public meetings and addressing public concerns;
  - b) Providing assistance to permit applicants through pre- and post-conferences; and,
  - c) Providing permitting information for Public Record requests.
- Review and comment on Rule 1402 Risk Reduction Plans.
- Continue to provide critical input in developing and amending SCAQMD Rules.
- Continue to provide critical input in enforcing SCAQMD Rules.
- Continue to provide support in Fee Review cases and Hearing Board cases.
- Conduct a thorough evaluation of the Expedited Permitting Program and propose improvements as warranted.
- Continue to prepare Federal NSR Equivalency Determination Reports pursuant to Rule 1315.
- Continue to prepare annual report on the NO<sub>x</sub> and SO<sub>x</sub> RECLAIM Program in accordance with Rule 2015.
- Initiate the process to update and expand the SCAQMD's Permit Processing Handbook.

## ENGINEERING & PERMITTING (cont.)

### ORGANIZATIONAL CHART:



### POSITION SUMMARY: 161 FTEs

Engineering & Permitting	Amended FY 2017-2018	Change	Proposed FY 2018-2019
Administration	4	-	4
Engineering	130	-	130
Operations	27	-	27
Total	161	-	161

## ENGINEERING & PERMITTING (cont.)

### STAFFING DETAIL:

#### 2018-19 Proposed Staffing

<u>Position</u>	<u>Title</u>
92	Air Quality Engineer II
1	Air Quality Specialist
1	Assistant Deputy Executive Officer
2	Data Technician
1	Deputy Executive Officer
1	Office Assistant
1	Principal Office Assistant
1	Program Supervisor
5	Secretary
2	Senior Administrative Secretary
20	Senior Air Quality Engineer
6	Senior Air Quality Engineering Manager
17	Senior Office Assistant
2	Staff Specialist
8	Supervising Air Quality Engineer
<u>1</u>	Supervising Office Assistant
161	Total Proposed Positions

Engineering & Permitting Work Program by Office									
#	Program Code		Program Categories	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Revenue Categories
1	50	038	Customer Service and Business Assistance	Admin/Office Management	Dev/Coord Goals/Policies/Overs	1.00	2.00	3.00	Ib
2	50	047	Customer Service and Business Assistance	Admin/Operations Support	Budget/Contracts/Reports/Projects	2.00	1.00	3.00	Ib
3	50	120	Timely Review of Permits	Certification/Registration Pro	Certification/Registration Prog	2.00	-1.00	1.00	III
4	50	148	Policy Support	Climate Change	GHG/Climate Change Support	0.50	0.00	0.50	II,IX
5	50	156	Ensure Compliance	Perm Proc/Info to Compliance	Prov Permit Info to Compliance	3.00	0.00	3.00	III,IV,XV
6	50	200	Customer Service and Business Assistance	Economic Dev/Bus Retention	Perm Proc/Public Participation	0.10	0.00	0.10	III
7	50	240	Ensure Compliance	Environmental Justice	R461/Combustion Equip Testing	0.50	0.00	0.50	II,IV,XV
8	50	253	Timely Review of Permits	ERC Appl Processing	Process ERC Applications	3.50	0.00	3.50	III
9	50	260	Customer Service and Business Assistance	Fee Review	Fee Review Committee	0.45	0.00	0.45	II,III,IV
10	50	276	Policy Support	Board Committees	Admin/Stationary Source Committees	0.25	0.00	0.25	Ia
11	50	365	Ensure Compliance	Hearing Bd/Variations	Variations/Orders of Abatement	0.75	0.00	0.75	VII
12	50	367	Timely Review of Permits	Hearing Board/Appeals	Appeals: Permits & Denials	0.25	0.00	0.25	III
13	50	377	Ensure Compliance	Inspections/RECLAIM Audits	Audit/Compliance Assurance	6.00	0.00	6.00	II,IV
14	50	416	Policy Support	Legislative Activities	Legislative Activities	0.25	0.00	0.25	Ia
15	50	425	Customer Service and Business Assistance	Lobby Permit Services	Supp Perm Proc/Customer Svc	1.00	0.00	1.00	III
16	50	475	Timely Review of Permits	NSR Implementation	Implement NSR/Allocate ERCs	2.50	0.00	2.50	II,III,V,XV
17	50	476	Timely Review of Permits	NSR Data Clean Up	Edit/Update NSR Data	0.50	0.00	0.50	II
18	50	492	Ensure Compliance	Customer Service	Compliance/Inspection/Follow-up	0.50	0.00	0.50	II,V,IX,XV
19	50	515	Timely Review of Permits	Perm Proc/Non TV/Non RECLAIM	PP: Non TitlV/TitlIII/RECLAIM	51.75	-1.00	50.75	III,XV
20	50	517	Timely Review of Permits	Permit Services	Facility Data-Create/Edit	12.50	0.00	12.50	III,XV
21	50	518	Timely Review of Permits	RECLAIM Non-Title V	Process RECLAIM Only Permits	4.50	0.00	4.50	III,IV,XV
22	50	519	Timely Review of Permits	Perm Proc/Title III (Non TV)	Process Title III Permits	1.00	0.00	1.00	III
23	50	520	Customer Service and Business Assistance	Perm Proc/Pre-Appl Mtg Outreac	Pre-App Mtgs/Genl Prescreening	1.00	0.00	1.00	III
24	50	521	Timely Review of Permits	Perm Proc/Expedited Permit	Proc Expedited Permits (301OT)	4.00	0.00	4.00	III
25	50	523	Timely Review of Permits	Permit Streamlining	Permit Streamlining	3.75	1.00	4.75	III
26	50	565	Customer Service and Business Assistance	Public Records Act	Comply w/ Public Req for Info	0.25	0.00	0.25	Ia
27	50	605	Ensure Compliance	RECLAIM/Admin Support	Admin/Policy/Guidelines	6.50	0.00	6.50	II,III,IV,XV
28	50	607	Timely Review of Permits	RECLAIM & Title V	Process RECLAIM & TV Permits	18.40	0.00	18.40	III
29	50	643	Timely Review of Permits	Rule 222 Filing Program	Rule 222 Filing Program	0.50	0.00	0.50	IV
30	50	650	Develop Rules	Rulemaking	Dev/Amend/Impl Rules	0.25	0.00	0.25	II,XV
31	50	657	Develop Rules	Rulemaking/Support PRA	Provide Rule Development Supp	0.25	0.00	0.25	II,XV
32	50	678	Ensure Compliance	School Siting	Identify Haz. Emission Sources near Schools	0.25	0.00	0.25	II
33	50	680	Ensure Compliance	Small Business Assistance	Asst sm bus w/ Permit Process	0.50	0.00	0.50	III,IV
34	50	690	Customer Service and Business Assistance	Source Education	Prov Tech Asst To Industries	2.80	0.00	2.80	III,IV,V,XV
35	50	728	Timely Review of Permits	Perm Proc/IM Programming	Assist IM: Design/Review/Test	2.55	0.00	2.55	II,III,IV
36	50	752	Develop Rules	Title III Rulemaking	Title III Dev/Implement Rules	0.25	0.00	0.25	II,V,XV
37	50	773	Develop Rules	Title V & NSR Rulemaking-Supp	Title V Rules Dev/Amend/Impl	0.25	0.00	0.25	II
38	50	774	Timely Review of Permits	TV/Non-RECLAIM	Process Title V Only Permits	18.00	0.00	18.00	III
39	50	775	Timely Review of Permits	Title V – Admin	Title V Administration	1.00	0.00	1.00	III
40	50	791	Ensure Compliance	Toxics/AB2588	AB2588 Rev Rprts/Risk Redplans	0.25	0.00	0.25	X
41	50	805	Operational Support	Training	Dist/Org Unit Training	3.10	0.00	3.10	Ib
42	50	825	Operational Support	Union Negotiations	Official Labor/Mgmt Negotiate	0.05	0.00	0.05	Ia
43	50	826	Operational Support	Union Steward Activities	Rep Employees in Grievance Act	0.05	0.00	0.05	Ia
44	50	855	Operational Support	Web Tasks	Creation/Update of Web Content	0.25	0.00	0.25	Ia
Total Engineering & Permitting						159.00	2.00	161.00	

Engineering & Permitting Line Item Expenditure						
Major Object / Appount # / Appount Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
<b>Salary &amp; Employee Benefits</b>						
51000-52000	Salaries	\$ 15,518,030	\$ 15,902,868	\$ 15,931,282	\$ 16,081,625	\$ 16,405,670
53000-55000	Employee Benefits	7,419,991	7,882,580	7,882,580	7,651,468	8,846,582
Sub-total Salary & Employee Benefits		\$ 22,938,021	\$ 23,785,448	\$ 23,813,862	\$ 23,733,093	\$ 25,252,251
<b>Services &amp; Supplies</b>						
67250	Insurance	\$ -	\$ -	\$ -	\$ -	\$ -
67300	Rents & Leases Equipment	-	10,000	10,000	4,477	10,000
67350	Rents & Leases Structure	15,963	10,000	10,000	-	10,000
67400	Household	-	-	-	-	-
67450	Professional & Special Services	351	2,500	6,725	6,725	2,500
67460	Temporary Agency Services	24,257	32,000	32,000	29,855	20,000
67500	Public Notice & Advertising	140,066	160,000	160,000	160,000	160,000
67550	Demurrage	-	250	250	-	250
67600	Maintenance of Equipment	(0)	-	-	-	-
67650	Building Maintenance	-	-	-	-	-
67700	Auto Mileage	27,018	26,500	26,500	26,500	35,000
67750	Auto Service	-	-	-	-	-
67800	Travel	9,592	17,555	17,555	11,597	17,555
67850	Utilities	-	-	-	-	-
67900	Communications	11,913	10,650	10,650	10,650	6,450
67950	Interest Expense	-	-	-	-	-
68000	Clothing	970	2,930	2,930	2,930	2,930
68050	Laboratory Supplies	-	-	-	-	-
68060	Postage	28,589	37,000	37,000	28,589	37,000
68100	Office Expense	57,248	57,700	57,700	57,700	79,700
68200	Office Furniture	1,396	3,050	3,050	1,558	3,050
68250	Subscriptions & Books	-	400	344	344	400
68300	Small Tools, Instruments, Equipment	-	-	-	-	-
68400	Gas and Oil	-	-	-	-	-
69500	Training/Conference/Tuition/ Board Exp.	3,045	3,500	3,500	3,500	4,500
69550	Memberships	520	750	750	520	750
69600	Taxes	-	-	-	-	-
69650	Awards	-	-	-	-	2,000
69700	Miscellaneous Expenses	1,111	5,000	5,000	2,222	5,000
69750	Prior Year Expense	(85)	-	-	-	-
69800	Uncollectable Accounts Receivable	-	-	-	-	-
89100	Principal Repayment	-	-	-	-	-
Sub-total Services & Supplies		\$ 321,953	\$ 379,785	\$ 383,954	\$ 347,167	\$ 397,085
77000	<b>Capital Outlays</b>	\$ -	\$ 20,000	\$ 20,000	\$ 20,000	\$ 90,000
79050	<b>Building Remodeling</b>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 23,259,974	\$ 24,185,233	\$ 24,217,816	\$ 24,100,260	\$ 25,739,336
* Estimates based on July 2017 through February 2018 actual expenditures and budget amendments.						



## FINANCE

**SUJATA JAIN**

**ASSISTANT DEPUTY EXECUTIVE OFFICER**

<b>At a Glance:</b>	
FY 2017-2018 Budget	\$6.3M
FY 2018-2019 Proposed	\$6.7M
Percent of SCAQMD Proposed	4.1%
Total Proposed FTEs	48

### DESCRIPTION OF MAJOR SERVICES:

Finance provides services to internal and external customers and stakeholders, including fee payers, internal divisions, employees, the Mobile Source Air Pollution Reduction Review Committee, the Building Corporation, and the Health Effects of Air Pollution Foundation. These services are provided through three distinct units: Controller, Financial Services, and Procurement. The Controller is responsible for accounting, financial reporting, accounts payable, payroll, state and federal tax reporting, revenue posting, and asset management. The Financial Services Manager is responsible for budget preparation, budgetary reporting, forecasting, grants management, billing services, and ad-hoc internal financial support. The Procurement Manager is responsible for the procurement of goods and services, contracting, proposal/bid solicitations and advertising, processing supplier deliveries, and controlling/dispensing/reconciling inventory.

### ACCOMPLISHMENTS:

#### RECENT:

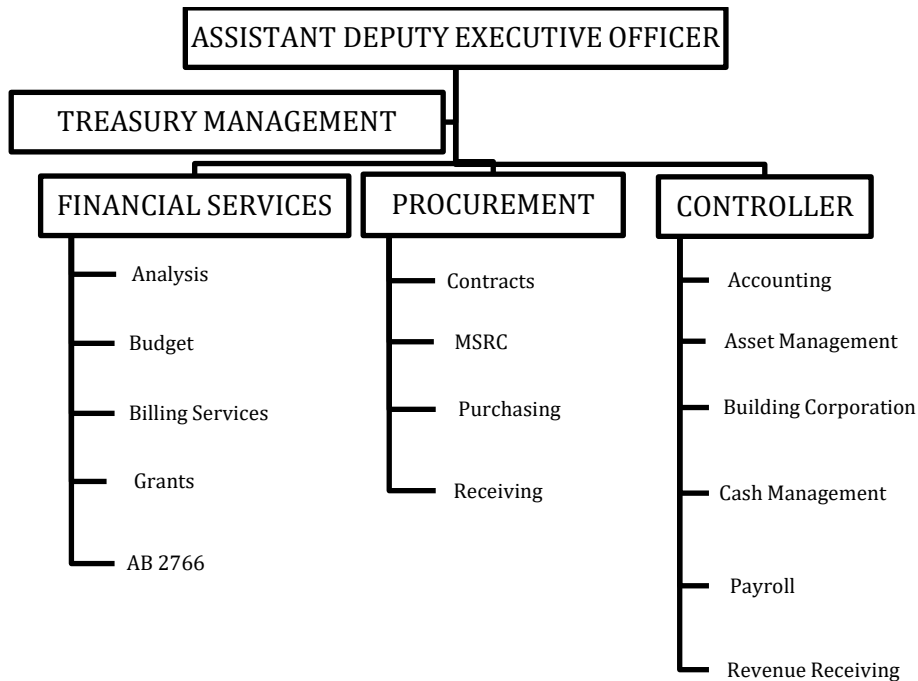
- Continued to expand electronic payment options to include Permit Processing Fee payments for asbestos and dry cleaners.
- Processed 685 contracts and modifications, issued 37 Request for Proposals/Quotes, and processed 309 proposals/quotation. Processed 1,462 purchase orders and 463 CalCard payments.
- Implemented new Internal Revenue Service tax reporting requirements under the Affordable Care Act (ACA).
- Received the Government Finance Officer's Association's (GFOA) awards for the Annual Budget, Comprehensive Annual Financial Report (CAFR), and Popular Annual Financial Report (PAFR) for the most recent fiscal year.

## FINANCE (cont.)

### ANTICIPATED:

- Continue to identify and implement additional opportunities for electronic payments.
- Implement the new financial reporting requirements, as required by Governmental Accounting Standards Board (GASB) Statement Number 75 “Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pension Plans,” through coordination with Los Angeles County Employees’ Retirement Association (LACERA), and external auditors.
- Continue to receive GFOA Awards for the Annual Budget, CAFR, and PAFR to ensure SCAQMD’s financial reports meet the highest professional standards.
- Ensure compliance with all AB 617 and AB 134 guidelines for financial reporting and tracking of revenue and expenditures.

### ORGANIZATIONAL CHART:



## FINANCE (cont.)

### POSITION SUMMARY: 48 FTEs

Finance Units	Amended FY 2017-18	Change	Proposed FY 2018-19
Office Administration	5	(1)	4
Financial Services	14	-	14
Procurement	10	-	10
Controller	20	-	20
Total	49	(1)	48

### STAFFING DETAIL:

#### 2018-19 Proposed Staffing

<u>Position</u>	<u>Title</u>
2	Accounting Technician
1	Assistant Deputy Executive Officer
1	Chief Administrative Officer*
2	Contracts Assistant
1	Controller
1	District Storekeeper
3	Financial Analyst
1	Financial Services Manager
7	Fiscal Assistant
3	Payroll Technician
1	Procurement Manager
2	Purchasing Assistant
1	Purchasing Supervisor
2	Secretary
3	Senior Accountant
1	Senior Administrative Secretary
2	Senior Fiscal Assistant
9	Senior Office Assistant
1	Staff Assistant
1	Staff Specialist
1	Stock Clerk
1	Supervising Office Assistant
<u>1</u>	Supervising Payroll Technician
48	Total Proposed Positions

\* Not reflected in Finance's Organizational Chart

Finance Work Program by Office									
#	Program Code	Program Categories	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Revenue Categories	
1	04	002	Customer Service and Business Assistance	AB2766/Mobile Source	Prog Admin: Monitor/Dist/Audit	0.10	0.00	0.10	IX
2	04	003	Advance Clean Air Technology	AB2766/MSRC	MSRC Program Administration	0.35	0.00	0.35	IX
3	04	009	Develop Programs	AB 1318 Mitigation	AB 1318 Projects Admn/Impl	0.13	0.00	0.13	XVII
4	04	020	Operational Support	Admin/SCAQMD Budget	Analyze/Prepare/Impl/Track WP	2.65	0.00	2.65	Ia
5	04	021	Operational Support	Admin/SCAQMD Contracts	Contract Admin/Monitor/Process	3.20	0.00	3.20	Ia
6	04	023	Operational Support	Admin/SCAQMD Capital Assets	FA Rep/Reconcile/Inv/Acct	0.70	0.00	0.70	Ia
7	04	030	Advance Clean Air Technology	AB 134	AB 134	0.00	2.00	2.00	IX
8	04	035	Operational Support	AB 617-General	AB 617-General	0.00	0.50	0.50	XV
9	04	038	Operational Support	Admin/Office Management	Fin Mgmt/Oversee Activities	4.75	-1.00	3.75	Ib
10	04	045	Operational Support	Admin/Office Budget	Office Budget/Prep/Impl/Track	0.05	0.00	0.05	Ib
11	04	071	Operational Support	Arch Ctgs - Admin	Cost Analysis/Payments	0.04	0.00	0.04	XVIII
12	04	083	Policy Support	Hlth Effects Air Pollution Fou	Health Effects Air Poll Foundation Support	0.02	0.00	0.02	Ia
13	04	085	Operational Support	Building Corporation	Building Corp Acct/Fin Reports	0.02	0.00	0.02	Ia
14	04	130	Advance Clean Air Technology	Clean Fuels/Contract Admin	Clean Fuels Contract Admin/Monitor	0.15	0.00	0.15	VIII
15	04	170	Customer Service and Business Assistance	Billing Services	Answer/Resp/Resolv Prob & Inq	8.00	0.00	8.00	II,III,IV
16	04	233	Operational Support	Employee Relations	Assist HR/Interpret Salary Res	0.10	0.00	0.10	Ia
17	04	260	Customer Service and Business Assistance	Fee Review	Cmte Mtg/Fee-Related Complaint	0.10	0.00	0.10	II,III,IV,XV
18	04	265	Operational Support	Financial Mgmt/Accounting	Record Accts Rec & Pay/Rpts	6.20	0.00	6.20	Ia
19	04	266	Operational Support	Financial Mgmt/Fin Analysis	Fin/SCAQMD Stat Analysis & Audit	0.80	0.00	0.80	Ia
20	04	267	Operational Support	Financial Mgmt/Treasury Mgmt	Treas Mgt Anlyz/Trk/Proj/Invst	1.00	0.00	1.00	Ia
21	04	268	Operational Support	Financial Systems	CLASS/Rev/Acct/PR/Sys Analyze	0.10	0.00	0.10	Ia
22	04	355	Customer Service and Business Assistance	Grants Management	Grant Anlyz/Eval/Negot/Acc/Rpt	1.00	0.00	1.00	IV,V,XV
23	04	447	Operational Support	Mobile Sources/Accounting	Record Acct Rec & Pay/Special Funds	0.65	0.00	0.65	IX
24	04	457	Advance Clean Air Technology	Mobile Source/Moyer Adm	Carl Moyer: Contract/Fin Admin	1.02	0.00	1.02	IX
25	04	493	Operational Support	Outreach/SB/MB/DVBE	Outreach/Incr SB/DVBE Partic	0.05	0.00	0.05	Ia
26	04	510	Operational Support	Payroll	Ded/Ret Rpts/PR/St & Fed Rpts	3.60	0.50	4.10	Ia
27	04	542	Advance Clean Air Technology	Prop 1B:Goods Movement	Contracts/Finance Admin	0.50	0.00	0.50	IX
28	04	544	Advance Clean Air Technology	Prop 1B:Low Emiss Sch Bus	Grants/Finance Admin	0.05	0.00	0.05	IX
29	04	565	Customer Service and Business Assistance	Public Records Act	Comply w/ Public Rec Requests	0.02	0.00	0.02	Ia
30	04	570	Operational Support	Purchasing	Purch/Track Svcs & Supplies	2.50	0.00	2.50	Ia
31	04	571	Operational Support	Purchasing/Receiving	Receive/Record SCAQMD Purchases	1.20	0.00	1.20	Ia
32	04	572	Operational Support	Purchasing-Receiving/Stockroom	Track/Monitor SCAQMD Supplies	1.00	0.00	1.00	Ia
33	04	630	Operational Support	Cash Mgmt/Revenue Receiving	Receive/Post Pymts/Reconcile	5.25	0.00	5.25	II,III,IV,XI
34	04	631	Customer Service and Business Assistance	Cash Mgmt/Refunds	Research/Doc/Prep/Proc Refunds	0.30	0.00	0.30	III,IV,XI
35	04	791	Ensure Compliance	Toxics/AB2588	AB2588 Toxics HS Fee Collection	0.15	0.00	0.15	X
36	04	805	Operational Support	Training	Continuing Education/Training	0.20	0.00	0.20	Ib
37	04	825	Operational Support	Union Negotiations	Official Labor/Mgmt Negotiate	0.02	0.00	0.02	Ia
38	04	826	Operational Support	Union Steward Activities	Rep Employees in Grievance Act	0.01	0.00	0.01	Ia
39	04	855	Operational Support	Web Tasks	Create/edit/review web content	0.02	0.00	0.02	Ia
Total Finance					46.00	2.00	48.00		

Finance Line Item Expenditure						
Major Object / Account # / Account Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
<b>Salary &amp; Employee Benefits</b>						
51000-52000	Salaries	\$ 3,371,871	\$ 3,601,840	\$ 3,738,952	\$ 3,673,783	\$ 3,723,363
53000-55000	Employee Benefits	2,049,567	2,213,027	2,213,027	2,137,716	2,416,395
Sub-total Salary & Employee Benefits		\$ 5,421,438	\$ 5,814,867	\$ 5,951,979	\$ 5,811,499	\$ 6,139,758
<b>Services &amp; Supplies</b>						
67250	Insurance	\$ -	\$ -	\$ -	\$ -	\$ -
67300	Rents & Leases Equipment	-	-	-	-	-
67350	Rents & Leases Structure	-	-	-	-	-
67400	Household	-	900	900	-	900
67450	Professional & Special Services	126,712	144,650	144,650	120,863	163,560
67460	Temporary Agency Services	62,047	63,000	63,000	59,262	63,000
67500	Public Notice & Advertising	11,778	7,000	7,000	7,000	7,000
67550	Demurrage	-	780	780	-	780
67600	Maintenance of Equipment	1,219	1,860	1,860	1,718	1,860
67650	Building Maintenance	-	-	-	-	-
67700	Auto Mileage	2,359	4,488	4,488	2,501	4,468
67750	Auto Service	-	-	-	-	-
67800	Travel	3,339	6,000	6,000	2,827	6,000
67850	Utilities	-	-	-	-	-
67900	Communications	1,355	9,000	9,000	1,355	9,000
67950	Interest Expense	-	-	-	-	-
68000	Clothing	857	1,200	1,200	-	1,200
68050	Laboratory Supplies	-	-	-	-	-
68060	Postage	141,246	130,050	130,050	111,300	130,050
68100	Office Expense	22,334	36,120	41,120	39,933	36,120
68200	Office Furniture	-	2,125	2,125	-	2,125
68250	Subscriptions & Books	2,538	3,470	3,384	2,622	3,470
68300	Small Tools, Instruments, Equipment	-	-	-	-	-
68400	Gas and Oil	-	-	-	-	-
69500	Training/Conference/Tuition/ Board Exp.	6,441	27,250	27,250	8,516	27,250
69550	Memberships	1,095	2,793	2,793	2,385	2,793
69600	Taxes	-	-	-	-	-
69650	Awards	-	-	-	-	-
69700	Miscellaneous Expenses	3,035	5,150	5,150	3,789	5,150
69750	Prior Year Expense	-	-	-	-	-
69800	Uncollectable Accounts Receivable	-	-	-	-	-
89100	Principal Repayment	-	-	-	-	-
Sub-total Services & Supplies		\$ 386,356	\$ 445,836	\$ 450,750	\$ 364,072	\$ 464,726
77000	<b>Capital Outlays</b>	\$ -	\$ -	\$ -	\$ -	\$ 75,800
79050	<b>Building Remodeling</b>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 5,807,794	\$ 6,260,703	\$ 6,402,729	\$ 6,175,570	\$ 6,680,284
* Estimates based on July 2017 through February 2018 actual expenditures and budget amendments.						



**SOUTH COAST**  
**AIR QUALITY MANAGEMENT DISTRICT**

## **INFORMATION MANAGEMENT**

### **RON MOSKOWITZ ASSISTANT DEPUTY EXECUTIVE OFFICER**

<b>At a Glance:</b>	
FY 2017-2018 Budget	\$10.8M
FY 2018-2019 Proposed	\$12.0M
Percent of SCAQMD Proposed	7.3%
Total Proposed FTEs	54

#### **DESCRIPTION OF MAJOR SERVICES:**

Information Management (IM) provides a wide range of information management systems and services in support of all SCAQMD operations. In addition to IM's administrative unit which provides for overall planning, administration and coordination of all IM activities, IM is comprised of two Information Technology (IT) units, and a Special Projects unit. The two IT units are distinguished from each other in that one is primarily concerned with hardware and network issues (while acquiring and applying software to integrate systems and functions), whereas the other focuses on system development (while integrating communication functions and the latest computer technologies). Due to the increasing convergence between hardware, software and digital technologies, the work performed by the two IT units often overlaps and requires close coordination. Areas where the two units overlap include workflow automation, imaging, and automatic system messaging (e.g., through email). The Special Projects unit processes all of the public records requests and handles day-to-day updates and additions to the SCAQMD website along with other projects as they arise.

#### **ACCOMPLISHMENTS:**

##### **RECENT:**

- Information Technology Review: Evaluated the information technologies and processes in place and those needed to support the District's goals and objectives.
- New Website, Website Facelift
- CLASS Database Upgrade
- OnBase Version Upgrade
- E-Forms with Workflow: Lawn mower rebate, EV charger voucher, wireless equipment, policies, contact information, Rule 1466
- Enterprise GIS Infrastructure on-line and on-premise
- Network Core Switch Upgrade
- Wi-Fi Deployment

## **INFORMATION MANAGEMENT (cont.)**

- Virus Scan Upgrade
- Desktop Upgrades
- Permitting Automation New System Development: Automated 400A form filing and permit processing of dry cleaner, gas station and spray booth operations and online Facility ID generation.
- Security Portal Lite Registration Implementation: Core infrastructure for all web applications including login and registration, user and application management, reporting copy of record, and application administration
- “Replace Your Ride” (RYP) New System Development: Developed web-based application that supports the implementation of a program providing monetary incentives to eligible individuals to retire their older vehicle and purchase a cleaner burning, more fuel efficient vehicle.
- Financial Services Web Services Upgrade: Converted all major financial subsidiary functions to 64-bit web services including Finance daily report, refunds sweep, Bank of America Link Reporting Services, on-line payment processing, and PeopleSoft to CLASS link.
- GIS Services Implementation and Migration to ESRI: Map layer conversion and spatial query/web services for 400A and RYP system support
- On-line training system implementation: Support registration for on-line and leader-lead classes and on-line training
- PeopleSoft Financials 9.1 upgrade and e-Benefits Self Service Module implementation for open enrollment

### **ANTICIPATED:**

- Implementation of selected recommendations from IT Review
- Website Upgrade
- Database Administration: CLASS database high availability
- Records: Agenda Tracking System Application Upgrade, E-Discovery implementation
- IT Services and Operations: Enterprise GIS applications implementation (web mapping), HF Monitoring System replacement, and RECLAIM Electronic Reporting System replacement (electronic reporting systems)
- Network and Hardware: Cloud based email and file sharing (Office 365), internet bandwidth upgrade, vertical network fiber upgrade, Wi-Fi deployment continued, virtualization and storage upgrades, server migration to the Cloud, Windows 10 Version upgrade, laptop disk encryption, and Desktop upgrades
- Permitting Automation Phase II New System Development: 400 E Series form filing, on-line permits IC engine/vapor recovery, equipment registration form processing, permit status dashboard, internal workflow automation, and paperless permit equipment evaluation

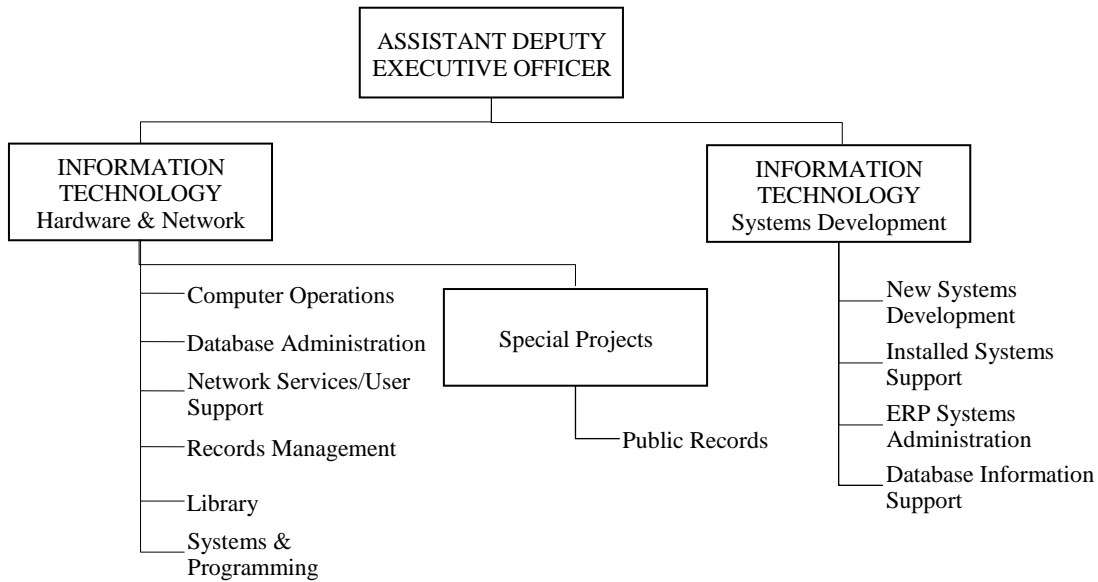


## **INFORMATION MANAGEMENT (cont.)**

- Geographic Information Systems Implementation: Open Data Portal, FIND Map replacement, and GEO coding services and tooling
- Annual Emission Reporting (AER) System Migration: Evaluation and upgrade and/or replacement of the existing AER system for better support and integration with the District's enterprise database and programs.
- Legal Division New System Development: Replacement of existing Courtview Case Management Solution with a more robust solution that integrates with the CLASS system.
- Flare Notification New System Development: Replacement of existing Flare Notification System with a more robust solution that integrates with the CLASS system and supports recent rule changes.
- Title V Compliance Form Filing: New web-based outward facing application to support the filing of Title V Compliance forms
- FIND System Replacement: Replacement of the existing Facility INformation Detail system to provide updated user interface, responsive design, and better search and reporting capabilities for staff and users in the public sector.
- Mobile Health Smartphone Application: Mobile application to engage the public and to provide relevant air quality information, support a more user-friendly interface, expand existing capabilities, and provide more relevant and critical health information to users via their cell phones and tablets
- Compliance System Replacement: New web-based application to replace the aging client/server desktop application for the tracking and processing of complaints, inspections, notifications, breakdowns, Notices of Violation, and Notices to Comply
- Transportation Plan Form Filing on the Web: New outward-facing web application to allow the online filing of Transportation Plans
- PeopleSoft Upgrades, Customizations and Module Implementations: Benefits Administration BCC Module implementation and labor negotiation customization and implementation

## INFORMATION MANAGEMENT (cont.)

### ORGANIZATIONAL CHART:



### POSITION SUMMARY: 54 FTEs

Information Management Units	FY 2017-18	Change	Proposed FY 2018-19
Office Administration	2.25	- 0.25	2
Hardware & Network	27	-	27
Systems Development	19		19
Special Projects	2		2
Public Records	4		4
Total	54.25	-0.25	54

## INFORMATION MANAGEMENT (cont.)

### STAFFING DETAIL:

#### 2018-19 Proposed Staffing

<u>Position</u>	<u>Title</u>
1	Assistant Database Administrator
1	Assistant Deputy Executive Officer/Information Management
3	Assistant Information Technology Specialist
1	Database Administrator
1	Information Technology Specialist I
2	Information Technology Specialist II
3	Information Technology Supervisor
4	Office Assistant
1	Principal Office Assistant
1	Public Affairs Specialist
2	Secretary
1	Senior Administrative Secretary
4	Senior Information Technology Specialist
4	Senior Office Assistant
1	Supervising Office Assistant
13	Systems Analyst
9	Systems and Programming Supervisor
<u>2</u>	Technology Implementation Manager
54	Total Proposed Positions

Information Management Work Program by Office								
#	Program Code	Program Categories	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Revenue Categories
1	27 035	Operational Support	AB 617-General	AB 617-General	0.00	5.00	5.00	XV
2	27 038	Operational Support	Admin/Office Management	Overall Direction/Coord of IM	2.25	-0.25	2.00	Ib
3	27 071	Operational Support	Arch Ctgs - Admin	Database Dev/Maintenance	0.25	0.00	0.25	XVIII
4	27 160	Operational Support	Computer Operations	Oper/Manage Host Computer Sys	5.25	0.00	5.25	Ia
5	27 184	Operational Support	Database Information Support	Ad Hoc Reports/Bulk Data Update	1.00	0.00	1.00	Ia
6	27 185	Operational Support	Database Management	Dev/Maintain Central Database	2.25	0.00	2.25	Ia
7	27 215	Operational Support	Annual Emission Reporting	System Enhancements for GHG	0.50	0.00	0.50	II,XVII
8	27 370	Operational Support	Information Technology Svcs	Enhance Oper Effic/Productivity	2.75	0.00	2.75	Ia
9	27 420	Operational Support	Library	General Library Svcs/Archives	0.25	0.00	0.25	Ia
10	27 470	Operational Support	Network Operations/Telecomm	Operate/Maintain/Implem SCAQMD	9.25	0.00	9.25	Ia
11	27 480	Operational Support	New System Development	Dev sys for special oper needs	2.50	0.00	2.50	II,IV
12	27 481	Customer Service and Business Assistance	New System Development	Dev sys in supp of Dist-wide	1.75	0.00	1.75	Ia,III
13	27 523	Timely Review of Permits	Permit Streamlining	Permit Streamlining	0.25	0.00	0.25	III
14	27 565	Customer Service and Business Assistance	Public Records Act	Comply w/ Public Req for Info	4.75	0.00	4.75	Ia
15	27 615	Operational Support	Records Information Mgmt Plan	Plan/Impl/Dir/Records Mgmt plan	1.25	0.00	1.25	Ia
16	27 616	Operational Support	Records Services	Records/Documents processing	3.75	0.00	3.75	Ia,III,IV
17	27 735	Operational Support	Systems Maintenance	Maintain Existing Software Prog	4.50	0.00	4.50	II,III,IV
18	27 736	Operational Support	Systems Implementation/PeopleS	Fin/HR PeopleSoft Systems Impl	1.50	0.00	1.50	Ia
19	27 770	Timely Review of Permits	Title V	Dev/Maintain Title V Program	1.50	0.00	1.50	III
20	27 791	Ensure Compliance	Toxics/AB2588	AB2588 Database Software Supp	0.50	0.00	0.50	X
21	27 855	Operational Support	Web Tasks	Create/edit/review web content	3.25	0.00	3.25	Ia
Total Information Management					49.25	4.75	54.00	

Information Management Line Item Expenditure						
Major Object / Account # / Account Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
<b>Salary &amp; Employee Benefits</b>						
51000-52000	Salaries	\$ 4,998,805	\$ 5,007,929	\$ 5,483,569	\$ 5,282,761	\$ 5,516,499
53000-55000	Employee Benefits	2,886,709	2,899,399	2,899,398	3,042,587	3,471,307
Sub-total Salary & Employee Benefits		\$ 7,885,514	\$ 7,907,328	\$ 8,382,967	\$ 8,325,347	\$ 8,987,806
<b>Services &amp; Supplies</b>						
67250	Insurance	\$ -	\$ -	\$ -	\$ -	\$ -
67300	Rents & Leases Equipment	-	1,880	-	-	1,880
67350	Rents & Leases Structure	-	-	-	-	-
67400	Household	-	1,250	500	-	1,250
67450	Professional & Special Services	1,203,713	1,313,487	1,145,787	1,710,787	1,404,121
67460	Temporary Agency Services	308,297	494,960	536,460	172,786	494,960
67500	Public Notice & Advertising	-	-	-	-	-
67550	Demurrage	90	650	650	90	650
67600	Maintenance of Equipment	71,665	103,300	144,972	144,972	157,750
67650	Building Maintenance	-	-	-	-	-
67700	Auto Mileage	3,099	1,250	3,130	3,130	1,250
67750	Auto Service	-	-	-	-	-
67800	Travel	11,171	2,160	8,364	8,364	2,160
67850	Utilities	-	-	-	-	-
67900	Communications	9,511	36,900	36,900	11,289	36,900
67950	Interest Expense	-	-	-	-	-
68000	Clothing	-	-	-	-	-
68050	Laboratory Supplies	-	-	-	-	-
68060	Postage	1,000	5,500	5,500	1,147	5,500
68100	Office Expense	594,673	323,912	440,084	440,084	323,912
68200	Office Furniture	-	-	8,875	8,875	-
68250	Subscriptions & Books	16,120	30,000	90,500	90,500	30,000
68300	Small Tools, Instruments, Equipment	-	2,000	2,000	-	2,000
68350	Film	-	-	-	-	-
68400	Gas and Oil	-	-	-	-	-
69500	Training/Conference/Tuition/ Board Exp.	57,906	46,575	40,371	40,371	46,575
69550	Memberships	354	1,320	1,320	354	1,320
69600	Taxes	-	1,000	1,000	-	1,000
69650	Awards	-	-	-	-	-
69700	Miscellaneous Expenses	-	-	-	-	-
69750	Prior Year Expense	-	-	-	-	-
69800	Uncollectable Accounts Receivable	-	-	-	-	-
89100	Principal Repayment	-	-	-	-	-
Sub-total Services & Supplies		\$ 2,277,599	\$ 2,366,144	\$ 2,466,413	\$ 2,632,750	\$ 2,511,228
77000	<b>Capital Outlays</b>	\$ 1,803,916	\$ 506,600	\$ 2,161,660	\$ 1,596,660	\$ 480,000
79050	<b>Building Remodeling</b>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 11,967,029	\$ 10,780,072	\$ 13,011,040	\$ 12,554,757	\$ 11,979,034

\* Estimates based on July 2017 through February 2018 actual expenditures and budget amendments.



**SOUTH COAST**  
**AIR QUALITY MANAGEMENT DISTRICT**

## LEGAL

### BAYRON T. GILCHRIST GENERAL COUNSEL

At a Glance:	
FY 2017-2018 Budget	\$6.5M
FY 2018-2019 Proposed	\$6.9M
Percent of SCAQMD Proposed	4.2%
Total Proposed FTEs	34

#### DESCRIPTION OF MAJOR SERVICES:

The General Counsel's Office is responsible for advising the SCAQMD Board and staff on all legal matters and enforcing SCAQMD rules and state laws related to air pollution control. Attorneys review and assist in the drafting of SCAQMD rules and regulations to ensure they are within the District's authority, and are written in a clear and enforceable manner. Attorneys ensure that all legal requirements for noticing, public workshop, CEQA analysis, and socioeconomic analysis of proposed rules and air quality management plans are satisfied.

The General Counsel's Office is also responsible for representing the SCAQMD Board and staff in court proceedings and administrative hearings related to matters arising out of staff's performance of official duties as SCAQMD officers and employees.

The Office is responsible for the enforcement of all SCAQMD rules and regulations and applicable state law. In addition, staff attorneys represent the Executive Officer in all matters before the SCAQMD Hearing Board, including variances, permit appeals, and abatement orders. Staff investigators support civil penalty and litigation and settlement efforts, including the minor source penalty program which is handled by investigators.

#### ACCOMPLISHMENTS:

##### RECENT:

- The Court of Appeals upheld our win in a CEQA lawsuit challenging the Southern California International Gateway railyard project at the Port of Los Angeles. The Court held that the Environmental Impact Report's analysis of the railyard's localized air pollutant concentrations and the cumulative impacts of those concentrations was inadequate because it did not disclose the air quality concentrations at any point in time or provide the duration of expected exceedances.
- The Court of Appeals upheld the trial court's decision to deny a CEQA challenge to an oil refinery's (Phillips 66) permits for expanded crude oil storage. The petitioners had argued that the permits would allow the refinery to increase their refining capacity. Our

## LEGAL (cont.)

analysis showed that the refinery itself was already operating near capacity so that the storage tanks could not increase the refining capacity.

- AB1132/AB1274 – Legal staff played a key role in drafting, testifying, and negotiating with stakeholders in obtaining legislation this year. This includes obtaining authority to issue interim abatement orders in the case of an imminent and substantial endangerment to public health, welfare, or the environment. In addition, staff provided legal support for the constitutionality of the smog abatement fee (AB 1274).
- An Order for Abatement issued against Sunshine Canyon Landfill has resulted in eight consecutive months and counting without issuance of any odor nuisance NOVs. The OA has resulted in successful diversion of food waste from the landfill; increased gas collection efficiency; and odor mitigation at the landfill and transfer stations. A settlement was reached for the recovery of over \$1.3 million of the four prior years of odor nuisance NOVs.
- Orders for Abatement issued against Aerocraft Heat Treating Company, Anaplex Corp., and Lubeco required implementation of numerous actions directed at identifying sources of hexavalent chromium emissions from the facilities operations and successfully implemented curtailment procedures when concentrations of hex chrome exceed 1 ng/m<sup>3</sup>, based on a three sample average.
- An Order for Abatement issued against Carlton Forge Works required operation of permanent carbon controls and restriction of grinding operations to reduce odors impacting the nearby school and community. Odor complaints from the community have decreased markedly.
- ExxonMobil OA – Obtained an Order for Abatement requiring the Torrance Refinery to upgrade its outdated electrical systems on an expedited basis. Frequent electrical failures have caused the refinery to over-utilize its flares as Air Pollution Control Devices (APCDs), in one instance leading to a shelter-in-place notification from the City of Torrance.
- Community Air Toxics Initiative - Obtained Orders for Abatement in the City of Paramount requiring facilities that had been identified as signification contributors to high hexavalent chrome levels in the community to take immediate steps to reduce emissions. The Legal Department's efforts contributed to a staff effort that caused a significant reduction of hexavalent chrome levels in Paramount and the elimination of a significant threat to public health.
- Provided legal advice for implementation of 2016 AQMP and Funding Incentives Plan, evaluating potential options and relative legal benefits/risks.
- Provided legal advice for all rules and amendments including air toxics and the initiation of amendments to phase-out RECLAIM.



## LEGAL (cont.)

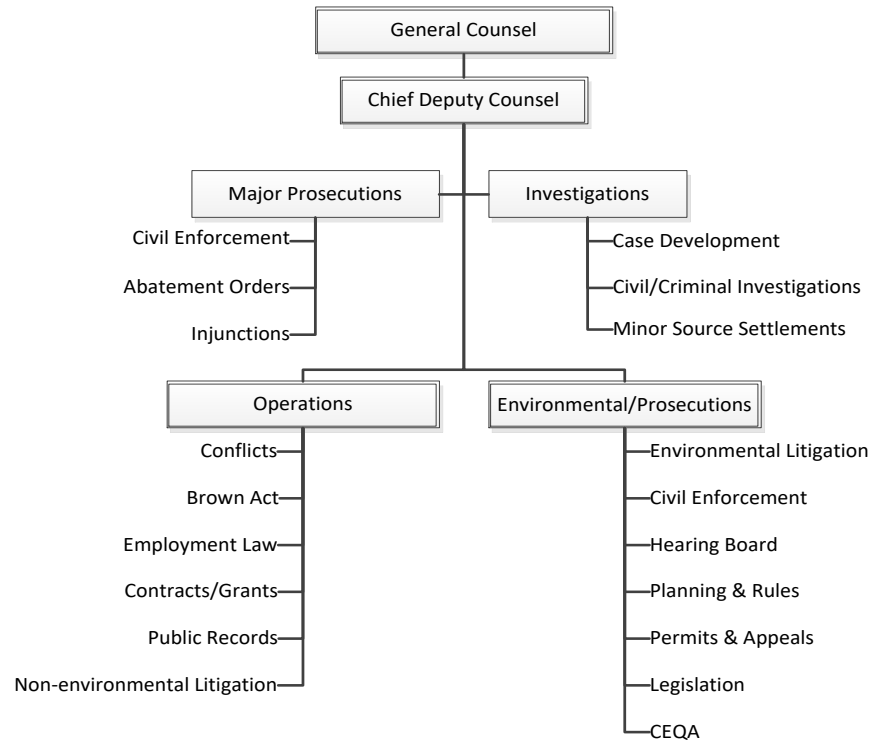
- Settled excessive flaring violations with SoCal Holding, LLC, an oil and gas production facility located on the Huntington Beach shoreline. The settlement provides for \$500,000 in civil penalties and a SEP valued at \$1 million for the construct and operation of a natural gas pipeline that will connect the facility to the Southern California Gas Company Distribution System to eliminate non-emergency natural gas emissions that had previously been flared by the facility.
- We developed SCAQMD Policy Number 44 to provide guidance to staff on the use of non-SCAQMD devices, accounts, or storage locations, for SCAQMD business. This policy is in response to a recent court decision in *City of San Jose v. Superior Court of Santa Clara County* (2017) 2 Cal.5<sup>th</sup> 608.

### ANTICIPATED:

- Develop high impact enforcement cases to maximize deterrence for air pollution violations.
- Implement training programs to broaden staff knowledge of and ability to handle all types of work handled by the office.
- Provide legal advice concerning the SCAQMD's priority projects such as the 2016 AQMP, and rules to implement the 2012 and 2016 AQMPs and reduce toxic exposure, phase-out RECLAIM, implement BARCT as required by AB 617.
- Provide legal advice for implementation of AB 617, including community emission reduction plans and potential enforcement actions.
- Update key chapters of Rule Development Manual (w/Planning).
- Implement incentive program funding under AB 134, including hiring staff, training new and existing staff and contracting and developing streamlined procedures.
- Implement tracking system for agreements not currently maintained in Procurement tracking (w/Finance).
- Issue Board policy on District Records on Personal Devices.
- Provide training for staff on Public Records Act implementation.
- Enforcement of Idling Rules (Ports, school buses, large vehicles).

## LEGAL (cont.)

### ORGANIZATIONAL CHART:



### POSITION SUMMARY: 34 FTEs

Legal Units	Amended FY 2017-18	Change	Proposed FY 2018-19
Office Administration	4	-	4
General Counsel	25	-	25
Investigations	6	-1	5
Total	35	-1	34

## LEGAL (cont.)

### STAFFING DETAIL:

#### 2018-19 Proposed Staffing

<u>Position</u>	<u>Title</u>
4	Administrative Secretary/Legal
1	Assistant Chief Deputy – Major Prosecutions
1	Chief Deputy Counsel
1	General Counsel
4	Investigator
3	Legal Secretary
1	Office Assistant
2	Paralegal
4	Principal Deputy District Counsel
9	Senior Deputy District Counsel
1	Senior Office Assistant
1	Senior Paralegal
1	Staff Specialist
<u>1</u>	Supervising Investigator
34	Total Proposed Positions

Legal Work Program by Office									
#	Program Code	Program Categories	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Revenue Categories	
1	08 001	Advance Clean Air Technology	AB2766/Mob Src/Legal Advice	AB2766 Leg Adv: Trans/Mob Source	0.05	0.00	0.05	IX	
2	08 003	Advance Clean Air Technology	AB2766/MSRC	Legal Advice: MSRC Prog Admin	0.15	-0.05	0.10	IX	
3	08 009	Develop Programs	AB 1318 Mitigation	AB 1318 Projects Admn/Impl	0.05	-0.05	0.00	XVII	
4	08 010	Develop Programs	AQMP	AQMP Revision/CEQA Review	0.20	-0.10	0.10	II,IV,IX	
5	08 025	Operational Support	Admin/SCAQMD-Legal Research	Legal Research/Staff/Exec Mgmt	1.10	0.10	1.20	Ia	
6	08 030	Advance Clean Air Technology	AB 134	AB 134	0.00	2.00	2.00	IX	
7	08 035	Operational Support	AB 617-General	AB 617-General	0.00	1.00	1.00	XV	
8	08 038	Operational Support	Admin/Office Management	Attorney Timekeeping/Perf Eval	3.50	0.00	3.50	Ib	
9	08 071	Operational Support	Arch Ctgs - Admin	Rule Dev/TA/Reinterpretations	0.05	0.00	0.05	XVIII	
10	08 072	Ensure Compliance	Arch Ctgs - End User	Case Dispo/Rvw, Track, Prep NOV's	0.05	0.00	0.05	XVIII	
11	08 073	Ensure Compliance	Arch Ctgs - Other	Case Dispo/Rvw, Track, Prep NOV's	0.05	0.00	0.05	XVIII	
12	08 102	Operational Support	CEQA Document Projects	CEQA Review	0.50	0.25	0.75	II,III,IX	
13	08 115	Ensure Compliance	Case Disposition	Trial/Dispo-Civil Case/Injunct	5.00	-0.25	4.75	II,IV,V,VII,XV	
14	08 131	Advance Clean Air Technology	Clean Fuels/Legal Advice	Legal Advice: Clean Fuels	0.05	0.10	0.15	VIII	
15	08 154	Ensure Compliance	Compliance/NOV Administration	Review/Track/Prep NOV's/MSAs	1.00	-0.25	0.75	IV	
16	08 185	Ensure Compliance	Database Management	Support IM/Dev Tracking System	0.75	0.25	1.00	IV	
17	08 227	Operational Support	Employee/Employment Law	Legal Advice: Employment Law	0.50	0.00	0.50	Ia	
18	08 235	Ensure Compliance	Enforcement Litigation	Maj Prosecutions/Civil Actions	2.00	0.00	2.00	IV	
19	08 275	Operational Support	Governing Board	Legal Advice:Attend Board/Cmte Mtgs	1.00	0.00	1.00	Ia	
20	08 366	Ensure Compliance	Hearing Board/Legal	Hear/Disp-Varian/Appeal/Rev	3.00	0.00	3.00	IV,V,XV	
21	08 380	Ensure Compliance	Interagency Coordination	Coordinate with Other Agencies	0.20	0.00	0.20	II,V	
22	08 401	Operational Support	Legal Advice/SCAQMD Programs	General Advice: Contracts	2.00	0.00	2.00	Ia	
23	08 403	Ensure Compliance	Legal Rep/Litigation	Prep/Hearing/Disposition	3.50	0.00	3.50	Ia,II	
24	08 404	Customer Service and Business Assistance	Legal Rep/Legislation	Draft Legis/SCAQMD Position/Mtgs	0.25	0.00	0.25	II,IX	
25	08 416	Policy Support	Legislative Activities	Lobbying: Supp/Promote/Influence legis/Adm	0.10	0.00	0.10	Ia	
26	08 457	Advance Clean Air Technology	Mob Src/C Moyer/Leg Advice	Moyer/Implem/Program Dev	0.10	0.00	0.10	IX	
27	08 465	Ensure Compliance	Mutual Settlement	Mutual Settlement Program	3.00	-1.50	1.50	IV	
28	08 516	Timely Review of Permits	Permit Processing/Legal	Legal Advice: Permit Processing	0.20	-0.10	0.10	III	
29	08 565	Customer Service and Business Assistance	Public Records Act	Comply w/ Public Rec Requests	1.50	0.00	1.50	Ia	
30	08 651	Develop Rules	Rules/Legal Advice	Legal Advice: Rules/Draft Regs	1.00	0.20	1.20	II	
31	08 661	Develop Rules	Rulemaking/RECLAIM	RECLAIM Legal Adv/Related Iss	0.25	0.25	0.50	II	
32	08 681	Customer Service and Business Assistance	Small Business/Legal Advice	Legal Advice: SB/Fee Review	0.05	0.00	0.05	II,III	
33	08 717	Policy Support	Student Interns	Gov Board/Student Intern Program	0.10	0.00	0.10	Ia	
34	08 770	Timely Review of Permits	Title V	Leg Advice: Title V Prog/Perm Dev	0.05	0.00	0.05	II,IV	
35	08 772	Timely Review of Permits	Title V Permits	Leg Advice: New Source Title V Permit	0.05	0.00	0.05	III	
36	08 791	Ensure Compliance	Toxics/AB2588	AB2588 Legal Advice: Plan & Impl	0.05	0.00	0.05	X	
37	08 805	Ensure Compliance	Training	Continuing Education/Training	0.50	0.25	0.75	Ib	
38	08 825	Operational Support	Union Negotiations	Legal Adv: Union Negotiations	0.05	-0.05	0.00	Ia	
39	08 826	Operational Support	Union Steward Activities	Rep Employees in Grievance Act	0.05	-0.05	0.00	Ia	
Total Legal					32.00	2.00	34.00		

Legal Line Item Expenditure						
Major Object / Account # / Account Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
<b>Salary &amp; Employee Benefits</b>						
51000-52000	Salaries	\$ 3,671,591	\$ 3,867,700	\$ 3,888,329	\$ 3,794,767	\$ 4,076,224
53000-55000	Employee Benefits	1,987,464	2,135,617	2,135,617	2,013,785	2,387,847
Sub-total Salary & Employee Benefits		\$ 5,659,055	\$ 6,003,317	\$ 6,023,946	\$ 5,808,551	\$ 6,464,071
<b>Services &amp; Supplies</b>						
67250	Insurance	\$ -	\$ -	\$ -	\$ -	\$ -
67300	Rents & Leases Equipment	-	-	-	-	-
67350	Rents & Leases Structure	-	-	-	-	-
67400	Household	-	-	-	-	-
67450	Professional & Special Services	1,483,018	279,500	629,500	629,500	279,500
67460	Temporary Agency Services	-	7,500	7,500	-	7,250
67500	Public Notice & Advertising	-	2,500	2,500	292	2,500
67550	Demurrage	-	4,000	4,000	210	3,500
67600	Maintenance of Equipment	-	300	300	-	300
67650	Building Maintenance	-	-	-	-	-
67700	Auto Mileage	811	1,600	1,600	811	1,600
67750	Auto Service	-	-	-	-	-
67800	Travel	11,280	15,000	15,000	15,000	15,000
67850	Utilities	-	-	-	-	-
67900	Communications	1,642	10,300	10,300	3,380	10,300
67950	Interest Expense	-	-	-	-	-
68000	Clothing	264	250	250	248	500
68050	Laboratory Supplies	-	-	-	-	-
68060	Postage	2,268	4,750	4,750	2,268	4,750
68100	Office Expense	11,810	16,000	21,000	21,000	16,000
68200	Office Furniture	637	5,000	5,000	-	4,500
68250	Subscriptions & Books	120,800	112,000	111,943	111,943	115,000
68300	Small Tools, Instruments, Equipment	-	-	-	-	-
68400	Gas and Oil	-	-	-	-	-
69500	Training/Conference/Tuition/ Board Exp.	14,239	19,500	19,500	12,340	17,500
69550	Memberships	525	750	750	645	750
69600	Taxes	-	-	-	-	-
69650	Awards	-	-	-	-	-
69700	Miscellaneous Expenses	46,267	2,000	2,000	1,387	2,000
69750	Prior Year Expense	-	-	-	-	-
69800	Uncollectable Accounts Receivable	-	-	-	-	-
89100	Principal Repayment	-	-	-	-	-
Sub-total Services & Supplies		\$ 1,693,561	\$ 480,950	\$ 835,893	\$ 799,024	\$ 480,950
77000	<b>Capital Outlays</b>	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
79050	<b>Building Remodeling</b>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 7,352,616	\$ 6,509,267	\$ 6,884,839	\$ 6,632,575	\$ 6,945,021
* Estimates based on July 2017 through February 2018 actual expenditures and budget amendments.						



**SOUTH COAST**  
**AIR QUALITY MANAGEMENT DISTRICT**

## LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE

### DERRICK ALATORRE DEPUTY EXECUTIVE OFFICER

<b>At a Glance:</b>	
FY 2017-2018 Budget	\$9.0M
FY 2018-2019 Proposed	\$9.7M
Percent of SCAQMD Proposed	5.9%
Total Proposed FTEs	50

#### DESCRIPTION OF MAJOR SERVICES:

Legislative, Public Affairs and Media Office provides a broad range of services to internal and external stakeholders. These services include:

#### **Legislative/Communications**

##### **State and Federal Legislative Program**

The State and Federal Legislative Program works with state and federal legislators and legislative staff to support a clean air agenda by promoting SCAQMD's legislative priorities and sponsored legislation, seeking to satisfy funding needs for clean air efforts, and by securing support for the AQMP. This unit also works to defend against legislative activities by others detrimental to the goals and priorities of clean air. Finally, this unit works to foster coalitions of stakeholders at the local, state, and federal levels to work in tandem with these clean air supportive efforts.

##### **Social Media**

SCAQMD's Social Media program updates and monitors the District's social media websites. The agency is active on Facebook, Twitter and Instagram on a daily basis.

##### **Communications & Public Information Center**

The Communications & Public Information Center serve and assist members of the public who wish to report air quality/air pollution complaints, contact District staff or acquire additional information regarding District programs. The Communications Center and its associated toll-free numbers, along with the District's main telephone line, provide easy access to the public for reporting of a wide variety of air quality related concerns. The Public Information Center (PIC), which is located in the SCAQMD lobby, serves as a walk-up resource for all visitors to the District. The PIC assists with other inquiries made by the public, which can range from requests for available materials to consultations on SCAQMD programs and regulations.

##### **Graphics**

The graphics department is responsible for providing all graphic services for the agency, from conceptual design to final design and completion of projects.

## **LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE (cont.)**

### **Local Government/Community Relations**

The Community Relations responsibilities are to provide government and community relations efforts in all four counties in SCAQMD jurisdiction, including 86 cities in Los Angeles County, 34 cities in Orange County, 27 cities in Riverside County and 16 cities in San Bernardino County. Activities include monitoring government actions on all levels (local, state and federal); facilitating a two-way flow of communication between the District and stakeholders; assisting with inquiries from government offices, community members, health and environmental justice organizations, and business organizations; and, promoting and providing information on SCAQMD programs and initiatives.

### **Environmental Justice**

SCAQMD's Environmental Justice initiatives focus on addressing air pollution in disadvantaged communities while giving voice to community stakeholders who historically have not had a voice in the decision-making process.

### **Media**

The Media Relations Office serves as the agency's official liaison with news media in its many forms, including the Internet; newspapers and radio; broadcast, cable and satellite TV; books, magazines and newsletters; digital and social media. The Media Relations Office also supports programs and policies of SCAQMD and its Board with a wide range of proactive media and public relations programs. The Office provides strategic counsel to the Executive Officer, Board members and their staff and Executive Council members on sensitive, high-profile media relations issues as well as building public awareness of air quality issues.

### **Small Business Assistance**

The Small Business Assistance (SBA) program is required under Section 40448 of the California Health and Safety Code to provide administrative, technical services and information to small businesses and the public.

## **ACCOMPLISHMENTS:**

### **RECENT:**

#### **State Legislative**

SCAQMD sponsored two bills that passed the state legislature and were signed into law by the Governor:

- AB 1132 (C. Garcia) which authorizes local air pollution control officers to issue a temporary order for abatement requiring a facility to cease operations that cause violations resulting in an imminent and substantial endangerment to the public health, welfare, or the environment, pending a hearing by the local air district's Hearing Board. This bill has created a critical new tool that will help protect disadvantaged communities from serious toxic emission situations; and



## **LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE (cont.)**

- AB 1274 (O'Donnell) which, beginning January 1, 2019, defers a smog check for motor vehicles by 2 years, from the end of model year six to eight. The smog check costs that the vehicle owner would have paid are redirected through annual smog abatement fees to fund the Carl Moyer Program for more effective reductions in diesel particulate matter and nitrogen oxide emissions from heavy duty vehicles. This will double current statewide Carl Moyer Program funding, garnering about \$30 million per year for the South Coast region. This bill provides a sustainable source of funding that can help address the ongoing challenge of improving unhealthy, polluted air to meet federal standards in the region.
- SCAQMD secured funding through budget trailer bill AB 134, from Greenhouse Gas Reduction Fund (GGRF) monies, and the District will receive \$107.5 million in increased Carl Moyer Program funding for the South Coast region, as part of a larger \$250 million funding package; and is eligible to compete for additional statewide GGRF monies, totaling \$645 million, made available largely through grant applications, including:
  - \$180 million for the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Program, with at least \$35 million allocated for zero-emission buses;
  - \$140 million for the Clean Vehicle Rebate Program, for rebates for light-duty vehicles;
  - \$140 million for equipment and improvements at ports, including projects for ships at berth;
  - \$100 million for the Enhanced Fleet Modernization Program; and
  - \$85 million for reducing agricultural emissions through agricultural equipment, heavy-duty truck and tractor replacement
- SCAQMD engaged in statewide policy discussions and efforts to address disproportionate air quality burdens faced by disadvantaged communities and to reduce community level health impacts of criteria pollutant and toxic emissions from large stationary sources, which came to fruition through AB 617 (C. Garcia). SCAQMD also helped secure, through budget trailer bill AB 109, \$27 million in statewide funding for local air districts to fund initial implementation of the new duties and responsibilities mandated by AB 617, of which SCAQMD will receive \$10.8 million.

### **Federal Legislative**

- Provided consistent and focused support for increases in Diesel Emission Reduction Act (DERA) and Targeted Airshed Grant Program (TAGP) funding. Ultimately for Fiscal Year 2017, DERA funding increased from \$50 million to \$60 million and TAGP funding increased from \$20 million to \$30 million.
- Traveled to Washington DC five times in 2017, including a May 2017 trip with six Board Members to promote clean air priorities, including protection of the California Waiver, DERA reauthorization and increased funding, and clean air funding through the proposed National Infrastructure bill. SCAQMD staff met with Congressional Members, Congressional, White House, and Agency staff, and various stakeholders, including those representing business interests and air quality and public health advocates.

## **LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE (cont.)**

- In April 2017, U.S. Senate and House staff from five Congressional offices visited the South Coast region and joined SCAQMD staff for presentations and a tour at the District. The visiting staff also toured key areas in the Inland Empire and the Port of Los Angeles to highlight air pollution challenges and technological efforts being developed and implemented to address them.

### **Social Media**

- Established Governing Board Facebook Live streams during the March 2017 Board Meeting allowing Facebook viewers to comment in real time during meetings.
- Continued event coverage (Clean Air Awards, MLK Day of Service, Cesar Chavez Day of Remembrance Day, EJ Conference and other EJ events) utilizing Live Tweets/Quotes + Photo + Video.
- Timely reaction to publishing news/advisories resulting in extended news media + outside government agency exposure.

### **Communications & Public Information Center**

- Assisted the Small Business Assistance Unit by performing nearly 1,300 initial calls to businesses with expired permits to remind them about the expired status of the permits, and to encourage them to bring the permits current.
- Processed 2,650 walk-up inquiries through the PIC in the SCAQMD lobby.
- Assisted in the updating/publishing of about 230 web pages, including specific web pages relating to: 1) the Aliso Canyon Natural Gas Leak; 2) ongoing air monitoring activities in Paramount and Compton; 3) Sunshine Canyon Landfill; 4) Torrance Refinery; and 5) the Exide Lead Battery Recycling facility.

### **Graphics**

- Approximately 500 major graphics projects/assignments completed
- Collateral Brochures and Promotional Items
- Bi-Monthly Advisor Publication
- Quarterly Governing Board Member Newsletters
- Yearly Clean Car Buying Guide
- Program Announcements
- Educational Materials
- Advertisements
- Signage
- Video projects
- Newspaper Advertorials
- Informational materials for Town Hall Meetings, Community Meetings and Events (including the Clean Air Awards, the Martin Luther King Jr. Day event, the Cesar Chavez Day event, the Environmental Justice Conference, multiple environmental justice workshops and senior events).

## LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE (cont.)

### Local Government/Community Affairs

- Provided educational information on key legislative issues affecting air quality in the region.
- Regular attendance at regional and community meetings throughout the four (4) counties including League of California Cities, the Councils of Governments, and Chambers of Commerce and business organizations.
- Assisted with communications, outreach and issue management for high profile items such as the Special Toxics Investigations in Paramount and Compton, Torrance Refinery (formerly ExxonMobil), SoCalGas Aliso Canyon Storage Facility, Sunshine Canyon Landfill, and several other facilities.
- Produced newsletters for four Governing Board Members.
- Organized logistics, conducted outreach and staffed five (5) Town Hall/Community Meetings; five (5) Rule-related meetings; one (1) Title V Meeting; two (2) Committee on Refineries hearings; and, assisted with one (1) Marine Port Committee meeting.
- Coordinated with, organized logistics and staffed seven (7) Department of Toxic Substances Control (DTSC) & SCAQMD Exide Community Advisory Group meetings throughout the communities in the vicinity of Exide Technologies.
- Worked with Legal Department on a system to identify high profile issues coming before the Hearing Board to conduct community outreach. There were nine instances where community outreach was conducted for high profile cases.
- Participated in and represented SCAQMD throughout the four-county region at 55 community events ranging from health and environmental justice resources fairs, to Council of Government General Assemblies, to air quality related forums and conferences.
- Planned, organized and produced the 2017 “Martin Luther King, Jr. Day of Service Forum” which had more than 400 attendees at the California Science Center in Los Angeles.
- Planned, organized and produced the 2017 “Cesar Chavez Day of Remembrance” which had more than 300 attendees at La Plaza De Culturas y Artes and featured a keynote by Antonio Villaraigosa.
- Planned, organized and produced the 2017 “Clean Air Awards” which honored ten individuals, businesses, and organizations. Over 400 attended the event.
- Coordinated with MSRC staff to promote the Local Government Partnership program and other initiatives.
- Completed 34 Visiting Dignitaries and Speakers Bureau presentations and tours.
- On an Administrative level, the team met on a regular weekly basis to share information on administrative business, rule related activity, high profile topics, and events, programs and initiatives, including specific items of interest in each of the counties. These meetings included the Environmental Justice staff as well to better facilitate programs and share information across the department.

## **LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE (cont.)**

### **Environmental Justice**

- On June 28, 2017, SCAQMD hosted an all-day workshop to help individuals better understand how agencies within Los Angeles County process their environmental complaints, and to discuss ways in which environmental complaints can be processed more collaboratively and efficiently. 100 guests were in attendance.
- On December 2, 2017, SCAQMD hosted a day-long forum on environmental justice, air pollution, and health in which 300 guests attended.
- In 2017, SCAQMD established the Young Leaders Advisory Council (YLAC), which will educate and engage young adults regarding the region's clean air issues.

### **Media**

- Provided media relations services and strategic counsel for high-profile media issues through press releases, media advisories, talking points, in-person and on-camera interviews, and opinion pieces and letters to the editor.
- Handled 1,749 media interactions
- Wrote and issued 45 news releases and translated 11 into Spanish; issued a total of 53 Smoke Advisories, Odor Advisories, and No-burn Alerts
- Wrote more than 50 talking points documents
- Coverage of high-profile topics including Paramount hex-chrome facilities, abatement orders, facility curtailments and air monitoring; Porter Ranch, PBF/Torrance Refining Co. refinery; refinery rules including Rules 1118, 1180 and 1410; Community Air Toxics Initiative including Compton air monitoring; Board adoption of 2016 Air Quality Management Plan; Tesoro refinery integration EIR; Rule 415 (odors from rendering facilities), AB 1132, RECLAIM, coastal odors, cool roof study and air quality during wildfires.

### **Small Business Assistance**

- Conducted 85 on-site consultations
- Provided assistance to businesses relating to 2,702 permit applications
- Approved and processed 938 Air Quality Permit Checklist submittals
- Helped 714 businesses understand SCAQMD rules and regulations
- Provided 25 businesses with recordkeeping training
- Issued nine dry cleaning grants
- Assisted five businesses file variances before the SCAQMD Hearing Board
- Participated in 14 small business related events
- Outreached to 620 facilities as part of the Expired Permit Program

### **ANTICIPATED:**

#### **State Legislative**

- Introduce and/or actively support legislation, based on Governing Board direction, to address, among other things:
  - Garnering new and sustainable funding sources for the 2016 AQMP;

## **LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE (cont.)**

- Garnering sustainable funding for local air districts' continued implementation of the duties and responsibilities mandated by AB 617;
  - Enhancing SCAQMD's fleet rule authority to move public fleets towards accelerated transition to near-zero and zero emission heavy duty vehicles;
  - Modernizing, streamlining, and making more effective local air districts' public notice requirements; and
- Strengthen our state legislative outreach and communication by increased engagement with the Governor's Office and state legislators and Capitol staff (members and committees), to promote SCAQMD's legislative priorities, sponsored legislation, and to support 2016 AQMP efforts.
- Strengthen our legislative outreach, communication, partnership and coalition building efforts by increased engagement with all stakeholders, including, but not limited to, government entities, business, environmental groups and the community, to promote SCAQMD's legislative priorities, sponsored legislation, and to support 2016 AQMP efforts.
- Continue to work with SCAQMD departments to improve efficiency and ease with which existing data can be extracted on a recurring basis for specified, approved purposes for the benefit of public outreach and governmental relations. (CLASS and PeopleSoft.)

### **Federal Legislative**

- Work to ensure that the federal government does its fair share to reduce air pollution by:
  - Providing funding or regulatory authority adequate for nonattainment areas to attain National Ambient Air Quality Standards (NAAQS) by upcoming federal deadlines, and in particular, SCAQMD to implement the 2016 AQMP and attain federal ozone and particulate matter standards by upcoming federal deadlines;
  - Reauthorizing and expanding funding for DERA;
  - Increasing funding for the TASG program;
  - Authorizing and funding new programs which will reduce air pollution through the adoption and deployment of zero and near-zero emission technologies, fuels and recharging/refueling infrastructure;
  - Establishing programs or policies that incentivize the federal government to purchase and use advanced clean technologies and eliminate the use of technologies generating NOx and particulate matter emissions; and
  - Incentivizing individuals, businesses, states, and local governments to purchase and use advanced clean technologies and eliminate the use of technologies generating NOx and particulate matter emissions.
- Actively partner with stakeholders, including, but not limited to, government entities, business, environmental groups and health advocacy groups, on federal legislation (such as the Transportation Infrastructure bill and the Energy bill) to support clean air and engage with regional issues related to clean air.
- Monitor and stay engaged with federal legislation that provides air quality-related incentives or impacts air quality issues.
- Invite key elected officials, Administration representatives and Congressional staff to SCAQMD for tours of the region and discussions on air quality issues.

## **LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE (cont.)**

### **Social Media**

- Continue follower growth (goal of 30% increase for 2018).
- Streamline the Advisory publishing process to ensure the public gets content in a timely manner.
- Utilize more original SCAQMD content, including new up-to-date photos and content from various SCAQMD departments.

### **Communications Center & Public Information**

- Receive and process about 47,000-51,000 main line calls from the public in the form of Cut Smog calls, after hour calls, Spanish line calls, and Clean Air Connection calls. These calls also include air quality complaints, reports of equipment breakdowns, and emergency response requests;
- Assist the Small Business Assistance Unit by contacting about 1,400 businesses with expired permits to remind them about the expired status of the permits, and to encourage them to bring the permits current; and
- Process 2,700-3,200 walk-up inquiries via the PIC in the SCAQMD lobby.
- Assist in updating / publishing about 230 web pages, including specific web pages relating to various key issues/items in 2018, including ongoing air monitoring activities in various communities within the South Coast region.
- Implement TTY software system for the hearing impaired in the Communication Center.

### **Graphics**

- Complete about 750 major graphics projects/assignments, including: 1) collateral brochures and promotional items; 2) Bi-Monthly Advisor publication; 3) Quarterly Governing Board Member Newsletters; 4) Yearly Clean Car Buying Guide; 5) signage, and informational materials for Town Hall Meetings, community meetings and events, etc.; 6) educational materials; 7) advertisements; 8) Program Announcements; and 9) video projects.
- In coordination with a new Director of Communications, redesign and redevelop SCAQMD core collaterals and electronic and social media content to ensure consistent themes and messaging and to create focused and clear branding of SCAQMD throughout all SCAQMD collateral materials and electronic content provided to elected officials, agency staff, stakeholders, impacted communities and the public at large.
- Continue to build, maintain and update our outreach databases and management systems to communicate more effectively with elected officials, agency staff, stakeholders, impacted communities and the public at large.

### **Local Government/Community Relations**

- Continue to improve Internal Communication to facilitate Senior Public Information Specialists' (Field Representatives) ability to serve SCAQMD and the public, including elected officials, city/county entities, environmental, health, businesses and other stakeholders.

## **LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE (cont.)**

- Compilation of a “Hot List” on an on-going basis for Field Representatives including, but not limited to, Governing Board initiatives, Committees, Advisory Group meetings; Permitting and Compliance information for counties and cities; SBA activities to better promote city/county awareness of SCAQMD programs both for their own information and for businesses in their communities; Legislative issues; “Business Opportunities” at SCAQMD to create and maintain an updated list of RFPs, grants and other opportunities; Rules, Title V, AB 2588 and other processes as related to their assigned geographic regions or in general; and, STA projects and programs such as Carl Moyer, Prop 1B, Residential Charging and others.
- Coordinate with the Public Advisor on developing a system to better inform communities/stakeholders throughout the region, including a Crisis Management Plan.
- Enhance email blasts and coordination with social media to provide clear information in a timely fashion.
- Enhance Governing Board Member newsletter team coordination to expedite the process and provide more quality articles.
- Increase relationship building with all levels of government, community, health, environmental, business and other stakeholder groups. A focused subset of this outreach for specific geographic regions will focus on environmental justice.
- Create and implement a schedule by which the assigned geographic outreach staff will meet with targeted individuals and organizations including Chambers of Commerce.
- Build upon Community Partnership concept to develop relationships and shared actions to promote air quality related health issues and other SCAQMD initiatives.
- Enhance database and list management to increase successful communications.
- Work with Small Business Assistance (SBA) to provide information on their programs and services. Support SBA efforts by facilitating relationships with cities/counties, business organizations, and community groups. Improve community access to SBA programs through outreach efforts as directed by Public Advisor and SBA Supervisor.
- Increase working relationship with Legislative staff to ensure that the Local Government and Community Relations staff are well informed and appropriately conversant in state and federal issues. Support Legislative Team to promote key initiatives/goals. Assist with bill analysis and other activities. Provide and facilitate a two-way flow of communication between local, state and federal elected officials and their staff, along with businesses, and community organizations to assist with legislative efforts.
- Collaborate and assist other SCAQMD Departments on major initiatives and projects including, but not limited to, Title V permits and other permits, compliance and enforcement issues, rule making process, AQMP, AB2588 Toxic Hotspots program, AB2766 outreach to cities, incentive programs, “Check Before You Burn”, and other projects.
- Partner with environmental education organizations, develop and implement an educational outreach program to reach children and their families. It is possible that SCAQMD can provide technical expertise to an existing educational program that is being implemented.

## **LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE (cont.)**

- Build relationships with organizations to expand air quality awareness among young adults and professionals.
- Increase training opportunities for Senior Public Information Specialists including foreign languages that assist in their geographic areas.

### **Environmental Justice**

- Educational Workshops on AB 617 and AB 134: SCAQMD will support the Science and Technology Advancement Department with hosting a series of educational workshops to inform community members about AB 617, and how funding through AB 134 will help improve air quality and health in disadvantaged neighborhoods.
- Environmental Justice Events: As part of the Environmental Justice Community Partnership, staff will organize four environmental justice events throughout the South Coast Air Basin, to listen to the communities' concerns about air quality, and to recognize outstanding environmental justice leaders.
- Environmental Justice Community Partnership Advisory Council: SCAQMD will host four Environmental Justice Community Partnership Advisory Council meetings to discuss how SCAQMD can better implement environmental justice efforts. Members of this group include community group leaders, scholars, lawyers, activists, residents, business owners, and public health professionals.
- Inter-Agency Workshop: SCAQMD will host one inter-agency workshop on how government agencies can better collaborate on environmental complaints. This will be a follow up to the first Inter-Agency Workshop which took place in 2017, in response to the community's request for government agencies to improve their coordination in responding to environmental complaints.
- Internal Environmental Justice Working Group: SCAQMD staff realized the need to improve collaboration among SCAQMD departments working on environmental justice projects. In an effort to improve communication, efficiency, and effectiveness, SCAQMD will host monthly staff meetings to improve collaboration among departments, hopefully resulting in better use of staff, time, and resources in addressing environmental justice issues.
- Brown Bag Lunch on Environmental Justice: SCAQMD will host a Brown Bag Lunch for employees, regarding environmental justice efforts in the Agency. The Brown Bag Lunch will further augment how SCAQMD addresses environmental justice internally, by better informing staff on how their work helps areas that have been disproportionately affected by air pollution.
- Attendance at Events: Staff will continue participating in community meetings and events throughout the Air Basin, to learn more about the issues in the different neighborhoods, and to network with leaders in the area who may be interested in supporting SCAQMD's environmental justice efforts.
- Presentations on Environmental Justice: Upon request, SCAQMD staff will deliver presentations on environmental justice. The presentations are an opportunity for audiences to learn more about air pollution, public health, and ways they can get involved with the Agency's environmental justice programs.



## **LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE (cont.)**

- Environmental Justice Advisory Group (EJAG): SCAQMD will host four Environmental Justice Advisory Group meetings in 2018 for in-depth discussions of high priority topics as suggested by members and staff.

### **Media**

- Hire a Director of Communications by the 2nd Quarter. This position will develop a strategic communications plan for overall agency messaging and critical issues and crisis management communications as they arise; oversees media relations through subordinate managers; and does other work as required.
- Provide media relations services and strategic counsel for high-profile media issues as well as ongoing SCAQMD programs and projects through press releases, media advisories, talking points, in-person and on-camera interviews, opinion pieces and letters to the editor.
- Complete production of update to SCAQMD's signature video, "The Right to Breathe."
- Promote update to The Right to Breathe through dedicated Google AdWords campaign.
- Implement outreach for the 2018-19 "Check Before You Burn" season and mandatory no-burn days.
- Continue to maintain SCAQMD web micro-sites on high-profile issues.
- Continue to help focus/narrow Public Records Requests (PRR) from news media; review PRR documents provided to news media and advise management of potential news stories that could result from them.
- Write advertorials for newspapers as part of SCAQMD sponsorships.
- Review requests from partner agencies, organizations and firms for quotes from SCAQMD officials for articles and press releases.

### **Small Business Assistance**

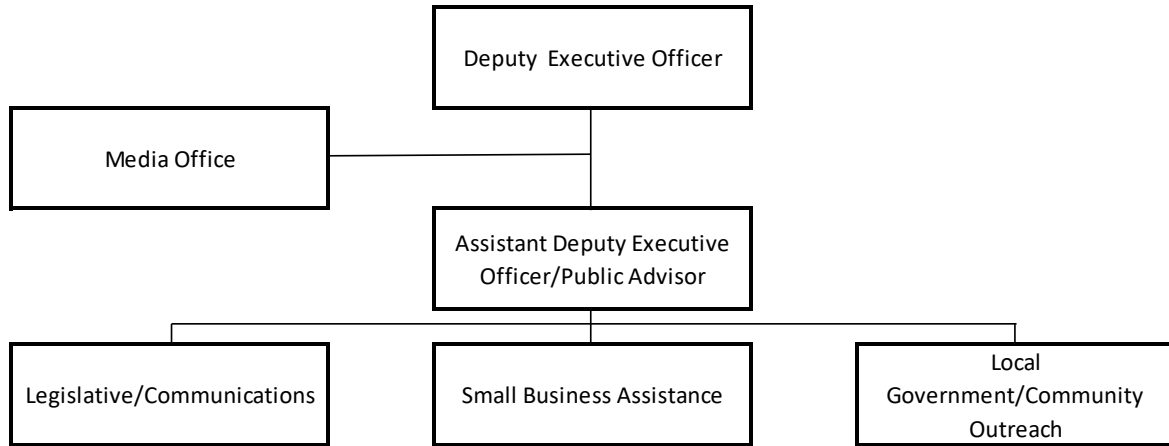
- Expand the awareness of SCAQMD's Small Business Assistance Program by outreaching to trade organizations, municipalities, and other agencies to inform them about our services.
- Provide timely and accurate information to all persons seeking information from the Small Business Assistance Program.
- Provide easy to understand information about compliance, permit application requirements, and incentive programs offered to small businesses, to business in general and the general public.
- Develop, collect and coordinate information concerning air quality compliance methods and technologies for small businesses by actively participating in SCAQMD rulemaking workshops and hearings.
- Assist small businesses in determining applicable requirements, applying for permits, and petitioning for variances.
- Conduct more "no-fault" inspections to provide compliance audits on the operations of small businesses.

## **LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE (cont.)**

- Assist small businesses with air pollution control and air pollution prevention by providing information concerning alternative technologies, process changes, products, and methods of operation that reduce air pollution.

## LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE (cont.)

### CURRENT ORGANIZATIONAL CHART:



### POSITION SUMMARY: 50 FTEs

Legislative & Public Affairs Units	Amended FY 2017-2018	Change	Proposed FY 2018-2019
Administration	6	-	6
Legislative & Public Affairs	36	3	39
Media Office	5	-	5
Total	47	3	50

## LEGISLATIVE, PUBLIC AFFAIRS AND MEDIA OFFICE (cont.)

### STAFFING DETAIL:

#### 2018-19 Proposed Staffing

<u>Position</u>	<u>Title</u>
2	Air Quality Engineer
2	Air Quality Inspector
1	Assistant Deputy Executive Officer
2	Community Relations Manager
1	Deputy Executive Officer
1	Director of Communications
3	Graphic Illustrator II
2	Public Affairs Manager
1	Office Assistant
1	Public Affairs Specialist
7	Radio Telephone Operator
3	Secretary
2	Senior Administrative Secretary
2	Senior Office Assistant
1	Senior Public Affairs Manager
15	Senior Public Information Specialist
1	Senior Staff Specialist
2	Staff Assistant
<u>1</u>	Supervising Radio Telephone Operator
50	Total Proposed Positions

Legislative & Public Affairs/Media Office Work Program by Office									
#	Program Code	Program Categories	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Revenue Categories	
1	35	037	Customer Service and Business Assistance	AB 617-Outreach	AB 617-Outreach	0.00	2.00	2.00	XV
2	35	046	Customer Service and Business Assistance	Admin/Prog Mgmt	Admin Office/Units/SuppCoord Staff	4.02	0.00	4.02	Ib
3	35	111	Ensure Compliance	Call Center/CUT SMOG	Smoking Vehicle Complaints	8.00	0.00	8.00	IX,XV
4	35	126	Customer Service and Business Assistance	Clean Air Connections	Coord of region-wide community group	1.00	0.00	1.00	II,IX
5	35	205	Customer Service and Business Assistance	Environmental Education	Curriculum Dev/Project Coord	0.25	0.00	0.25	II,IX,XV
6	35	240	Customer Service and Business Assistance	Environmental Justice	Impl Board's EJ Pgrms/Policies	2.00	0.00	2.00	II,IV
7	35	260	Customer Service and Business Assistance	Fee Review	Cmte Mtg/Fee-Related Complaint	0.50	0.00	0.50	II,III,IV,XV
8	35	280	Policy Support	Advisory Group/Ethnic Comm	GB Ethnic Comm Advisory Group	0.40	0.00	0.40	II,IX
9	35	281	Policy Support	Advisory Group/Small Business	SBA Advisory Group Staff Support	0.50	0.00	0.50	IV,IX
10	35	283	Policy Support	Governing Board Policy	Brd sup/Respond to GB req	0.55	0.00	0.55	Ia
11	35	345	Policy Support	Goods Mvmt&Financial Incentive	Goods Movement & Financial Incentives Progr	1.00	0.00	1.00	IX
12	35	350	Operational Support	Graphic Arts	Graphic Arts	2.00	0.00	2.00	Ia
13	35	381	Customer Service and Business Assistance	Interagency Liaison	Interact Gov Agns/Promote SCAQMD	0.15	0.00	0.15	Ia,XV
14	35	390	Customer Service and Business Assistance	Intergov/Geographic Deployment	Dev/Impl Local Govt Outreach	9.50	1.00	10.50	II,IX
15	35	412	Policy Support	Legislation/Federal	Lobbying/Analyses/Tracking/Out	0.25	0.00	0.25	Ia
16	35	413	Policy Support	Legislation/Exec Office Suppor	Coord Legis w/ EO, EC, Mgmt	0.25	0.00	0.25	Ia
17	35	414	Policy Support	Legislation-Effects	Lobbying/Analyses/Tracking/Out	0.80	0.00	0.80	Ia,IX
18	35	416	Policy Support	Legislative Activities	Supp/Promote/Influence Legis/Adm	0.50	0.00	0.50	Ia
19	35	491	Customer Service and Business Assistance	Outreach/Business	Chambers/Business Meetings	1.00	0.00	1.00	II,IV
20	35	492	Customer Service and Business Assistance	Public Education/Public Events	Pub Events/Conf/Rideshare Fair	1.00	0.00	1.00	II,V,IX,XV
21	35	494	Policy Support	Outreach/Collateral/Media	Edits,Brds,Talk shows,Commercl	5.60	0.00	5.60	Ia
22	35	496	Customer Service and Business Assistance	Outreach/Visiting Dignitary	Tours/Briefings-Dignitary	0.25	0.00	0.25	Ia
23	35	514	Customer Service and Business Assistance	Permit: Expired Permit Program	Assist w Permit Reinstatement	0.30	0.00	0.30	IV
24	35	555	Customer Service and Business Assistance	Public Information Center	Inform public of unhealthy air	1.00	0.00	1.00	II,V,IX
25	35	560	Develop Programs	Public Notification	Public notif of rules/hearings	0.50	0.00	0.50	II,IV,IX
26	35	565	Customer Service and Business Assistance	Public Records Act	Comply w/ Public Req for Info	0.10	0.00	0.10	Ia
27	35	679	Customer Service and Business Assistance	Small Business Assistance	Small Business/Financial Assistance	1.00	0.00	1.00	III
28	35	680	Timely Review of Permits	Small Business/Permit Streamln	Asst sm bus to comply/SCAQMD req	3.95	0.00	3.95	II,III,IV,V,XV
29	35	710	Customer Service and Business Assistance	Speakers Bureau	Coordinate/conduct speeches	0.10	0.00	0.10	Ia
30	35	717	Policy Support	Student Interns	Student Interns	0.10	0.00	0.10	Ia
31	35	791	Customer Service and Business Assistance	Toxics/AB2588	Outreach/AB 2588 Air Toxics	0.01	0.00	0.01	X
32	35	825	Operational Support	Union Negotiations	Official Labor/Mgmt Negotiate	0.01	0.00	0.01	Ia
33	35	826	Operational Support	Union Steward Activities	Union Steward Activities	0.01	0.00	0.01	Ia
34	35	855	Operational Support	Web Tasks	Create/edit/review web content	0.40	0.00	0.40	Ia
Total Legislative & Public Affairs/Media Office					47.00	3.00	50.00		

Legislative & Public Affairs/Media Office Line Item Expenditure						
Major Object / Account # / Account Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
<b>Salary &amp; Employee Benefits</b>						
51000-52000	Salaries	\$ 4,178,282	\$ 4,320,002	\$ 4,664,696	\$ 4,155,172	\$ 4,583,894
53000-55000	Employee Benefits	2,239,784	2,431,358	2,431,358	2,296,149	2,876,414
Sub-total Salary & Employee Benefits		\$ 6,418,066	\$ 6,751,360	\$ 7,096,054	\$ 6,451,322	\$ 7,460,308
<b>Services &amp; Supplies</b>						
67250	Insurance	\$ -	\$ -	\$ -	\$ -	\$ -
67300	Rents & Leases Equipment	15,954	7,000	7,000	590	7,000
67350	Rents & Leases Structure	50,820	9,000	9,000	4,279	9,000
67400	Household	-	-	-	-	-
67450	Professional & Special Services	2,281,361	1,648,846	1,885,945	1,885,945	1,648,846
67460	Temporary Agency Services	47,035	114,000	114,000	107,720	114,000
67500	Public Notice & Advertising	16,485	26,600	26,600	16,485	26,600
67550	Demurrage	-	-	959	959	-
67600	Maintenance of Equipment	-	9,000	9,000	-	9,000
67650	Building Maintenance	-	-	-	-	-
67700	Auto Mileage	14,289	24,800	24,800	14,289	24,800
67750	Auto Service	-	-	-	-	-
67800	Travel	48,426	45,200	45,200	45,200	45,200
67850	Utilities	-	-	-	-	-
67900	Communications	35,793	47,000	47,000	36,085	47,000
67950	Interest Expense	-	-	-	-	-
68000	Clothing	205	-	-	-	-
68050	Laboratory Supplies	-	-	-	-	-
68060	Postage	51,397	137,800	77,800	46,826	137,800
68100	Office Expense	48,672	45,300	55,300	55,300	45,300
68200	Office Furniture	-	-	-	-	-
68250	Subscriptions & Books	22,322	18,200	31,926	31,926	18,200
68300	Small Tools, Instruments, Equipment	-	-	-	-	-
68400	Gas and Oil	-	-	-	-	-
69500	Training/Conference/Tuition/ Board Exp.	7,155	8,500	8,500	4,850	8,500
69550	Memberships	22,098	26,250	26,250	26,250	26,250
69600	Taxes	-	-	-	-	-
69650	Awards	51,202	49,681	49,681	49,681	49,681
69700	Miscellaneous Expenses	45,192	43,100	43,100	43,100	43,100
69750	Prior Year Expense	-	-	-	-	-
69800	Uncollectable Accounts Receivable	-	-	-	-	-
89100	Principal Repayment	-	-	-	-	-
Sub-total Services & Supplies		\$ 2,758,406	\$ 2,260,277	\$ 2,462,061	\$ 2,370,075	\$ 2,260,277
77000	<b>Capital Outlays</b>	\$ -	\$ 19,400	\$ 19,400	\$ 15,520	\$ -
79050	<b>Building Remodeling</b>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 9,176,472	\$ 9,031,037	\$ 9,577,515	\$ 8,836,916	\$ 9,720,585
* Estimates based on July 2017 through February 2018 actual expenditures and budget amendments.						

## PLANNING, RULE DEVELOPMENT & AREA SOURCES

### PHILIP FINE DEPUTY EXECUTIVE OFFICER

<b>At a Glance:</b>	
FY 2017-18 Budget	\$19.8M
FY 2018-19 Proposed	\$22.7M
Percent of SCAQMD Proposed	13.8%
Total Proposed FTEs	134

#### DESCRIPTION OF MAJOR SERVICES:

Planning, Rule Development and Area Sources (PRDAS) is responsible for the majority of SCAQMD's air quality planning functions, including State Implementation Plan (SIP)-related activities, air quality management and maintenance plans, reporting requirements and other state and federal Clean Air Act requirements. PRDAS is also responsible for developing proposals for new rules and amendments to existing rules to implement the SIP obligations, to seek funding for air quality projects through grants, to reduce air toxic emissions/exposures, to conduct socioeconomic and environmental assessments of Air Quality Management Plans (AQMPs) and rulemaking actions. All permit modeling review and California Environmental Quality Act (CEQA) functions are part of this office, including acting as lead agency (for SCAQMD permitting projects and rulemaking projects), responsible agency, and commenting agency under CEQA. In addition, this office is responsible for developing and implementing the SCAQMD's Clean Communities Plan which is an overall plan for air toxics and includes communities that support the agency's overall goals for environmental justice. PRDAS implements AB 2588, the state Toxic "Hot Spots" Program which includes updating the guidelines for estimating health risk for the AB 2588 program and permitting, as well as the Annual Emissions Reporting program (AER), and is responsible for climate change and energy policy. The office also conducts air quality evaluations and forecasting, inventories of area sources, and compliance activities related to area sources. In addition, PRDAS is responsible for overseeing the development of the Multiple Air Toxics Exposure Study and for providing input and guidance on health effects associated with air quality policies and other air quality related issues that arise from individual facilities or communities throughout the air basin. The Transportation Program in PRDAS implements Rule 2202 and provides AB2766 Subvention fund program assistance and training to the regulated community and local governments. Finally, PRDAS develops and implements fleet rules, mobile source policy, and facility-based measures aimed at achieving emission reductions from the indirect mobile sources associated with facilities.

**ACCOMPLISHMENTS:**

**RECENT:**

AB 2588

- Implemented the updated Prioritization Procedures.
- Based on the prioritization scores, notified 20 facilities to prepare an Air Toxics Inventory Report (ATIR) or participate in the Voluntary Risk Reduction Program in Rule 1402, if eligible.
- Conducted significant analysis of potential health risks from metal working facilities, particularly from hexavalent chromium in the community of Paramount. Designated an additional 'Potentially High Risk Level Facility' (Lubeco).
- Prioritized approximately 150 facilities for 2016 reporting year.
- Closed out five facility notifications after detailed review.
- Approved one ATIR (Griswold) and two Risk Reduction Plans (RRP; Bowman/Quemetco).
- Two facilities underwent RRP progress report (Hixson/Gerdau).
- Audited priority scores for many facilities for 2015 and 2016 reporting year.
- Reviewed 12 Rule 1420.2 Monitoring Plans.

Air Quality Forecasting

- Transferred all operational forecasts and data to a new data management system.
- Continued working with Sonoma Tech, Inc. to implement the H2S monitoring and public website in the Salton Sea area.
- Provided programmatic support (meteorology), including daily air quality forecasting, issuing no-burn alerts for the Check Before You Burn program (22 days in 2017), issuing Smoke Advisories (82 days in 2017), issuing H2S odor advisories (9 days in 2017) and windblown dust and ash advisories (2 days in 2017).
- Provided programmatic support (point source modeling), including completing 22 permit modeling requests and releasing the updated meteorological data set.

Air Quality Modeling/Emissions Inventory

- Collaborated with NASA and other academic and research agencies to utilize satellite retrieved data in air quality modeling and analysis.
- Continued to improve air quality model's predictability to be the state-of-the-science and appropriate for AQMP attainment demonstrations.
- Continued to refine AQMP/SIP emissions inventory to assist the implementation of AQMP control measures.
- Developing an emissions analysis tool to estimate NO<sub>x</sub> and GHG emission reductions associated with potential implementation of cleaner energy sources and zero to near-zero emission appliances in residential and commercial sectors.
- Reviewed General Conformity requirements for the projects submitted to SCAQMD to be accommodated in the SIP set aside account.
- Tracked the usage of SIP/SCAQMD General Conformity account.



## PLANNING, RULE DEVELOPMENT & AREA SOURCES (cont.)

- Continued assisting inter and intra divisional projects that require Geographical Information System.

### Annual Emissions Reporting

- Completed emissions inventories for about 2,400 facilities and collected about \$16.1 million in annual emissions fees.
- Updated the Annual Emissions Reporting web tool software.
- Began coordination with CARB in the implementation of new emissions reporting requirements under AB 617.

### AQMP/SIP

- Began the implementation of the 2016 AQMP to assist in the attainment of the 8-hour and 1-hour ozone federal standards as well as the 24 hour and annual PM2.5 federal standards for both the South Coast Air Basin and Coachella Valley.
- Pursuant to U.S. EPA Federal Register action, two deficiencies in the SIP have been corrected. A supplemental RACM/RACT analysis was prepared and approved by the Governing Board to demonstrate that NOx allocations in the RECLAIM program are at least equivalent, in the aggregate, to emission levels that would result from direct application of RACT on affected sources in South Coast and Coachella Valley. In addition, staff prepared a compliance demonstration of the nonattainment New Source Review (NSR) plan or plan revision for the 2008 ozone standard certifying that the current SIP-approved nonattainment NSR program meets the requirements for the implementation of the 2008 ozone NAAQS. This compliance demonstration was also approved by the Governing Board before submittal to CARB and U.S. EPA.
- Issued an RFP to solicit stationary and mobile source incentive projects for reducing emission/toxic exposure and technology demonstration and deployment.

### CEQA

- Conducted environmental assessments for 14 SCAQMD rule projects and oversaw the preparation of the environmental assessments for seven ongoing permit projects.
- Reviewed and commented on over 1,000 CEQA documents prepared by other lead agencies.
- Provided technical support for the CEQA lawsuit SCAQMD initiated against the Southern California Intermodal Gateway rail yard project.

### Clean Communities Plan

- Completed implementation of U.S. EPA's Targeted Air Shed Grant. Approximately \$3 million was spent on the following programs: residential lawn mower exchanges, weatherization program in collaboration with the Southern California Gas Company, aqueous brake cleaning systems for auto repair shops, air filtration for several schools, super-compliant coatings for several beautification projects, pilot program to test and demonstrate commercial mowers at municipal agencies, and EV chargers for non-profit organizations. Completed final report for U.S. EPA.

## PLANNING, RULE DEVELOPMENT & AREA SOURCES (cont.)

### Facility Based Mobile Source Measures

- Conducted 17 working group meetings covering airports, marine ports, new and redevelopment projects, rail yards, and warehouses as part of the implementation of several 2016 AQMP control measures.
- Worked extensively with the ports of Long Beach and Los Angeles before and after adoption of their 2017 Clean Air Action Plan, and with Los Angeles World Airports in the amendment of their Alternative Fuel Policy.

### Health Effects

- Provided extensive input and support for the Community Air Toxics Initiative projects in Paramount and Compton, including presenting at public meetings, participating on weekly phone calls with the city, agencies, elected officials and the public, addressing public inquiries, coordinating closely with other agencies to ensure appropriate follow-up, and providing input and support for the investigation and reporting of results.
- Provided critical staff support and leadership for the work related to the Aliso Canyon gas leak, and initiated work to begin the health study that was funded through the settlement agreement.
- Completed four reports and fact sheets for public audiences related to high-profile and/or emergency response situations. These reports and fact sheets are posted on the website.
- Completed three public presentations or panel presentations for the Environmental Justice Community Partnership, and additional public presentations to other academic, professional, and community audiences.
- Developed content for a “Wildfires and Health” webpage to bring together information about air quality impacts of wildfires, and resources pertaining to public health.
- Initiated planning for the MATES V study, including convening two meetings of the Technical Advisory Group. The planning for MATES V also includes an extensive advanced monitoring component.

### Rule Development

- Amended Rules 2001 and 2002 to prevent new facilities from entering the program and to establish the framework for facilities exiting the program. Have initiated the process for facilities exiting the program for those currently at BARCT or no RECLAIM equipment without any amendments to existing rules.
- Adopted Rule 1180 (Refinery Fenceline and Community Air Monitoring) that will require real-time fenceline air monitoring system that will provide air quality information at or near the property of petroleum refineries who are also responsible for funding refinery-related community air monitoring systems. A plan to establish and operate the fenceline monitoring is due August 1, 2018.
- Amended Rule 1466 (Control of PM Emissions from Soil with TACs) to expand list of applicable TAC's and clarify provisions.
- Amended Rule 1420 - Emissions Standards for Lead which established new requirements for metal melting and lead processing facilities to reduce point and fugitive source lead emissions and help ensure continued attainment of the National Ambient Air Quality Standard for Lead.

## PLANNING, RULE DEVELOPMENT & AREA SOURCES (cont.)

- Adopted Rule 415 (Odors at Rendering Plants) that is designed to reduce odors from facilities conducting inedible rendering operation through the implementation of Best Management Practices and use of permanent total enclosures or a closed system for process areas.
- Amended Rule 1168 (Adhesive and Sealants) to achieve 1.4 tons per day (tpd) reduction in VOC by 2023 and fulfilling the 1.0 tpd VOC reduction commitment in the 2016 AQMP.
- Amended Rule 1401 to require the use of the 2015 Office of Environmental Health Hazard Assessment (OEHHA) Health Risk Assessment (HRA) Guidelines for all permit applications. In the previous amendments to Rule 1401, gas stations and spray booths were allowed to continue to use the previous HRA methodology as staff needed more time to assess impacts to those permitted sources.
- Amended Rule 1118 to place new limits on refinery flaring, require facilities to prepare scoping documents to evaluate the feasibility of significantly reducing or eliminating flaring, removed previous mitigation fee limits for excessive flaring, and improved public notification procedures for flaring events.
- Rule 1147 was amended to relax NOx emission limits for a limited number of units in specific categories and delays compliance dates for small and low emission units with NOx emissions less than 1 pound per day starting July 1, 2017. The amendment achieves equivalent NOx emissions reductions as the original 2008 rule through retrofit of in-use units or replacement with new units over time that comply with emission limits. The amendment also clarified existing requirements and provided additional options for demonstrating compliance with emission limits.
- Continued work to shift regulated facilities under Regulation XX, RECLAIM to command and control rules pursuant to control measure CMB-05 (Further Reductions from RECLAIM) from the 2016 AQMP. Conducted monthly RECLAIM meetings and have held over 50 individual facility-or industry specific meetings.
- Initiated BARCT rulemaking for the Rule 1146 series rules (boilers), Rule 1135 (electricity generating facilities), Rule 1134 (gas turbines), and Rule 1109.1 (refinery equipment).

### Socioeconomic Impacts

- Completed ten Socioeconomic Impact Assessments for amendments to Rules 1118, <previous FY>, 1168, 1401, 1420, 1466, and 2001 & 2002; and new Rules 415, 1180, and 1466.
- Received the REMI award for the 2016 AQMP Socioeconomic Report, recognizing staff's contributions in economic and demographic analysis.
- Issued two Requests for Proposals (RFP) to implement recommendations by Abt Associates on enhancing the evaluation of public welfare benefits of clean air for future AQMPs. Such benefits include visibility, agriculture, ecology, and materials benefits.
- Supported Legislative & Public Affairs Office and District Counsel with legislative campaigns and petitions to U.S. EPA.

### Transportation Programs

- Assisted local governments with the implementation of AB 2766 funds to reduce mobile source emissions. The annual report submitted in 2017 covered FY 2015-16 and reflected 162

## PLANNING, RULE DEVELOPMENT & AREA SOURCES (cont.)

eligible cities, and funded 395 projects of which 261 had quantified mobile emission reductions.

- Assisted regulated employers in the development of their Rule 2202 plans. Evaluated and processed over 1,350 Rule 2202 plan submittals.
- Conducted 19 Rule 2202 Employee Transportation Coordinator (ETC) certification classes.

### Other

- Finalized guidelines to implement emission reduction funding programs via fees paid for use of offsets by electrical generating facilities (EGFs).
- Completed contract management for three PM control related projects funded by AB 1318.
- Continued working with stakeholders to develop protocols and conduct NOx characterization study of residential and commercial food service equipment (ovens, fryers, griddles, etc.). Completed underfired charbroiler PM control testing at UCR CE-CERT.
- Continued inventory, and implementation and enforcement of rules relative to area sources of emissions.
- Initiated audits relative to approved Rule 1111 alternate compliance plans.
- Reviewed General Conformity requirements for the projects submitted to SCAQMD to be accommodated in the SIP set aside account.
- Tracked the usage of SIP/SCAQMD General Conformity account.
- Began implementation of AB 617 including the technical analysis and outreach for community identification. Participated in all the working groups with CARB staff and staff from other air districts to discuss implementation of AB 617. Held one day summits and various public workshops to collaborate with stakeholders (both industry and environmental groups).

### **ANTICIPATED:**

#### AB 617

- Conduct public outreach and develop recommendations for the selection and prioritization of communities for AB 617 community emissions reduction plans and/or community air monitoring.
- Conduct public outreach in Year 1 communities, begin developing monitoring plans and community emission reduction plans (as appropriate).
- Participate in working groups and coordinate on the development of a CARB regulation.
- Participate in AB 617 conference calls and meetings with CARB, other air agencies and stakeholders.

#### AB 2588

- Update the Industry-Wide AB 2588 Health Risk Assessment for gas stations using new health risk guidelines from OEHHA and new emission factors from CARB. Work with consultants to allow quicker approval of ATIRs, HRAs, and RRP.
- Update the Rule 1402 Guidelines to allow a greater level of transparency.
- Complete the Model/Monitoring Reconciliation Study.

## PLANNING, RULE DEVELOPMENT & AREA SOURCES (cont.)

### Air Quality Forecasting

- Work with IM to implement NowCast on the AQI map, and other enhancements to better communicate air quality data to the public.
- Continue supporting program functions through air quality forecasting and issuing advisories.

### Air Quality Modeling/Emissions Inventory

- Continue collaboration with NASA and other academic and research agencies to utilize satellite retrieved data in air quality modeling and analysis.
- Continue to improve air quality model's predictability to be the state-of-the science and appropriate for AQMP attainment demonstrations.
- Continue to refine AQMP/SIP emissions inventory to assist the implementation of AQMP control measures.
- Developing an emissions analysis tool, Net Emissions Estimation Tool (NEAT) to estimate NOx and GHG emission reductions associated with potential implementation of cleaner energy sources and zero to near-zero emission appliances in residential and commercial sectors.
- Continue to track emissions associated with General Conformity requirements.
- Continue assisting inter and intra divisional projects that require Geographical Information System.

### Annual Emissions Reporting

- Continue evaluating emissions inventories and annual emissions fees.
- Improve AER on-line reporting system to facilitate data entry for users and incorporate changes to facilitate emission reporting required under AB 617.

### AQMP/SIP

- Adopt and implement the 2016 AQMP SIP obligations through development of new and amended VOC, NOx, and PM2.5 rules, as well as development of incentive programs and guidelines per U.S. EPA requirements. In addition, update as necessary Administrative and NSR rules.
- Continue working on developing funding to implement the incentive control measures in the 2016 AQMP.
- Evaluate proposals, provide recommendations, and issue awards to stationary and mobile source projects that reduce / mitigate emissions / toxic exposure.
- Continue working groups and rule amendments and other initiatives consistent with the 2016 AQMP, including RECLAIM, Facility-based measures, life-cycle emissions assessment, SCAQMD's solar initiative, etc.
- Develop a tracking system for emission reductions achieved as a co-benefit to existing climate change programs.

### CEQA

- Initiate working group process to establish guidelines to reflect 2015 Revised OEHH Guidelines for Estimating Health Risk and current air quality standards.
- Continue developing and reviewing CEQA lead agency projects (rules and permitting projects) and commenting on CEQA documents through the SCAQMD's Intergovernmental Review program.

## PLANNING, RULE DEVELOPMENT & AREA SOURCES (cont.)

### Clean Communities Plan

- Summarize pilot studies for Clean Communities Plan for San Bernardino and Boyle Heights.

### Facility-Based Mobile Source Measures

- Continue work to develop voluntary and potential regulatory approaches for achieving further emission reductions from airports, marine ports, new and redevelopment projects, rail yards, and warehouses.

### Health Effects

- Work with Monitoring and Analysis staff to implement MATES V, with deployment of fixed site monitors in January 2018, and the planning and implementation of the Advanced Monitoring and community outreach components.
- Perform regional modeling to estimate long-term cancer risks.

### Mobile Source

- Continue working on implementation of existing fleet rules including compliance verification activities, amend existing fleet rules pending new legislative authority, and implement mobile source 2016 AQMP measures, such as facility-based measures and fleet rule amendments.
- Secure SIP credits for mobile source incentive projects working with CARB and U.S. EPA.

### Rule Development

- Continue ongoing rulemaking efforts to achieve further reductions of VOC emissions from storage tanks at petroleum facilities (Rule 1178).
- Amend rule to address toxic metal emissions such as metal finishing operations for Rule 1469.
- Amend Rule 408 to clarify applicability to the rule when mitigating odor and prohibit temporary alterations to normal business operations or equipment to dilute, suppress, or conceal detection during monitoring or testing.
- Amend Rules 1146, 1146.1, and 1146.2 to incorporate requirements for facilities that are in RECLAIM that are required to meet BARCT emission control levels.
- Amend Regulation III-Fees to incorporate the CPI adjustment to keep pace with inflation pursuant to Rule 320, and make any other needed adjustments to Regulation III-Fees.
- Amend Regulation XIII to address NSR for facilities that are transitioning from RECLAIM to command and control.
- Adopt flaring rule for non-refinery flares (Rule 1118.1).
- Amend Rule 1403 to include specific requirements when conducting asbestos-emitting demolition/renovation activities at schools, daycare centers, and possibly establishments that have sensitive populations. Amendments may include other provisions to improve the implementation of the rule.
- Rule 1110.2 will be amended to incorporate provisions for facilities that are transitioning from NO<sub>x</sub> RECLAIM to command and control.
- Continue the work to develop a new rule to address hydrogen fluoride use at refineries (Rule 1410).
- Develop rule for non-ferrous metal melting operations for Rule 1407 and 1407.1.
- Develop rule to address and an ambient air monitoring rule for toxics for Rule 1480.

## PLANNING, RULE DEVELOPMENT & AREA SOURCES (cont.)

- Amend Regulations IX and X to incorporate by reference new and amended federal performance standards enacted by U.S. EPA for stationary sources.
- Amend Rule 1134 to update the emission standard to incorporate Best Available Retrofit Control Technology and incorporate provisions for facilities that are transitioning from NOx RECLAIM to command and control.
- Amend Rule 1135 to incorporate requirements for electric power generating facilities that are to transition from NOx RECLAIM to command and control.
- Develop rule for laser cutting operations for Rule 1435.
- Develop Proposed Rule 1109.1 that will establish requirements for refineries that are transitioning from RECLAIM to command and control.
- Develop Rule 1100 that will establish the implementation schedule for specific NOx RECLAIM facilities that are transitioning to command and control.
- Begin work on developing Proposed Rule 1450 to reduce exposure to methylene chloride from furniture stripping, remove potential regulatory loopholes, achieve emission reductions where possible and cost effective, include reporting requirements, and improve consistency with other SCAQMD VOC rules. Amend various Regulation XVI rules, to provide greater opportunity to reduce mobile source emissions and to obtain credit in the State Implementation Plan for these reductions where possible, including addressing the recent U.S. EPA proposed disapproval of Rule 1610.
- Develop Proposed Rules 1147.1 (Large Misc. Combustion Sources), 1147.2 (Metal Melting and Heat Treating Furnaces), and 1147.3 (Aggregate Facilities) that will establish requirements for facility that are transitioning from RECLAIM to command and control.
- Continue monthly RECLAIM Working Group Meetings to discuss the transition of RECLAIM facilities to a command and control regulatory structure consistent with the 2016 AQMP control measure CMB-05 and AB 617.
- Continue working with stakeholders to assess implementation of Rule 1111 and the development of new Rule 1111.1, if necessary.

### Socioeconomic Impacts

- Execute a contract to evaluate potential nationwide economic impacts of a Federal Clean Air Investment Fund.
- Begin enhancing small business impact analysis and using an alternative modeling tool to complement REMI analysis when evaluating small scale socioeconomic impacts.
- Issue Requests for Proposal (RFPs) or sole-source contracts to further implement the remaining Abt recommendations including updates to non-health benefits.
- Conduct socioeconomic analyses for rules and other special projects.

### Transportation Programs

- Continue conducting Employee Transportation Coordinator training sessions and review and analyze Rule 2202 annual program submittals.
- Work towards the development of an on-line Rule 2202 plan submittal process.
- Work towards the development of an on-line Rule 2202 Employee Transportation Coordinator training platform.

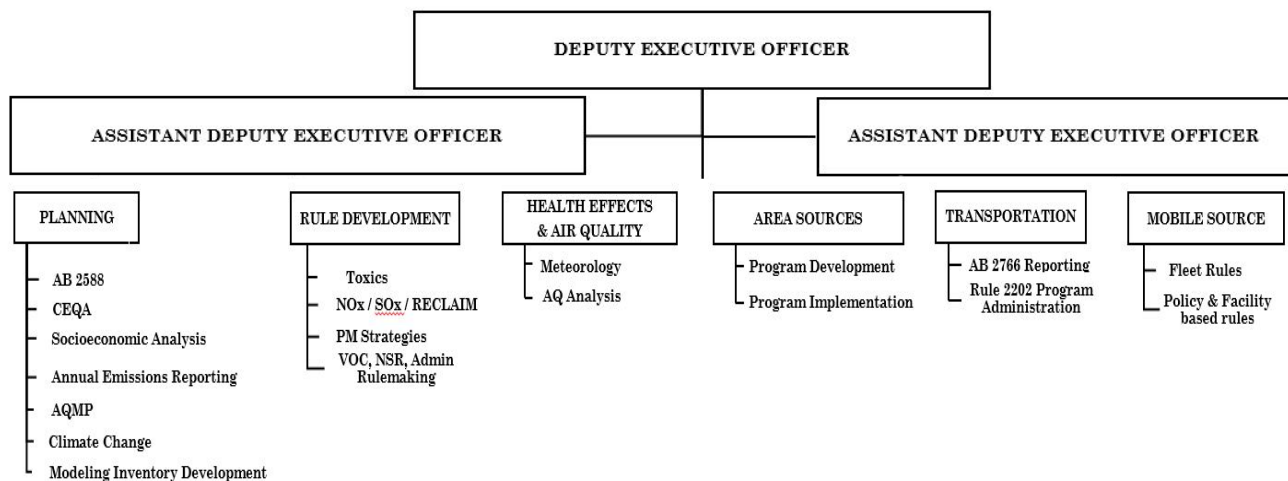
## PLANNING, RULE DEVELOPMENT & AREA SOURCES (cont.)

- Continue compliance verification activities.

### Other

- Continue inventory and implementation of rules in support of rulemaking efforts and compliance verification activities, inclusive of Rule 317 accounting.
- Establish technical assessments and incentive guideline development for rule development, as needed.
- Track the potential need for use of internal offsets by Electricity Generating Facilities (EGFs).
- Complete development and launch on-line Rule 1415 registration.
- Continue compliance verification and rule development assistance for area wide sources of emissions.
- Work with STA to develop process and review Rule 1180 refinery monitoring plans, conduct outreach and develop process for data evaluation.
- Finalize scope and initiate contract for the health study of the Aliso Canyon gas leak.
- Complete AB617 Community identification process and begin development of Community Emission Reduction Plans where appropriate.

### ORGANIZATIONAL CHART:





**PLANNING, RULE DEVELOPMENT & AREA SOURCES (cont.)**

**POSITION SUMMARY: 134 FTEs**

Planning, Rule Development and Area Sources Units	Amended FY 2017-18	Change	Proposed FY 2018-19
Office Administration	6	-	8
Planning	68	-	60
Rule Development	14	-	21
Area Sources	10	-	8
Transportation Programs	13	-	11
Health Effects	2	-	3
Mobile Source	7	-	9
AB 617	14	-	14
Total	134	-	134

## PLANNING, RULE DEVELOPMENT & AREA SOURCES (cont.)

### STAFFING DETAIL:

#### 2018-19 Proposed Staffing

<u>Position</u>	<u>Title</u>
2	Administrative Secretary
9	Air Quality Engineer II
4	Air Quality Inspector II
1	Air Quality Inspector III
56	Air Quality Specialist
2	Assistant Deputy Executive Officer
1	Contracts Assistant
1	Deputy Executive Officer - Planning, Rule Development & Area Sources
1	Director of Strategic Initiatives
1	Health Effects Officer
4	Office Assistant
7	Planning and Rules Manager
22	Program Supervisor
9	Secretary
3	Senior Administrative Secretary
3	Senior Air Quality Engineer
1	Senior Meteorologist
4	Senior Office Assistant
<u>3</u>	Senior Staff Specialist
134	Total Proposed Positions

Planning, Rule Development & Area Sources Work Program by Office								
#	Program Code	Program Categories	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Revenue Categories
1	26 002	Develop Programs	AB2766/Mobile Source	AB2766 Mobile Source Outreach	1.04	0.01	1.05	IX
2	26 007	Customer Service and Business Assistance	AB2766/MSRC	AB2766 Prov Tech Asst to Cities	1.22	-0.02	1.20	IX
3	26 009	Develop Programs	AB 1318 Mitigation	AB 1318 Projects Admn/Impl	0.30	-0.30	0.00	XVII
4	26 010	Develop Programs	AQMP	AQMP Special Studies	2.00	-1.90	0.10	IV,V,IX,XV
5	26 031	Develop Rules	AB 617-BARCT Rules	AB 617-BARCT Rules	0.00	11.40	11.40	XV
6	26 033	Develop Programs	AB 617-Em Inventory	AB 617-Em Inventory	0.00	0.50	0.50	XV
7	26 034	Develop Programs	AB 617-Em Reduc Plns	AB 617-Em Reduc Plns	0.00	0.50	0.50	XV
8	26 035	Develop Rules	AB 617-General	AB 617-General	0.00	1.60	1.60	XV
9	26 038	Develop Programs	Admin/Office Management	Coordinate Off/Admin Activities	4.55	0.00	4.55	Ib
10	26 050	Develop Rules	Admin/Rule Dev/PRA	Admin: Rule Development	0.60	0.50	1.10	Ib
11	26 061	Monitoring Air Quality	Air Quality Evaluation	Air Quality Evaluation	2.25	0.00	2.25	IX
12	26 068	Develop Programs	SCAQMD Projects	Prepare Environmental Assessments	3.35	0.00	3.35	II,IV,IX
13	26 071	Develop Rules	Arch Ctgs - Admin	Rdev/Aud/DB/TA/SCAQMD/Rpts/AER	1.10	-0.10	1.00	XVIII
14	26 072	Ensure Compliance	Arch Ctgs - End User	Compliance/Rpts/Rule Implementation	0.80	0.00	0.80	XVIII
15	26 073	Ensure Compliance	Arch Ctgs - Other	Compliance/Rpts/Rule Implementation	0.80	0.00	0.80	XVIII
16	26 076	Ensure Compliance	Area Sources/Compliance	Area Source Compliance	4.70	-0.20	4.50	III,IV,V,IX,XV
17	26 077	Develop Rules	Area Sources/Rulemaking	Dev/Eval/Impl Area Source Prog	2.05	-0.05	2.00	II,IX
18	26 083	Policy Support	HLth Effects Air Pollution Fou	Health Effects Air Poll Foundation Support	0.10	0.00	0.10	Ia,II,IV
19	26 102	Develop Programs	CEQA Document Projects	Review/Prepare CEQA Comments	3.50	0.25	3.75	II,IX
20	26 104	Develop Programs	CEQA Policy Development	ID/Develop/Impl CEQA Policy	1.20	-0.70	0.50	IV,IX
21	26 128	Develop Programs	Cln Communities Pln	Cln Communities Plan Admn/Impl	0.25	0.00	0.25	II,IX
22	26 148	Policy Support	Climate Change	GHG/Climate Change Policy Development	3.10	0.25	3.35	IV,XVII
23	26 165	Develop Rules	Conformity	Monitor Transp. Conformity	0.25	0.00	0.25	V,IX
24	26 215	Ensure Compliance	Annual Emission Reporting	Annl Des/Impl/Emiss Monitor Sys	8.00	3.00	11.00	II,V
25	26 216	Customer Service and Business Assistance	AER Public Assistance	AER Design/Impl/Monitor Emiss	2.00	-2.00	0.00	II
26	26 217	Develop Programs	Emissions Inventory Studies	Dev Emiss DB/Dev/Update Emiss	0.70	-0.20	0.50	II,V,IX,XV
27	26 218	Develop Programs	AQMP/Emissions Inventory	Dev Emiss Inv: Forecasts/RFPs	1.30	-0.56	0.74	II,IX
28	26 219	Develop Programs	Emissions Field Audit	Emissions Field Audit	0.50	-0.50	0.00	II
29	26 240	Policy Support	EJ-AQ Guidance Document	AQ Guidance Document	0.05	0.05	0.10	II,IX
30	26 257	Develop Rules	Fac Based Mob Src	Facility Based Mobile Src Meas	0.00	5.00	5.00	IX
31	26 276	Policy Support	Advisory Group/Home Rule	Governing Board Advisory Group	0.30	0.00	0.30	Ia
32	26 277	Policy Support	Advisory Group/AQMP	Governing Board AQMP Advisory Group	0.05	0.00	0.05	II,IX
33	26 278	Policy Support	Advisory Group/Sci,Tech,Model	Scientific/Tech/Model Peer Rev	0.15	0.00	0.15	II,IX
34	26 358	Ensure Compliance	GHG Rules-Compl	Green House Gas Rules-Compliance	1.05	-0.35	0.70	IV
35	26 362	Develop Rules	Health Effects	Study Health Effect/Toxicology	2.25	0.00	2.25	II,III,IX
36	26 385	Develop Rules	Criteria Pollutants/Mob Srcs	Dev/Impl Intercredit Trading	0.75	0.00	0.75	IV,IX
37	26 397	Develop Programs	Lead Agency Projects	Prep Envrnmt Assmts/Perm Proj	1.75	0.75	2.50	III
38	26 416	Policy Support	Legislative Activities	Supp/Promote/Influence Legis/Adm	0.50	0.00	0.50	Ia
39	26 443	Monitoring Air Quality	MATES V	MATES V	0.30	0.00	0.30	II,IX
40	26 445	Monitoring Air Quality	Meteorology	ModelDev/Data Analysis/Forecast	2.05	0.40	2.45	II,V,IX
41	26 448	Develop Programs	Mobile Src Strategies-Off Road	CARB Off-Road Mob Src ctrl strategy for SIP	1.00	-1.00	0.00	XVII

Planning, Rule Development & Area Sources (Cont.) Work Program by Office									
#	Program Code		Program Categories	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Revenue Categories
42	26	449	Develop Rules	Mob Src/SCAQMD Rulemaking	Prepare SCAQMD Mob Src rulemaking proposals	0.81	1.49	2.30	IX
43	26	451	Develop Programs	Mob Src/CARB/EPA Monitoring	CARB/US EPA Mob Src Fuel Policies	1.50	-1.00	0.50	IX
44	26	452	Develop Programs	Mob Src/CEC/US DOE Monitoring	CEC/US DOE Mob Src rulemaking proposals	1.00	-0.50	0.50	IX,XVII
45	26	454	Policy Support	Mob Src:Greenhs Gas Reduc Meas	Provide comments on mob src portion of AB32	0.89	-0.89	0.00	XVII
46	26	460	Develop Rules	Regional Modeling	Rule Impact/Analyses/Model Dev	5.30	-0.90	4.40	II,V,IX
47	26	461	Timely Review of Permits	Permit & CEQA Modeling Review	Review Model Permit/Risk Assmt	1.30	0.00	1.30	III
48	26	503	Develop Programs	PM Strategies	PM10 Plan/Analyze/Strategy Dev	3.40	0.00	3.40	II,V,XV
49	26	530	Monitoring Air Quality	Photochemical Assessment	Photochemical Assessment	0.25	0.00	0.25	II,V
50	26	565	Customer Service and Business Assistance	Public Records Act	Comply w/ Public Rec Requests	0.57	0.25	0.82	Ia
51	26	620	Ensure Compliance	Refinery Pilot Project	Refinery Pilot Project	0.25	-0.25	0.00	II
52	26	643	Timely Review of Permits	Rule 222 Filing Program	Rule 222 Filing Program	0.00	0.00	0.00	IV
53	26	645	Ensure Compliance	Rule 1610 Plan Verification	Rule 1610 Plan Verification	0.75	0.00	0.75	V,IX
54	26	654	Develop Rules	Rulemaking/NOX	Rulemaking/NOx	2.50	0.00	2.50	II,IV,XV
55	26	655	Develop Rules	NSR/Adm Rulemaking	Amend/Develop NSR & Admin Rules	2.50	0.00	2.50	II,IV,V,XV
56	26	656	Develop Rules	Rulemaking/VOC	Dev/Amend VOC Rules	5.70	-2.45	3.25	II,IV,XV
57	26	659	Develop Rules	Rulemaking/Toxics	Develop/Amend Air Toxic Rules	9.50	1.50	11.00	II,XV
58	26	661	Develop Rules	Rulemaking/RECLAIM	RECLAIM Amend Rules/Related Is	2.50	0.00	2.50	II
59	26	685	Develop Programs	Socio-Economic	Apply econ models/Socio-econ	4.10	0.40	4.50	II,IV
60	26	717	Policy Support	Student Interns	Gov Bd/Student Intern Program	0.25	0.00	0.25	Ia
61	26	738	Advance Clean Air Technology	Target Air Shed EPA	Targeted Air Shed Admin/Impl	0.25	-0.25	0.00	V,XVII
62	26	745	Develop Programs	Rideshare	Dist Rideshare/Telecommute Prog	0.61	0.07	0.68	IX
63	26	794	Ensure Compliance	Toxics/AB2588	AB2588 Core, Tracking, IWS	13.00	0.00	13.00	X
64	26	805	Operational Support	Training	Training	0.25	0.00	0.25	Ib
65	26	816	Develop Programs	Transportation Regional Progs	Dev AQMP Meas/Coord w/Reg Agn	0.35	0.00	0.35	V,IX
66	26	825	Operational Support	Union Negotiations	Official Labor/Mgmt Negotiate	0.02	0.00	0.02	Ia
67	26	826	Operational Support	Union Steward Activities	Rep Employees in Grievance Act	0.02	0.00	0.02	Ia
68	26	833	Customer Service and Business Assistance	Rule 2202 ETC Training	Rule 2202 ETC Training	0.93	0.02	0.95	XI
69	26	834	Develop Programs	Rule 2202 Implement	Rule 2202 Proc/Sub Plans/Tech Eval	2.55	0.12	2.67	XI
70	26	836	Develop Programs	Rule 2202 Support	R2202 Supt/CmptrMaint/WebSubmt	2.59	0.06	2.65	V,XI
71	26	855	Operational Support	Web Tasks	Create/edit/review web content	0.50	0.00	0.50	Ia

Total Planning, Rule Development, and Area Sources 120.00 14.00 134.00

Planning, Rule Development & Area Sources						
Line Item Expenditure						
Major Object / Account # / Account Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
Salary & Employee Benefits						
51000-52000	Salaries	\$ 9,904,449	\$ 11,873,576	\$ 13,027,997	\$ 10,774,638	\$ 13,518,915
53000-55000	Employee Benefits	4,880,945	6,118,764	6,118,763	5,290,888	7,431,475
Sub-total Salary & Employee Benefits		\$ 14,785,394	\$ 17,992,339	\$ 19,146,760	\$ 16,065,526	\$ 20,950,390
Services & Supplies						
67250	Insurance	\$ -	\$ -	\$ -	\$ -	\$ -
67300	Rents & Leases Equipment	-	-	-	-	-
67350	Rents & Leases Structure	22,077	2,000	11,000	7,589	2,000
67400	Household	-	-	-	-	-
67450	Professional & Special Services	548,778	1,173,000	2,091,940	1,526,280	974,300
67460	Temporary Agency Services	131,504	50,000	73,000	73,000	100,000
67500	Public Notice & Advertising	65,241	100,000	100,000	100,000	125,000
67550	Demurrage	675	1,000	1,000	735	1,000
67600	Maintenance of Equipment	19,030	5,000	14,000	5,609	5,000
67650	Building Maintenance	5,160	1,000	10,000	5,160	1,000
67700	Auto Mileage	2,634	3,500	5,500	4,280	3,500
67750	Auto Service	-	-	-	-	-
67800	Travel	22,131	40,000	30,000	30,000	45,000
67850	Utilities	-	-	-	-	-
67900	Communications	28,915	40,000	49,000	44,271	50,000
67950	Interest Expense	-	-	-	-	-
68000	Clothing	1,305	800	1,680	1,680	1,500
68050	Laboratory Supplies	-	-	-	-	-
68060	Postage	67,388	50,000	65,000	65,000	100,000
68100	Office Expense	84,860	150,000	221,120	175,323	160,000
68200	Office Furniture	-	-	-	-	-
68250	Subscriptions & Books	160	2,000	1,830	1,355	2,000
68300	Small Tools, Instruments, Equipment	-	-	4,000	-	-
68400	Gas and Oil	-	-	-	-	-
69500	Training/Conference/Tuition/ Board Exp.	13,567	25,000	23,000	11,513	25,000
69550	Memberships	5,843	4,000	4,000	3,895	4,000
69600	Taxes	-	-	-	-	-
69650	Awards	-	-	-	-	-
69700	Miscellaneous Expenses	65,750	27,000	47,000	41,177	75,000
69750	Prior Year Expense	(75)	-	-	-	-
69800	Uncollectable Accounts Receivable	-	-	-	-	-
89100	Principal Repayment	-	-	-	-	-
Sub-total Services & Supplies		\$ 1,084,942	\$ 1,674,300	\$ 2,753,070	\$ 2,096,868	\$ 1,674,300
77000	Capital Outlays	\$ 1,960	\$ 180,000	\$ 180,000	\$ 144,000	\$ 110,000
79050	Building Remodeling	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 15,872,296	\$ 19,846,639	\$ 22,079,830	\$ 18,306,394	\$ 22,734,690
* Estimates based on July 2017 through February 2018 actual expenditures and budget amendments.						



**SOUTH COAST**  
**AIR QUALITY MANAGEMENT DISTRICT**

## SCIENCE & TECHNOLOGY ADVANCEMENT

### MATT MIYASATO DEPUTY EXECUTIVE OFFICER

At a Glance:	
FY 2017-2018 Budget	\$27.0M
FY 2018-2019 Proposed	\$32.9M
Percent of SCAQMD Proposed	19.9%
Total Proposed FTEs	194.4

#### DESCRIPTION OF MAJOR SERVICES:

Science & Technology Advancement is responsible for three key areas of operation: monitoring and analysis; technology research and development; and technology implementation. The Monitoring & Analysis Division maintains the SCAQMD's air monitoring network, operates the analytical laboratory and conducts source tests and evaluation, responds to local community monitoring requests, implements quality assurance programs, evaluates low cost sensors, evaluates and implements optical remote sensing (ORS) technologies for emission measurements, and provides meteorological, sampling and analytical support as part of the SCAQMD's emergency response program and special monitoring projects for the agency. The Technology Advancement Office (TAO) implements the Clean Fuels Program to commercialize advanced low- and zero-emission technologies and fund incentive programs such as the Carl Moyer, Lower-Emission School Bus, and Proposition 1B-Goods Movement programs. TAO will also provide support for the Enhanced Fleet Modernization Program (EFMP) and the Mobile Source Air Pollution Reduction Review Committee (MSRC).

#### ACCOMPLISHMENTS:

##### RECENT:

- Continued the implementation of the Carl Moyer, Surplus Off-Road Opt-In for NOx (SOON), Lower-emission School Bus, Enhanced Fleet Modernization Program and the Proposition 1B-Goods Movement programs with total funding exceeding \$135 million. Implemented the Voucher Incentive Program (VIP) for replacement of on-road trucks on a first-come-first-served basis. Awarded an additional \$9 million to Southern California Regional Rail Authority with another \$18 million to be considered with the progress of the project, for the replacement of ten Tier 0 locomotives with Tier 4 locomotives. The total SCAQMD contribution to this project after completion will amount to \$110 million. Executed contracts totaling \$79 million for truck and locomotive replacements, and zero emission transportation refrigeration units and supporting infrastructure under the Proposition 1B-Goods Movement Program.
- Continued the Clean Fuels program, which is the research, development, demonstration and early deployment program for the SCAQMD. Executed over \$17 million in contracts with \$51 million in total project costs (1:3 leveraging). Projects in key technical areas include heavy-duty electric drive technologies, near-zero emission heavy-duty engines,

## SCIENCE & TECHNOLOGY ADVANCEMENT (cont.)

in-use emissions testing of heavy-duty trucks, local renewable natural gas production, and refueling infrastructure for alternative fuels (natural gas, electricity and hydrogen).

- Continued implementation of incentive programs for old vehicle scrapping, off-road equipment repowers and replacement of Tier 0 locomotives with Tier 4 locomotives.
- Continued to assess ambient air quality in the Basin, operated and maintained approximately 43 air monitoring sites resulting in 70,000 valid pollutant data points per month, collected and analyzed of 3,800 canisters for ambient Volatile Organic Compounds (VOCs) and toxics and over 15,000 filters for components including mass, ions, carbon and metals. The monitoring network and analysis is in support of federal programs including those for National Air Toxics Trends Stations (NATTS), Photochemical Assessment Monitoring Stations (PAMS), National Core (NCORE) PM2.5 Speciation, and Near-Road Monitoring. Data from this monitoring and analysis provides the basis for the compliance with the national ambient air quality standards (NAAQS) along with verifying emission models and understanding source contributions for future control measures.
- Continued special monitoring efforts to respond to community concerns and better characterize emissions from oil reclamation activities, metal finishing, metal forging and recycling, battery recycling facilities, oil and gas operations, and metals from various forging, grinding, and heat treating operations. Continued PM2.5 monitoring to assess potential impacts from mining operations in the city of Duarte. Also maintained monitoring efforts near the Salton Sea measuring hydrogen sulfide and PM10 to provide information to alert the public of potential dust and/or odor events.
- Supported and verified compliance with current rules and regulations, analyzed over 2,100 samples for asbestos from demolition sites based on complaints and concerns about fallout (deposition), analyzed approximately 500 products for VOC and Hazardous Air Pollutants (HAP) content; and conducted over 1,800 Source Test (ST) protocol and report evaluations, Continuous Emissions Monitoring System (CEMS) certifications, Laboratory Approval Program (LAP) application reviews and ST observations.
- Provided training and support for Rule 1420.2 which requires lead producing facilities to perform on-site sampling.
- Performed audit of laboratory test methods in support of federal programs including those for NATTS, PAMS and PM2.5 Speciation; performed field audits of monitoring stations in support of federal programs including those for NCORE, NATTS, PAMS, Criteria Pollutants, and PM2.5 Speciation; Performed 2016 data certification and review.
- Continued SCAQMD's audit program to improve quality assurance by including "in-house" audits for air toxics, Total Suspended Particulate (TSP), PM10 and PM2.5 performed by SCAQMD staff.
- Approximately 50 "low-cost" air quality sensors have been evaluated in the field and laboratory within the AQ-SPEC program since the July 2014 inception. Substantially enhanced the AQ-SPEC website ([www.aqmd.gov/aq-spec](http://www.aqmd.gov/aq-spec)) which now includes detailed information about the sensor testing program, technical information on the use of commercially available air quality sensors, reports and tables summarizing all available testing results, and other useful information for people interested in the use and applications of air quality sensors.
- Deployed different particle and gas sensors in small networks for specific applications. A network of nine particle sensors has been deployed at the fenceline of Rainbow Environmental in Huntington Beach to monitor fugitive emissions of PM2.5 and PM10



## SCIENCE & TECHNOLOGY ADVANCEMENT (cont.)

from this facility in real time. Also, a network of 24 particle sensors has been maintained in the Redlands/Mentone/Highland/Yucaipa region to test the performance and durability of these devices, increase the spatial distribution of PM measurements in that area, and test cloud platform data management service. An additional 25 sensors have been installed throughout the Los Angeles Air Basin for the NASA Citizen Science project. Data collected by these sensors will assist NASA scientists to improve our understanding of relationship between satellite aerosol optical depth (AOD) and surface PM, ultimately leading to better observations of air quality from space.

- As part of the U.S. EPA STAR Grant project, many sensors have already been installed to monitor and measure criteria pollutants at the community level in West Los Angeles, Brawley, Alhambra and Seal Beach. In addition, a network of sensors measuring ozone, nitrogen dioxide, and particulate matter have been installed predominantly in the Inland Empire and Imperial Valley. The community recruitment process is on-going and in collaboration with other CAPCOA (i.e., Bay Area Air Quality Management District) agencies.
- The "Making Sense of Sensors" Conference was held at SCAQMD's headquarters and was an international event with nine countries and 22 U.S. states represented amongst the more than 350 participants. Additionally, webcast participation over the two days included 714 live views from 15 countries. The Conference brought together experts from government, academia, environmental and research organizations, community groups, and the sensor industry. Technical sessions covered the history of air quality sensors, recent advances in sensor technology, data interpretation and mapping, the integration of satellite and low-cost sensor data, and the use and application of this emerging technology by environmental justice communities. The Conference included more than 40 speakers with keynote lectures from Weather Underground and Microsoft, 22 exhibitors displaying sensor technology, data management tools, data visualization software, and networking solutions. The poster session showcased 27 posters on sensor network deployments and sensor evaluations. Over 125 attendees participated in an evening networking event, and more than 220 of the participants were provided exclusive tours of the SCAQMD's AQ-SPEC chamber testing system.
- Three reports from SCAQMD's fenceline monitoring program have been finalized and posted online on a dedicated web-site: <http://www.aqmd.gov/fenceline-monitoring>. These reports cover three optical remote sensing projects: Quantification of Fugitive Emissions from Large Refineries; Quantification of Gaseous Emissions from Gas Stations, Oil Wells and Other Small Point Sources; and Quantification of Stack Emissions from Marine Vessels.
- Continued quarterly implementation of optical remote sensing technologies for emission measurements and community monitoring, specifically in Carson/Wilmington/Long Beach areas to characterize and quantify emissions from refineries and to assess their impact on surrounding communities.
- Continued federal programs efforts to maintain a network of 31 samplers for the Department of Homeland Security operating 7 days a week 24 hours a day. Approximately 12,000 samples were delivered to the LA County Department of Public Health in support of the program.
- Continued to provide sampling, monitoring, and laboratory analyses in support of SCAQMD Incident and Nuisance Response efforts, including recent wildfire smoke

## SCIENCE & TECHNOLOGY ADVANCEMENT (cont.)

incidents and coastal odor investigations. This involved the use of state-of-the-science conventional sampling and analysis techniques and low-cost sensors, as well as advanced optical remote sensing as part of the coastal odor investigation.

### ANTICIPATED:

- Continue the development and demonstration of heavy-duty zero emission cargo transport trucks and off-road equipment, and initiate the development and demonstration of a zero emission goods movement corridors.
- Continue the implementation of the VIP on a first-come-first-served basis; solicit and complete contracting on- and off-road projects, including marine vessel engine repowering projects, under the “Year 20” Carl Moyer Program, identify and obtain community support for eligible projects to be funded by AB134 and initiate contracting for these projects, and obligate all remaining Proposition 1B-Goods Movement Program funds awarded to SCAQMD. Also, issue grants for the replacement of school buses with lower emission buses under the Lower Emission School Bus Program.
- Increase deployment of cleaner construction equipment, locomotives, and on-road heavy-duty vehicles through the continued implementation of funding incentive programs, compliance with SCAQMD Clean Fleet Vehicle Rules, and identification of future mobile source strategies for implementing the 2016 AQMP.
- Provide monitoring, source testing, and analysis for rule development related to upcoming amendments for Rules 1407 and 1420.2.
- Continue source test protocol and report evaluations, CEMS certifications, LAP application reviews and ST observations. Increase throughput on source test evaluations anticipated due to RECLAIM (Regional Clean Air Incentives Market) sunset and permit streamlining efforts.
- Conduct air toxic monitoring for the Multiple Air Toxics Exposure Study (MATES-V) at ten fixed locations to characterize and spatially identify hazardous air pollutant exposure in the Basin. Conduct air monitoring in and around communities neighboring refineries using a combination of standardized, advanced and low cost methods to assess air pollution levels that may be related to refinery emissions.
- Work with CARB on the development of a state-wide air monitoring plan as part of AB 617 and conduct initial air surveys that may provide input to community selection.
- Evaluate refinery fenceline air monitoring plans and develop and implement refinery-related community air monitoring as required under Rule 1180.
- Continue with the implementation of air monitoring network and special monitoring and analysis efforts critical to the SCAQMD operations, including compliance verification efforts and rule development, including the Paramount and Compton. Expand to other areas to assess toxic metal levels in industrialized areas as part of the SCAQMD Community Air Toxics Initiative.
- Implement enhanced ozone monitoring strategy for the U.S. EPA Photochemical Assessment Monitoring Station program as an early adopter to a re-engineering of the program to provide more relevant and robust data sets for VOCs that are ozone precursors.
- Continue to enhance and modernize the laboratory instrumentation, methodologies, and analysis capabilities to help with special monitoring projects, incident and wildfire

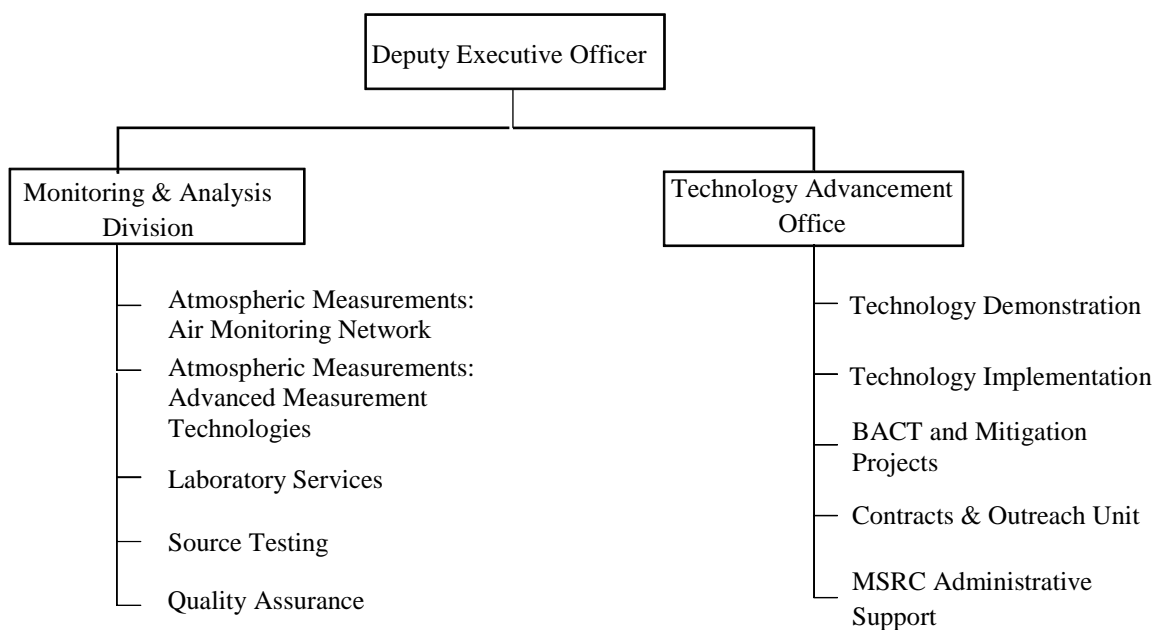
## SCIENCE & TECHNOLOGY ADVANCEMENT (cont.)

response. Continue operational efficiency improvement by investing in latest software, automated instruments and equipment and other workflow streamlining efforts.

- Perform technology demonstration study to conduct real-time mobile monitoring for toxic metals, including Cr (VI) using novel advanced monitoring techniques.
- Continue to enhance and modernize the District's telemetry system and data management system that receives and validates the incoming data from the air monitoring stations and special monitoring locations.
- Continue to assess and oversee operational integrity, efficiency and quality assurance through monthly internal audits of laboratory and field monitoring stations.
- Assist organizing two conferences (UC Davis and American Association for Aerosol Research) focusing on novel sensor technologies for measuring air quality, on current networking capabilities for developing sensor networks, and available cloud-based platforms for storing, validating, analyzing, and visualizing sensor data.
- Continue with full-scale testing of air quality sensors in AQ-SPEC and share testing results with the public. Develop concept for certification program of low-cost particle and gaseous sensors.
- Deploy and pilot several air quality sensor networks for the purposes of developing new low-cost monitoring capabilities for SCAQMD, regulated entities, and the public. Implement the goals and objectives of the U.S. EPA STAR grant to engage, educate, and empower California communities on the use and applications of "low-cost" air monitoring sensors and complete the deployment of sensor networks throughout California in collaboration with CAPCOA agencies and environmental justice groups and communities.
- Continue and expand the operation and development of the PM sensor network around/near Rainbow Environmental to study the correlation between fugitive PM emissions and activity information at the facility (e.g., truck traffic, recycling operations).
- Continue with the implementation of the remote sensing technology projects and experimentation with other next generation monitoring technologies and formulate appropriate recommendations to best integrate into the SCAQMD's current measurement toolbox.

## SCIENCE & TECHNOLOGY ADVANCEMENT (cont.)

### ORGANIZATIONAL CHART:



### POSITION SUMMARY: 194.4 FTEs

Science & Technology Advancement Units	Amended FY 2017-18	Change	Proposed FY 2018-19
Office Administration	13	-	13
Monitoring & Analysis	124	5	129
Technology Advancement	52	0.4	52.4
Total	189	5.4	194.4

## SCIENCE & TECHNOLOGY ADVANCEMENT (cont.)

### STAFFING DETAIL:

#### 2018-19 Proposed Staffing

<u>Position</u>	<u>Title</u>
25	Air Quality Chemist
10	Air Quality Engineer II
3	Air Quality Inspector II
18	Air Quality Instrument Specialist I
19	Air Quality Instrument Specialist II
23	Air Quality Specialist
2.4	Assistant Deputy Executive Officer/Science & Technology Advancement (a)
3	Atmospheric Measurement Manager
12	Contracts Assistant
1	Deputy Executive Officer/Science & Technology Advancement
5	Laboratory Technician
1	Meteorologist Technician
8	Office Assistant
2	Planning and Rules Manager
3	Principal Air Quality Chemist
3	Principal Air Quality Instrument Specialist
16	Program Supervisor
6	Secretary
3	Senior Administrative Secretary
10	Senior Air Quality Chemist
2	Senior Air Quality Engineer
8	Senior Air Quality Instrument Specialist
1	Senior Enforcement Manager
1	Senior Public Information Specialist
1	Senior Office Assistant
1	Senior Staff Specialist
1	Source Test Manager
2	Staff Assistant
2	Staff Specialist
1	Supervising Air Quality Engineer
<u>1</u>	Technology Implementation Manager
194.4	Total Proposed Positions

(a) 0.4 FTE budgeted for only 5 months.

Science & Technology Advancement Work Program by Office								
#	Program Code	Program Categories	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Revenue Categories
1	44 003	Advance Clean Air Technology	Advisory Group/Small Business	Mob Src Review Comm Prog Admin	0.50	0.00	0.50	IX
2	44 004	Advance Clean Air Technology	AB2766/MSRC/Contract Admin	AB2766 Admin Discretionary Prog	3.00	0.00	3.00	IX
3	44 009	Develop Programs	AB 1318 Mitigation	AB 1318 Projects Admn/Impl	0.75	0.00	0.75	XVII
4	44 012	Advance Clean Air Technology	AQMP/Control Tech Assessment	Tech Supp: Quantify Cost Effec	0.10	0.90	1.00	VIII
5	44 015	Ensure Compliance	Acid Rain Program	Acid Rain CEMS Eval/Cert	0.50	0.00	0.50	II,IV
6	44 030	Advance Clean Air Technology	AB 134	AB 134	0.00	6.00	6.00	IX
7	44 036	Monitoring Air Quality	AB 617-Monitoring	AB 617-Monitoring	0.00	12.00	12.00	XV
8	44 038	Monitoring Air Quality	Admin/Office Mgmt/Monitoring	Overall Program Mgmt/Coord	1.40	0.00	1.40	Ib
9	44 039	Advance Clean Air Technology	Admin/Office Mgt/Tech Adv	Admin Support/Coordination	0.77	0.00	0.77	VIII
10	44 041	Policy Support	Admin/Office Mgmt/Policy Supp	Overall Policy Supp/Mgmt/Coord	0.49	0.00	0.49	Ib
11	44 042	Ensure Compliance	Admin/Office Mgmt/Compliance	Compliance: Assign/Manage/Supp	0.37	0.00	0.37	Ib
12	44 043	Develop Rules	Admin/Office Mgmt/Rules	Rules: Assign/Manage/Supp	0.15	0.00	0.15	Ib
13	44 046	Monitoring Air Quality	Admin/Program Management	STA Program Administration	2.00	0.00	2.00	Ib
14	44 048	Advance Clean Air Technology	Admin/Prog Mgmt/Tech Advance	Overall TA Program Mgmt/Coord	1.55	0.00	1.55	VIII
15	44 063	Monitoring Air Quality	Ambient Air Analysis	Analyze Criteria/Tox/Pollutants	8.91	5.00	13.91	II,V,IX
16	44 064	Monitoring Air Quality	Ambient Network	Air Monitoring/Toxics Network	19.85	-0.80	19.05	II,IV,V,IX
17	44 065	Monitoring Air Quality	Air Quality Data Management	AM Audit/Validation/Reporting	1.00	0.00	1.00	II,V,IX
18	44 066	Advance Clean Air Technology	AQIP Marine SCR DPF	AQIP Marine SCR DPF/Admin/Impl	0.15	-0.15	0.00	IX
19	44 067	Monitoring Air Quality	Ambient Lead Monitoring	Lead Monitoring/Analysis/Reporting	0.50	0.00	0.50	IV
20	44 069	Develop Programs	AQIP Evaluation	AQIP Contract Admin/Evaluation	0.65	-0.15	0.50	IX
21	44 072	Ensure Compliance	Arch Ctgs - End User	Sample Analysis/Rpts	2.00	0.00	2.00	XVIII
22	44 073	Monitoring Air Quality	Arch Ctgs - Other	Sample Analysis/Rpts	2.00	0.00	2.00	XVIII
23	44 079	Monitoring Air Quality	AQ SPEC	AQ SPEC	3.00	0.00	3.00	XVII
24	44 081	Monitoring Air Quality	Air Filtration EPA	Air Filtration EPA/Admn/Impl	0.15	-0.05	0.10	V
25	44 082	Monitoring Air Quality	Air Filtration Other	Air Filtration Other/Admn/Impl	0.15	0.33	0.48	XVII
26	44 084	Monitoring Air Quality	Blk Carbon Stdy EPA	EPA Blck Carbon Climate Study	0.20	-0.20	0.00	XVII
27	44 095	Advance Clean Air Technology	CA Natural Gas Veh Partnership	CA Natural Gas Veh Partnership	0.05	0.05	0.10	VIII
28	44 105	Ensure Compliance	CEMS Certification	CEMS Review/Approval	6.15	0.00	6.15	II,III,VI
29	44 130	Advance Clean Air Technology	Clean Fuels/Contract Admin	Admin/Project Supp for TA Cont	3.40	1.00	4.40	VIII
30	44 132	Advance Clean Air Technology	Clean Fuels/Mobile Sources	Dev/Impl Mobile Src Proj/Demo	6.00	-4.50	1.50	VIII
31	44 134	Advance Clean Air Technology	Clean Fuels/Stationary Combust	Dev/Demo Clean Combustion Tech	0.50	-0.20	0.30	VIII
32	44 135	Advance Clean Air Technology	Clean Fuels/Stationary Energy	Dev/Demo Alt Clean Energy	0.55	0.00	0.55	VIII
33	44 136	Advance Clean Air Technology	Clean Fuels/Tech Transfer	Disseminate Low Emiss CF Tech	1.25	1.06	2.31	VIII
34	44 161	Monitoring Air Quality	Comm Air Tox Init	Community Air Toxics Initiative	0.00	2.19	2.19	XVII
35	44 175	Ensure Compliance	DB/Computerization	Develop Systems/Database	0.44	0.00	0.44	II,IV,VI
36	44 187	Advance Clean Air Technology	DERA Sch Bus Repl	DERA Sch Bus Repl Admin/Impl	0.03	0.00	0.03	V
37	44 188	Advance Clean Air Technology	DERA FY 13 Veh Repl	DERA Vehicle Repl Admin/Impl	0.20	-0.10	0.10	XVII
38	44 190	Advance Clean Air Technology	Diesel Projects EPA	Diesel Projects EPA/Admin/Impl	0.11	0.00	0.11	V
39	44 203	Advance Clean Air Technology	EFMP Program Support	EFMP Program Support	1.19	3.81	5.00	XVII
40	44 240	Monitoring Air Quality	Environmental Justice	Implement Environmental Justice	0.45	0.00	0.45	II,IX

Science & Technology Advancement (Cont.) Work Program by Office								
#	Program Code	Program Categories	Program	Activities	FTEs FY 2017-18	+/-	FTEs FY 2018-19	Revenue Categories
41	44	248	Monitoring Air Quality	EPA Community Scale AQ-SPEC	1.00	0.00	1.00	V,XVII
42	44	276	Policy Support	Advisory Group/Technology Adva	0.10	0.00	0.10	VIII
43	44	356	Advance Clean Air Technology	GGRF ZEDT Demo	1.10	-0.10	1.00	XVII
44	44	361	Advance Clean Air Technology	HD Trucks DOE ARRA	2.00	-2.00	0.00	V,XVII
45	44	396	Develop Programs	Lawnmower Exchange	0.30	0.00	0.30	XVII
46	44	410	Policy Support	Legislation	0.50	0.00	0.50	IX
47	44	450	Ensure Compliance	Microscopic Analysis	2.00	0.00	2.00	VI
48	44	453	Advance Clean Air Technology	Mob Src: Emiss Inven Method	1.50	0.00	1.50	VIII,IX
49	44	456	Develop Rules	MS & AQMP Control Strategies	0.30	0.00	0.30	VIII
50	44	457	Advance Clean Air Technology	Mob Src/C Moyer Adm/Outreach	11.15	1.00	12.15	IX
51	44	458	Develop Programs	Mobile Source Strategies	1.00	0.00	1.00	VIII
52	44	459	Advance Clean Air Technology	Mob Src/C Moyer/Impl/Prg Dev	2.80	0.20	3.00	IX
53	44	460	Advance Clean Air Technology	VIP Admin	0.80	-0.30	0.50	IX
54	44	468	Monitoring Air Quality	NATTS(Natl Air Tox Trends Sta)	1.50	0.00	1.50	II,V,IX
55	44	469	Monitoring Air Quality	Near Roadway Mon	1.50	0.00	1.50	IV,V,IX
56	44	497	Advance Clean Air Technology	Plug-in Hybrid EV DOE ARRA	0.75	-0.75	0.00	V
57	44	500	Ensure Compliance	PM2.5 Program	11.30	0.00	11.30	II,V,IX
58	44	505	Monitoring Air Quality	PM Sampling Program (EPA)	10.60	-2.19	8.41	V
59	44	507	Monitoring Air Quality	PM Sampling Spec	0.10	0.00	0.10	V
60	44	530	Monitoring Air Quality	Photochemical Assessment	3.00	0.00	3.00	V,IX
61	44	533	Advance Clean Air Technology	POLB AMECS Demo	0.47	0.00	0.47	XVII
62	44	542	Develop Programs	Prop 1B:Goods Movement	9.70	-0.70	9.00	IX
63	44	545	Timely Review of Permits	Protocols/Reports/Plans	0.10	0.00	0.10	III,IV
64	44	546	Timely Review of Permits	Protocols/Reports/Plans	6.15	0.00	6.15	IV,VI
65	44	565	Customer Service and Business Assistance	Public Records Act	0.17	0.00	0.17	Ia
66	44	585	Monitoring Air Quality	Quality Assurance	3.00	1.00	4.00	II,V,IX
67	44	653	Develop Rules	Rulemaking/BACT	2.00	0.00	2.00	II
68	44	657	Develop Rules	Rulemaking/Support PRA	0.05	0.00	0.05	II
69	44	663	Monitoring Air Quality	Salton Sea Monit	0.25	0.00	0.25	XVII
70	44	677	Advance Clean Air Technology	School Bus/Lower Emission Prog	0.70	0.80	1.50	IX
71	44	700	Ensure Compliance	Source Testing/Compliance	2.25	0.00	2.25	VI
72	44	701	Customer Service and Business Assistance	Source Testing/Customer Svc	0.05	0.00	0.05	VI
73	44	702	Develop Programs	ST Methods Development	0.95	0.00	0.95	II
74	44	704	Ensure Compliance	ST/Sample Analysis/Compliance	4.00	0.00	4.00	VI
75	44	705	Develop Programs	ST Sample Analysis/Air Program	0.25	0.00	0.25	II
76	44	706	Develop Rules	ST Sample Analysis/Air Program	0.25	0.00	0.25	II
77	44	707	Ensure Compliance	VOC Sample Analysis/Compliance	7.00	0.00	7.00	IV,XV
78	44	708	Develop Rules	VOC Sample Analysis/Rules	0.25	0.00	0.25	II,XV
79	44	709	Customer Service and Business Assistance	VOC Sample Analysis/SBA/Other	0.50	0.00	0.50	VI
80	44	715	Monitoring Air Quality	Spec Monitoring/Emerg Response	0.50	0.00	0.50	II

Science & Technology Advancement (Cont.) Work Program by Office									
#	Program	Program Categories		Program	Activities	FTEs	+/-	FTEs	Revenue
81	44	716	Ensure Compliance	Special Monitoring	Rule 403 Compliance Monitoring	2.20	0.00	2.20	III,IV,IX,XV
82	44	725	Timely Review of Permits	Permit Processing/Support E&C	Assist EAC w/ Permit Process	0.05	0.00	0.05	III
83	44	738	Advance Clean Air Technology	Target Air Shed EPA	Targeted Air Shed Admin/Impl	0.15	0.35	0.50	V,XVII
84	44	740	Advance Clean Air Technology	Tech Adv/Commercialization	Assess CFs/Adv Tech Potential	0.25	0.00	0.25	VIII
85	44	741	Advance Clean Air Technology	Tech Adv/Non-Combustion	Dev/Demo Non-Combustion Tech	0.10	0.90	1.00	VIII
86	44	794	Ensure Compliance	Toxics/AB2588	Eval Protocols/Methods/ST	4.25	0.00	4.25	X
87	44	795	Ensure Compliance	Toxics/Engineering	R1401 Toxics/HRA Prot/Rpt Eval	0.05	0.00	0.05	VI,X
88	44	816	Advance Clean Air Technology	Transportation Research	Transport Research/Adv Systems	0.50	0.00	0.50	VIII
89	44	821	Monitoring Air Quality	TraPac Air Filt Prg	Admin/Tech Suppt/Reptg/Monitor	1.00	-1.00	0.00	XVII
90	44	825	Operational Support	Union Negotiations	Labor/Mgmt Negotiations	0.05	0.00	0.05	Ia
91	44	826	Operational Support	Union Steward Activities	Rep Employees in Grievance Act	0.05	0.00	0.05	Ia
Total Science & Technology Advancement						171.00	23.40	194.40	



Science & Technology Advancement Line Item Expenditure						
Major Object / Account # / Account Description		FY 2016-17 Actuals	FY 2017-18 Adopted Budget	FY 2017-18 Amended Budget	FY 2017-18 Estimate *	FY 2018-19 Proposed Budget
<b>Salary &amp; Employee Benefits</b>						
51000-52000	Salaries	\$ 15,609,525	\$ 15,216,665	\$ 16,379,988	\$ 15,092,882	\$ 18,202,513
53000-55000	Employee Benefits	7,967,939	8,118,155	8,118,154	7,884,736	10,023,791
Sub-total Salary & Employee Benefits		\$ 23,577,464	\$ 23,334,820	\$ 24,498,142	\$ 22,977,618	\$ 28,226,304
<b>Services &amp; Supplies</b>						
67250	Insurance	\$ 30,637	\$ -	\$ 40,000	\$ -	\$ -
67300	Rents & Leases Equipment	57,529	36,800	\$ 93,806	81,649	36,800
67350	Rents & Leases Structure	166,514	169,000	\$ 194,510	194,510	419,000
67400	Household	-	500	\$ 500	-	500
67450	Professional & Special Services	1,009,232	1,455,000	\$ 1,786,698	1,317,073	1,630,000
67460	Temporary Agency Services	620,647	141,600	\$ 491,500	451,098	191,600
67500	Public Notice & Advertising	30,644	22,000	\$ 25,150	23,919	22,000
67550	Demurrage	86,574	55,000	\$ 116,550	101,101	55,000
67600	Maintenance of Equipment	402,553	205,000	\$ 467,737	467,737	255,000
67650	Building Maintenance	27,493	170,000	\$ 208,300	176,555	270,000
67700	Auto Mileage	71,678	3,909	\$ 94,720	67,296	43,909
67750	Auto Service	33	-	\$ -	199	-
67800	Travel	80,791	48,403	\$ 93,493	74,679	48,403
67850	Utilities	-	-	\$ 1,900	1,900	-
67900	Communications	289,540	231,000	\$ 260,480	259,901	241,000
67950	Interest Expense	-	-	\$ -	-	-
68000	Clothing	7,919	4,000	\$ 10,475	7,680	4,000
68050	Laboratory Supplies	401,567	295,000	\$ 512,793	512,793	320,000
68060	Postage	51,364	17,318	\$ 45,568	33,545	17,318
68100	Office Expense	127,863	41,393	\$ 224,683	175,944	102,393
68200	Office Furniture	15,039	-	\$ 23,500	23,500	-
68250	Subscriptions & Books	1,061	1,527	\$ 2,327	840	1,527
68300	Small Tools, Instruments, Equipment	342,752	195,000	\$ 227,206	224,264	220,000
68400	Gas and Oil	-	-	\$ -	-	-
69500	Training/Conference/Tuition/ Board Exp.	22,620	107,000	\$ 57,760	41,149	107,000
69550	Memberships	95,747	2,250	\$ 154,750	127,688	2,250
69600	Taxes	8,126	2,000	\$ 2,000	756	2,000
69650	Awards	-	-	\$ -	-	-
69700	Miscellaneous Expenses	7,407	2,600	\$ 45,550	42,915	2,600
69750	Prior Year Expense	(8,020)	-	\$ -	-	-
69800	Uncollectable Accounts Receivable	-	-	\$ -	-	-
89100	Principal Repayment	-	-	-	-	-
Sub-total Services & Supplies		\$ 3,947,309	\$ 3,206,300	\$ 5,181,956	\$ 4,408,689	\$ 3,992,300
77000	<b>Capital Outlays</b>	\$ 2,232,014	\$ 420,000	\$ 3,969,874	\$ 3,891,061	\$ 740,000
79050	<b>Building Remodeling</b>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 29,756,787	\$ 26,961,120	\$ 33,649,972	\$ 31,277,368	\$ 32,958,604
* Estimates based on July 2017 through February 2018 actual expenditures and budget amendments.						



**SOUTH COAST**  
**AIR QUALITY MANAGEMENT DISTRICT**

### SCAQMD Quick Facts

- Created by the 1977 Lewis Air Quality Management Act; amended by 1988 Lewis-Presley Air Quality Management Act (Health & Safety Code §40400-40540).
  - Regional governmental agency (Special District)
- Jurisdiction for comprehensive air pollution control over all of Orange County, all of Los Angeles County except for the Antelope Valley, the non-desert portion of western San Bernardino County and the western and Coachella Valley portion of Riverside County
  - 10,743 Square Miles; Population of 16,962,478 (2016)
  - Boundaries are Pacific Ocean to the west; San Gabriel, San Bernardino and San Jacinto Mountains to the north and east, and the San Diego County line to the south
  - Vehicle Registrations - 13,686,059 (2016); Average Daily Miles Traveled Per Vehicle – 28 (2016)
  - Two of the world's busiest seaports are within its boundaries, Port of Los Angeles and Port of Long Beach, who combined handle almost 4,000 vessel calls and more than 16 million 20-foot long container units or 20-foot equivalent units (TEUs) annually (2017)
- Responsibilities include:
  - Monitoring air quality - 43 air monitoring stations
  - Planning, implementing, and enforcing programs to attain and maintain state and federal ambient air quality standards
    - Developing air quality rules and regulations that regulate stationary source emissions from such facilities as oil refineries, power plants, paint spray booths, incinerators, manufacturing plants, dry cleaners, and service stations
    - Establishing permitting requirements and issuing permits for stationary sources (26,052 operating locations with 68,205 permits)
- Decision-making body is a 13 member Governing Board
  - Ten elected officials with four appointed by the Board of Supervisors from each of the four counties and six appointed by cities within the District
  - Three members appointed by the Governor, the Speaker of the State Senate, and the Rules Committee of the State Senate

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**  
**Operating Indicators by Function**  
**Last Nine Fiscal Years**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b><u>Program Category</u></b>									
<b>Advance Clean Air Technology</b>									
Contracts awarded	292	530	526	556	938	523	1,047	421	403
Total Funding awarded (\$M)	\$89.4	\$180.7	\$131.4	\$82.5	\$207.2	\$216.1	\$123.2	\$153.9	\$137.4
<b>Ensure Compliance with Clean Air Rules</b>									
Inspections	40,558	33,735	33,560	34,191	32,535	29,501	22,871	24,037	21,419
Notices of Violations	1,908	1,530	1,254	1,211	965	956	811	499	632
Hearing Board Orders for Abatement	36	35	47	93	51	46	411	23	27
Hearing Board Appeals	19	20	2	7	3	7	-	3	3
<b>Customer Service</b>									
Public Information Requests	4,962	3,821	3,410	3,543	3,460	4,505	4,012	4,958	5,282
Community/Public Meetings attended	198	202	190	274	294	264	217	239	210
Small Business Assistance Contacts	2,662	2,578	2,497	2,574	2,266	1,850	1,711	1,865	2,834
<b>Develop Programs to Achieve Clean Air</b>									
Transportation Plans processed	1,412	1,372	1,385	1,392	1,371	1,333	1,329	1,337	1,348
Emission Inventory Updates	586	703	521	530	408	460	336	356	244
<b>Develop Rules to Achieve Clean Air</b>									
Rules Developed	32	15	40	8	20	24	24	16	15
<b>Monitoring Air Quality</b>									
Samples Analyzed by the Laboratory	25,400	29,685	28,915	29,520	32,520	29,340	30,824	32,400	38,541
Source Testing Analyses/Evaluations/Review	718	740	1,030	952	1,035	968	996	936	952
<b>Timely Review of Permits</b>									
Applications Processed	11,564	9,627	13,044	12,225	14,153	13,217	9,495	10,116	11,780
Applications Received-Small Business	627	694	798	732	615	514	629	594	535
Applications Received-All Others	10,954	10,941	10,769	11,682	11,709	11,156	9,961	9,894	8,376
<b>Policy Support</b>									
News releases	76	69	64	57	61	62	76	89	86
Media Calls	334	313	252	520	1,131	774	532	1,450	1,201
Media Inquiries Completed	334	313	252	520	1,131	774	532	1,450	1,201

## FINANCIAL POLICIES

SCAQMD is required to follow specific sections of the California Health & Safety Code, which guide SCAQMD's overall financial parameters. The Governing Board also provides financial direction to SCAQMD staff through the adoption of various financial-related policies. In addition, the Administrative Policies and Procedures offer further financial guidance. Below is an overview of the guidelines and procedures for the applicable financial-related policies.

### California Health & Safety Code (CA H&SC)

- District Budget Adoption – CA H&SC §40130

The District shall prepare, and make available to the public at least 30 days prior to public hearing, a summary of its budget and any supporting documents, including, but not limited to, a schedule of fees to be imposed by the District to fund its programs. The District shall notify each person who was subject to fees imposed by the district in the preceding year of the availability of information. The District shall notice and hold a public hearing for the exclusive purpose of reviewing the budget and of providing the public with the opportunity to comment upon the proposed District budget.

- Fees Assessed on Stationary Sources – CA H&SC §40500.1

Fees assessed on stationary sources shall not exceed, for any fiscal year, the actual costs of District programs for the immediately preceding fiscal year with an adjustment not greater than the change in the California Consumer Price Index (CPI), for the preceding calendar year, from January 1 of the prior year to January 1 of the current year. Unless specifically authorized by statute, the total amount of all of the fees collected from stationary sources of emissions in the 1995-96 fiscal year, and in each subsequent fiscal year, shall not exceed the level of expenditure in the 1993-94 fiscal year, except that the total fee amount may be adjusted annually by not more than the percentage increase in the California CPI. Any new state or federal mandate that is applicable to the SCAQMD on and after January 1, 1994 shall not be subject to this section.

- Limitation on Increase in Permit Fees – CA H&SC §40510.5

Existing permit fees shall not increase by a percentage greater than any percentage increase in the California CPI for the preceding calendar year, unless the board makes a finding, based upon relevant information in a rulemaking record, that the fee increase is necessary and will result in an apportionment of fees that is equitable. Any fee increase above CPI shall be phased in over a period of at least two years.

## FINANCIAL POLICIES (cont.)

### SCAQMD Governing Board Policy

- Rule 320 - Automatic Fee Adjustment

Rule 320 provides that all Regulation III fees, with specified exceptions, are automatically adjusted July 1 of each year by the California Consumer Price Index for the preceding calendar year unless the Governing Board decides not to implement a fee adjustment, or to implement a different adjustment for a given year, either for all fees or for a specified fee or fees. The Executive Officer is directed to prepare annually a socioeconomic impact of the effect of the fee adjustment for review by stakeholders and the Governing Board and to hold a public hearing on the automatic fee adjustment to receive any public comments. Public comments and any responses, along with recommendations by the Budget Advisory Committee, are to be forwarded to the Governing Board by April 15 of each year.

- Unreserved Fund Balance Policy

The Unreserved Fund Balance Policy, originally adopted by the Board in June 2005 and adjusted in June 2014, states that the Unreserved Fund Balance in the General Fund should be maintained at a minimum of 20% of revenues. GFOA Recommended Best Practices prescribe a minimum 17% reserve amount plus an additional amount based on the organization's reliance on revenue over which it has no control. The 20% reserve amount is derived from the minimum 17% plus an additional 3% to account for SCAQMD's reliance on state subvention (\$4M), U.S. EPA Section 103/105 grants (\$5M), and one-time penalties and settlements (\$5M).

- Fund Balance Use

When both restricted and unrestricted resources are available for use, it is SCAQMD's policy to use restricted resources first and then unrestricted resources as they are needed. When using unrestricted fund balance amounts, SCAQMD's Governing Board approved policy is to use committed amounts first, followed by assigned and then unassigned.

- Annual Investment Policy

The Annual Investment Policy sets forth the investment guidelines for all general, special revenue, trust, agency and enterprise funds of the South Coast Air Quality Management District (SCAQMD). The purpose of this policy is to ensure all of SCAQMD's funds are prudently invested to preserve principal and provide necessary liquidity, while earning a market average rate of return. The SCAQMD Annual Investment Policy conforms to the California Government Code as well as customary standards of prudent investment management.

## **FINANCIAL POLICIES (cont.)**

The objectives of the policy, in priority order, are Safety of Principal, Liquidity, and Market Rate of Return. The policy establishes and defines investable funds, authorized instruments, credit quality requirements, maximum maturities and concentrations, collateral requirements, and qualifications of brokers, dealers, and financial institutions doing business with or on behalf of the SCAQMD.

The policy provides the Governing Board, the Treasurer, the Assistant Deputy Executive Officer of Finance, and the Investment Oversight Committee with set duties and responsibilities to execute the policy.

- **Treasury Operations Contingency Plan and Procedures**

The Treasury Operations Contingency Plan and Procedures states the course of action that may be implemented by the SCAQMD to protect the safety and liquidity of the SCAQMD funds and to protect SCAQMD from disruptions to ongoing operations if: 1) the financial stability of Los Angeles County may jeopardize SCAQMD funds invested through the Los Angeles County Treasurer; and/or 2) the Los Angeles County Treasurer, as Treasurer of SCAQMD, can no longer provide the treasury services currently provided in a satisfactory manner.

Under authority granted by Resolution 97-32, the Executive Officer can appoint either the Assistant Deputy Executive Officer of Finance or Controller as Acting Treasurer to immediately begin implementing the defined procedures to safeguard SCAQMD funds.

- **Budget Advisory Committee**

Established by the SCAQMD Governing Board, the Budget Advisory Committee serves in an advisory capacity to the SCAQMD on budgeting and financial planning matters. The committee, made up of members from the business and environmental community, provides additional insight during the annual budget process by reviewing and commenting on the proposed budget. The Budget Advisory Committee's comments are required to be provided to the Governing Board by April 15<sup>th</sup> of each year pursuant to SCAQMD Rule 320.

- **Administrative Code**

The Administrative Code of Rules and Procedures prescribes the responsibilities, conduct and specified reimbursements of SCAQMD employees and SCAQMD Board members. Sections include, but are not limited to, mileage reimbursement, travel expenses, tuition reimbursement, professional licenses and memberships, and bilingual pay.

## **FINANCIAL POLICIES (cont.)**

- **Procurement Policy and Procedure**

The Procurement Policy and Procedure provides the guidelines for the contracting and/or purchasing of services, material, equipment, supplies and fixed assets (i.e. capital outlays) by the SCAQMD under the direction of the Procurement Manager. These guidelines include, but are not limited to, purchasing methods, bidding procedures, signature authorization levels, fixed asset acquisition and disposition, and publication requirements for advertised procurements.

Procedures are in place to ensure that all businesses including minority business enterprises, women business enterprises, disabled veteran business enterprises and small businesses have a fair and equitable opportunity to compete for and participate in SCAQMD contracts and that SCAQMD utilizes, when necessary, the most highly qualified outside consultants/contractors to carry out the organization's responsibilities. SCAQMD Executive Officer, Deputy/Assistant Deputy Executive Officers, Legal Counsel, the Procurement Section, and staff all have responsibilities to execute the Procurement Policy and Procedure.

### Executive Officer Administrative Policies and Procedures

- **Travel**

The Travel Policy provides guidance on allowable travel expenses, travel advances, and documentation requirements.

- **Fixed Assets and Controlled Items**

The Fixed Assets and Controlled Items policy provides guidance on the receipt, transfer, inventory, accountability, and disposal of fixed assets and controlled items.

- **Purchasing of Non-Consultant Services and Supplies**

The Purchasing of Non-Consultant Services and Supplies policy provides guidance in implementing the purchase of non-consultant services and supplies as addressed in Section IV of the SCAQMD Procurement Policy and Procedure document.

- **Contracting for Consulting and Professional Services**

Contracting for Consulting and Professional Services policy provides guidance in contracting for consulting and professional services in both a competitive and sole source environment as addressed in Section VIII of the SCAQMD Procurement Policy and Procedure document.



## BUDGET GLOSSARY

<b>Adopted Budget</b>	The annual budget for the General Fund that has been approved by SCAQMD's Governing Board.
<b>Amended Budget</b>	The adopted budget plus any modifications approved by SCAQMD's Governing Board during the fiscal year.
<b>Appropriation</b>	A specific amount of money authorized by SCAQMD's Governing Board which permits the SCAQMD to incur obligations and to make expenditures of resources.
<b>Assigned Fund Balance</b>	The portion of the fund balance that has been allocated by SCAQMD's Governing Board for a specific purpose.
<b>Budget Advisory Committee</b>	A committee made up of representatives from the business and environmental communities who review and provide feedback on SCAQMD's financial performance and proposed budget.
<b>Budgetary Basis of Accounting</b>	A form of accounting used in the budget where encumbered amounts are recognized as cash expenditures.
<b>Balanced Budget</b>	A budget in which planned expenditures do not exceed planned revenues.
<b>Capital Asset</b>	Tangible asset with an initial individual cost of \$5,000 or more and a useful life of at least three years or intangible assets with an individual cost of \$5,000 or more and a useful life of at least one year.
<b>Capital Outlays</b>	Expenditures for capital assets; A Major Object, or classification of expenditures, within SCAQMD's budget.
<b>Committed Fund Balance</b>	The portion of the fund balance that includes amounts that can be used only for specific purposes as determined by the SCAQMD Governing Board.
<b>CPI-Based Fee Increase</b>	Increases to fees (emission, annual operating, permit processing, Hot Spots, area sources, transportation, source test/analysis, and Hearing Board) based on the change in the Consumer Price Index for the preceding calendar year as reported for California Department of Finance—All Urban Consumer Series. This is in accordance with the California Health and Safety Code §40510.5.

## **BUDGET GLOSSARY (cont.)**

<b>Debt Service</b>	The cost to cover the repayment of interest and principal on a debt for a particular period of time.
<b>Debt Structure</b>	The make-up of long-term debt. SCAQMD's long-term debt has been taken on to fund building and pension obligations.
<b>Designation</b>	A portion of the Fund Balance that has been assigned for specific purposes by actions of SCAQMD's Governing Board.
<b>Encumbrance</b>	An amount of money committed for the payment of goods and services that have not yet been received or paid for.
<b>Expenditures</b>	Charges incurred for goods and services.
<b>Fee Schedule</b>	The State Legislature has authorized air districts to levy fees to support industry related programs which improve air quality. The schedule of fees levied by SCAQMD is approved by SCAQMD's Governing Board as part of the annual budget process. (Also see Regulation III.)
<b>Fiscal Year</b>	A period of 12 consecutive months selected to be the budget year. SCAQMD's fiscal year runs from July 1 to June 30.
<b>FTE</b>	Full Time Equivalent; A measure of the level of staffing. One FTE equates to 2,080 hours of paid time within a 12 month period.
<b>Fund Balance</b>	The accumulation of revenues less expenditures within a fund for a specific year. SCAQMD's fund balance is broken out into Reserves (nonspendable and committed) and Unreserved Designations. Unreserved Designations is further broken out into Assigned and Unassigned Fund Balance. This terminology is in accordance with GASB 54.
<b>GASB 54</b>	A standard issued by the Government Accounting Standards Board (GASB) to guide fund balance reporting.
<b>General Fund</b>	The primary operating fund for SCAQMD where expenditures and revenues associated with the daily operations of SCAQMD are accounted for.
<b>Grant</b>	A sum of money given by an organization for a particular purpose. The grants which provide funding to SCAQMD's General Fund are primarily received from the U. S. Environmental Protection Agency (EPA), the

## BUDGET GLOSSARY (cont.)

	Department of Homeland Security (DHS), and the Department of Energy (DOE).
<b>Inventory</b>	Value at cost of office, computer, cleaning and laboratory supplies at year-end.
<b>Major Object</b>	The expenditure classification of SCAQMD's annual budget into four categories: Salaries and Employee Benefits, Services and Supplies, Capital Outlays, and Building Remodeling. Transfers between Major Objects must be Board approved.
<b>Mobile Source Revenues</b>	Revenues received from motor vehicle registrations and from the administration of motor vehicle programs aimed at reducing air pollution from motor vehicles.
<b>Nonspendable Fund Balance</b>	Amounts in the fund balance that are not in a spendable form. In SCAQMD's General Fund, inventory makes up the nonspendable fund balance.
<b>Pension Obligation Bonds (POBs)</b>	A method of financing used by SCAQMD to refinance its obligations to its employees' pension fund.
<b>Proposed Budget</b>	The annual budget that has been developed by SCAQMD and made available to the public for review before being presented to the Governing Board for approval.
<b>Regulation III</b>	The rule that establishes the fee rates and schedules associated with permitting, annual renewals, emissions and other activities that help fund most of SCAQMD's regulatory programs and services. (Also see Fee Schedule.)
<b>Reserves</b>	Funding within the Fund Balance that is set aside for a specific future use and not available for any other purpose. It consists of both nonspendable amounts (inventory of supplies) and committed amounts (encumbrances).
<b>Revenue</b>	Monies the SCAQMD receives as income. SCAQMD's revenue is mainly from fees charged to control or regulate emissions.
<b>SBCERA</b>	San Bernardino County Employment Retirement System manages the retirement plan for SCAQMD employees.

## **BUDGET GLOSSARY (cont.)**

<b>Salaries and Employee Benefits</b>	Expenditures for Salary expenses, employee benefits, retirement and insurance benefits. It is a Major Object, or classification of expenditures, within SCAQMD's budget.
<b>Services and Supplies</b>	Expenditures for items and services needed for the daily operations of the SCAQMD including professional services, utilities, office expenses, maintenance, and debt service. It is a Major Object, or classification of expenditures, within SCAQMD's budget.
<b>Special Revenue Fund</b>	A fund used to account for revenues and expenditures from specific sources earmarked for specific purposes. SCAQMD's main operating fund is its General Fund. All other funds are designated as Special Revenue Funds. The SCAQMD does not adopt a budget for Special Revenue Funds. Instead, Board action is required for all expenditures.
<b>State Subvention</b>	The state of California provides assistance to air districts for on-going operations to perform mandated functions such as compliance and enforcement, planning, and rule development.
<b>Stationary Source Fees</b>	Revenues collected from emission fees, permit fees, and annual operating fees to support activities for improving air quality.
<b>Transfer In/Out</b>	A transfer of funds between different funds within SCAQMD. A transfer of cash from the General Fund to a Special Revenue Fund would be a Transfer Out for the General Fund and a Transfer In for the Special Revenue Fund.
<b>Unassigned Fund Balance</b>	The residual fund balance of the General Fund. It is not designated for a specific purpose and can only be used upon approval of SCAQMD's Governing Board.
<b>Unreserved Designations</b>	The portion of the Fund Balance that has not been committed by SCAQMD's Governing Board or is nonspendable due to specific Board constraints. It is further broken down into either amounts assigned by SCAQMD's Governing Board for specific purposes or an unassigned amount that can only be used upon approval of SCAQMD's Governing Board.
<b>Work Programs</b>	Activities carried out by SCAQMD staff. Work Programs are classified into nine Work Program Categories according to the nature of the activity being performed.

# Air Quality Historical Timeline



Photo courtesy of  
Los Angeles Times Collection,  
Department of Special Collections, UCLA Library

First recognized episodes of smog occur in Los Angeles in the summer of 1943.

1943

1950

Orange County APCD established.



1966



California adopts first automobile tailpipe emission standards in the nation.

1970

Federal Clean Air Act is enacted, establishing the basic U.S. program for controlling air pollution.



1978



Gas stations required to install vapor recovery "boots" on gas nozzles.

1947

Los Angeles County Air Pollution Control District (APCD) established—the first of its kind in the nation.



1957

San Bernardino and Riverside County APCDs formed.



California Air Resources Board (CARB) holds its first meeting with Dr. Arie J. Haagen-Smit as its first chairman.

1968

1971

U.S. EPA, created in 1970, adopts first national air quality standards.

SCAQMD formed through merger of Los Angeles, Orange, Riverside and San Bernardino APCDs.

1977



1984



California's Smog Check program takes effect.

1989

SCAQMD adopts first Air Quality Management Plan to show attainment of clean air standards.



California Global Warming Solutions Act of 2006 (AB 32) enacted to establish first ever comprehensive program to reduce greenhouse gases.

2006

2002

SCAQMD adopts the nation's first phase-out of the toxic chemical perchloroethylene (or "perc") used at dry cleaners.



2008

SCAQMD adopts Climate Change Policy.



2014-2027

Projected achievement of current air quality health standards in South Coast air basin.

1990

Federal Clean Air Act Amendments of 1990 enacted. Established new programs aimed at curbing urban ozone, toxic emissions, and vehicle emissions.

The Carl Moyer Program established to reduce mobile source emissions.

1998

1993

RECLAIM (REgional Clean Air Incentives Market) emissions trading program adopted.



2003

SCAQMD Mow Down Air Pollution Electric Lawnmower Exchange Program begins.



2011

Federal agencies and the State of California establish single timeframe for corporate average fuel economy (CAFE) and greenhouse gas standards for the next generation of cars and light-duty trucks.

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**South Coast  
Air Quality Management District**

21865 Copley Drive  
Diamond Bar, CA 91765-4178

[www.aqmd.gov](http://www.aqmd.gov)

## ATTACHMENT C

### KEY ISSUES AND RESPONSES

#### **Proposed Amended Regulation III – Fees** Fiscal Year 2018-19

##### **PAR 301(aa) – Refinery Related Community Air Monitoring System Annual Operating and Maintenance Fees**

**Issue:** Representatives from the petroleum refineries that would be affected by the proposed new fee – Refinery Related Community Air Monitoring System Annual Operating and Maintenance Fees, commented that the estimated cost per monitoring station staff used to determine the fee amounts appeared high. They requested that the proposed fees be reassessed every three years based on actual program expenditures incurred by SCAQMD. It was further requested that SCAQMD establish a mechanism for annual carry-over of any unused fees and allow the facilities to review costs of annually operating and maintaining refinery related to community air monitoring system(s).

**Response:** Staff estimated the Refinery Related Community Air Monitoring System Annual Operating and Maintenance Fees based on the expectation that they will recover actual costs incurred. Neither overages nor deficits are anticipated at this time. However, in response to stakeholder comments and to further ensure ongoing compliance with California Health and Safety Code Section 42705.6, Proposed Amended Rule 301 now includes the requirement of a triennial fee reassessment in paragraph (aa)(4). During the reassessment, staff will evaluate if a fee adjustment is necessary. Staff will use historical operating and maintenance costs associated with refinery-related community air monitoring to determine the appropriate fees during the reassessment and will take into consideration the existence of any historical differences between collected fees and program expenditures.

##### **PAR 306(l)(16) – Facility Permit Reissuance Fee for Facilities Exiting RECLAIM**

**Issue:** The fees proposed pursuant to PAR 301(l)(16), which consist of an initial flat fee and an additional time and materials (T&M) charge where applicable, are necessary to recover reasonable costs of SCAQMD's efforts to convert a RECLAIM Facility Permit to a Command-and-Control Facility Permit. Representatives from some NO<sub>x</sub> RECLAIM facilities commented that the proposed initial flat fee appeared too high for Title V facilities with 20 or more permitted RECLAIM NO<sub>x</sub> sources. It was further commented that, if most of the NO<sub>x</sub> sources at a facility are the same and subject to the same "landing rules" (i.e., command-and-control rules applicable to NO<sub>x</sub> source equipment in a former NO<sub>x</sub> RECLAIM facility), then

## ATTACHMENT C

the evaluation of each additional piece of the same equipment would not require as much effort as evaluating a different type of NOx source equipment. Additionally, other stakeholders suggested to cap the T&M charge at \$13,023 for non-Title V and \$21,067 for Title V facilities to provide economic certainty and minimize cost impacts to facilities during RECLAIM transition.

**Response:** Staff agrees that the overall evaluation efforts, and thus the associated costs, may be lower if a facility has multiple pieces of equipment that are similar and subject to the same “landing rules”. Based on staff’s evaluation, this is more likely the case among facilities with a large number of permitted RECLAIM NOx sources. Therefore, the fee schedules in PAR 301(l)(16) have been revised to include a lower initial flat fee for both Title V and non-Title V facilities with 20 or more permitted RECLAIM NOx sources, based on a lower number of minimum or baseline hours needed for permit evaluation and conversion. The T&M charge applicable to the evaluation hours that are additional to the baseline hours will continue to ensure the recovery of reasonable costs incurred by SCAQMD. With respect to the suggested caps to the T&M charge, staff believes that it is premature to establish such caps at this initial stage of NOx RECLAIM program transition, as it could potentially hinder SCAQMD’s ability to adequately recover the reasonable costs to complete the necessary permit conversion.

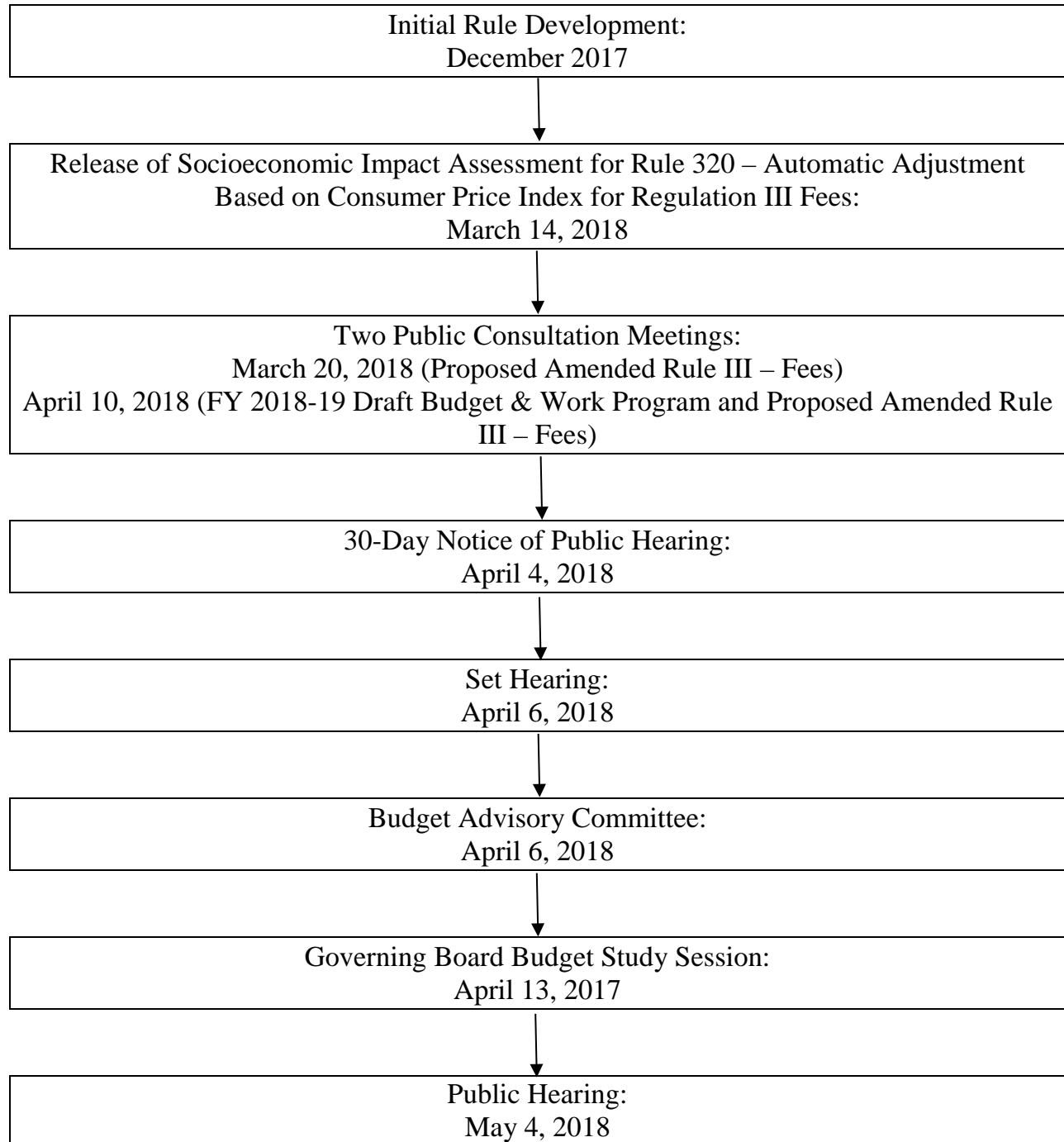


## ATTACHMENT D

### RULE DEVELOPMENT PROCESS

#### Proposed Amended Regulation III – Fees

Fiscal Year 2018-19



**Five (5) months spent in rule development**

**Two (2) Public Consultation Meetings**

**One (1) Budget Advisory Committee Meeting**

**One (1) Governing Board Budget Study Session**

## **ATTACHMENT E**

### **KEY CONTACTS LIST**

Susan Stark	Andeavor Corporation
Bill Pearce	Boeing Company
Ed Camarena	Budget Advisory Committee and SCAQMD Hearing Board Member
Curtis Coleman	Budget Advisory Committee and Southern California Air Quality Alliance
Jean Kayano	Budget Advisory Committee and Center for Community Action and Environmental Justice
Bill LaMarr	Budget Advisory Committee and California Small Business Alliance
Daniel McGivney	Budget Advisory Committee and Southern California Gas Company
Bill Quinn	Budget Advisory Committee and California Council for Environmental and Economic Balance
Anny Huang	California Air Resources Board
Melissa Traverso	California Air Resources Board
Bill Widger	California Air Resources Board
Devin Richards	California Council for Environmental and Economic Balance
Janet Whittick	California Council for Environmental and Economic Balance
Matt Kent	Northrop Grumman
Marshall Waller	Phillips 66
Alek Van Houghton	Ramboll
Priscilla Hamilton	Southern California Gas Company
Craig Sakamoto	Torrance Refining Company
Penny Wersin	Torrance Refining Company
Bridget McCann	Western States Petroleum Association

## **ATTACHMENT F**

RESOLUTION NO. 18-\_\_\_\_\_

**A Resolution of the Governing Board of the South Coast Air Quality Management District (SCAQMD) determining that Proposed Amended Regulation III – Fees, which includes Proposed Amended Rule 301 – Permitting and Associated Fees, Proposed Amended Rule 303 – Hearing Board Fees, Proposed Amended Rule 304 – Equipment, Materials and Ambient Air Analyses, Proposed Amended Rule 304.1 – Analyses Fees, Proposed Amended Rule 306 – Plan Fees, Proposed Amended Rule 307.1 – Alternative Fees for Air Toxics Emissions Inventory, Proposed Amended Rule 308 – On-Road Motor Vehicle Mitigation Options Fees, Proposed Amended Rule 309 – Fees for Regulation XVI and Regulation XXV, Proposed Amended Rule 311 – Air Quality Investment Program (AQIP) Fees, Proposed Amended Rule 313 – Authority to Adjust Fees and Due Dates, Proposed Amended Rule 314 – Fees for Architectural Coatings, and Proposed Amended Rule 315 – Fees for Training Classes and License Renewal, is exempt from the requirements of the California Environmental Quality Act (CEQA).**

**A Resolution of the SCAQMD Governing Board amending Regulation III – Fees, including Rule 301 – Permitting and Associated Fees, Rule 303 – Hearing Board Fees, Rule 304 – Equipment, Materials and Ambient Air Analyses, Rule 304.1 – Analyses Fees, Rule 306 – Plan Fees, Rule 307.1 – Alternative Fees for Air Toxics Emissions Inventory, Rule 308 – On-Road Motor Vehicle Mitigation Options Fees, Rule 309 – Fees for Regulation XVI and Regulation XXV, Rule 311 – Air Quality Investment Program (AQIP) Fees, Rule 313 – Authority to Adjust Fees and Due Dates, Rule 314 – Fees for Architectural Coatings, and Rule 315 – Fees for Training Classes and License Renewal.**

**WHEREAS**, the SCAQMD Governing Board finds and determines that Proposed Amended Regulation III, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315, is considered a "project" pursuant to CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and

**WHEREAS**, the SCAQMD has had its regulatory program certified pursuant to Public Resources Code Section 21080.5 and has conducted a CEQA review pursuant to such program (SCAQMD Rule 110); and

**WHEREAS**, the SCAQMD Governing Board finds and determines that after conducting a review of the proposed project in accordance with CEQA Guidelines Section 15002(k) - General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA, and CEQA Guidelines Section 15061 - Review for Exemption, procedures for determining if a project is exempt from CEQA, that Proposed Amended Regulation III, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315, is determined to be exempt from CEQA; and

**WHEREAS**, the SCAQMD Governing Board finds and determines that it can be seen with certainty that there is no possibility that Proposed Amended Regulation III, which includes proposed fee updates and new fees in Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315, and other amendments in Proposed Amended Rules 301, 304, 304.1, 306, 307.1, and 313 that are identified as being strictly administrative in nature, may have any significant effects on the environment, and is therefore, exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule; and

**WHEREAS**, the SCAQMD Governing Board finds and determines that the proposed amendments to Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315 reflect fee updates and new fees, and the administrative amendments to Rules 301, 304, 304.1, 306, 307.1, and 313 also involve fees charged by the SCAQMD, such that all of the amendments are statutorily exempt from CEQA requirements pursuant to CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, because the proposed amendments involve charges by a public agency for the purpose of meeting operating expenses; and

**WHEREAS**, the SCAQMD staff has prepared a Notice of Exemption for Proposed Amended Regulation III, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315, that was completed in compliance with CEQA Guidelines Section 15062 – Notice of Exemption; and

**WHEREAS**, Proposed Amended Regulation III, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315, and supporting documentation, including the Notice of Exemption, were presented to the SCAQMD Governing Board and the SCAQMD Governing Board has reviewed and considered the entirety of this information, considered staff testimony and public comment prior to approving the project; and

**WHEREAS**, the SCAQMD Governing Board finds and determines, taking into consideration the factors in Section (d)(4)(D) of the Governing Board Procedures (codified as Section 30.5(4)(D)(i) of the Administrative Code), that the modifications to Proposed Amended Regulation III - Fees since the notice of public hearing was published are not so substantial as to significantly affect the meaning of the proposed amended rules within the meaning of Health and Safety Code Section 40726 because: (a) the changes do not impact emission reductions, (b) the changes do not affect the number or type of sources regulated by the rules, (c) the changes are consistent with the information contained in the notice of public hearing, and (d) the consideration of the range of CEQA alternatives is not applicable because Proposed Amended Regulation III is exempt from CEQA; and

**WHEREAS**, Proposed Amended Regulation III, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315, is not a control measure in the 2016 Air Quality Management Plan (AQMP) and was not ranked by cost-effectiveness relative to other AQMP control measures in the 2016 AQMP; and

**WHEREAS**, Proposed Amended Regulation III, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315, will not be submitted for inclusion into the State Implementation Plan; and

**WHEREAS**, California Health and Safety Code Section 40727 requires that prior to adopting, amending or repealing a rule or regulation, the SCAQMD Governing Board shall make findings of necessity, authority, clarity, consistency, non-duplication, and reference based on relevant information presented at the public hearing and in the staff report; and

**WHEREAS**, the SCAQMD Governing Board has determined that in order to add rule clarity and to recover reasonable and actual costs incurred by SCAQMD in meeting requirements of recently adopted rules and state mandates and implementing necessary clean air programs, a need exists to amend Regulation III – Fees, including Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315, to fund the Proposed Budget in Fiscal Year 2018-2019 and thereafter; and

**WHEREAS**, California Health and Safety Code Section 40510.5(a) requires the SCAQMD Governing Board to find that an increased fee will result in an equitable apportionment of fees when increasing fees beyond the Consumer Price Index (CPI). Based on relevant information presented at the public hearing and in the staff report, the proposed new fees and proposed increases in fee rates beyond the CPI in Proposed Amended Rules 301, 306, and Rule 307.1 are found to be equitably apportioned because such fees are necessary to better align program costs

and revenues, are based on the reasonable costs to SCAQMD, and are reasonably related to the benefits received and burdens imposed by the fee payors; and

**WHEREAS**, the SCAQMD Governing Board obtains its authority to adopt, amend, or repeal rules and regulations from California Health and Safety Code Sections 40000, 40001, 40440, 40500, 40500.1, 40502, 40506, 40510, 40510.5, 40511, 40522, 40522.5, 40523, 40701.5, 40702, 41512, and 44380, and Clean Air Act section 502(b)(3) [42 U.S.C. §7661(b)(3)]; and

**WHEREAS**, the SCAQMD Governing Board has determined that Proposed Amended Regulation III – Fees, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315, is written or displayed so that their meaning can be easily understood by the persons directly affected by them; and

**WHEREAS**, the SCAQMD Governing Board has determined that Proposed Amended Regulation III – Fees, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315, is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations; and

**WHEREAS**, the SCAQMD Governing Board has determined that Proposed Amended Regulation III – Fees, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315, does not impose the same requirements as any existing state or federal regulation and are necessary and proper to execute the power and duties granted to, and imposed upon, the SCAQMD; and

**WHEREAS**, the SCAQMD Governing Board, in amending Regulation III – Fees, references the following statutes which the SCAQMD hereby implements, interprets, or makes specific: California Health and Safety Code Sections 40500, 40500.1, 40502, 40506, 40510, 40510.5, 40511, 40522, 40522.5, 40523, 41512, and 44380, and Clean Air Act Section 502(b)(3) [42 U.S.C §7661(b)(3)]; and

**WHEREAS**, a public hearing has been properly noticed in accordance with all provisions of California Health and Safety Code Section 40725; and

**WHEREAS**, the SCAQMD Governing Board has held a public hearing in accordance with all provisions of law; and

**WHEREAS**, the SCAQMD Governing Board has determined that California Health and Safety Code Section 40920.6 is not applicable to Proposed Amended Regulation III – Fees, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315, since the rules in Regulation III – Fees are not Best Available Retrofit Control Technology rules and do not regulate air contaminants; and

**WHEREAS**, the SCAQMD Governing Board specifies the Planning and Rules Manager overseeing the rule development for Proposed Amended Regulation III – Fees, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315, as the custodian of the documents or other materials which constitute the record of proceedings upon which the adoption of this proposed project is based, which are located at the SCAQMD, 21865 Copley Drive, Diamond Bar, California.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, that the SCAQMD Governing Board does hereby determine, pursuant to the authority granted by law, that Proposed Amended Regulation III – Fees, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315, is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule and CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges. This information was presented to the SCAQMD Governing Board, whose members reviewed, considered and approved the information therein prior to acting on Proposed Amended Regulation III – Fees, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315; and

**BE IT FURTHER RESOLVED**, that the SCAQMD Governing Board finds that Proposed Amended Regulation III – Fees, which includes Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315, establishes fees charged for the purposes of meeting operating expenses, which are necessary to recover reasonable and actual costs incurred by SCAQMD in meeting requirements of recently adopted rules and state mandates and implementing necessary clean air programs; and the SCAQMD Governing Board hereby incorporates by reference the proposed Fiscal Year 2018-2019 Budget and Fiscal Year 2019-2020 budget forecast as setting forth the bases for these findings; and

**BE IT FURTHER RESOLVED**, that the SCAQMD Governing Board finds, based on the evidence in the rule making record, that the increases in fees that exceed the CPI for Fiscal Year 2018-2019 and thereafter are necessary to recover reasonable and actual costs incurred by SCAQMD in meeting requirements of recently adopted rules and state mandates and implementing necessary clean air programs and are equitably apportioned; and the Governing Board hereby

incorporates by reference the explanation in the accompanying staff report, Section III, as setting forth the bases for these findings; and

**BE IT FURTHER RESOLVED**, that the SCAQMD Governing Board does hereby approve the Socioeconomic Impact Assessment for Rule 320 – Automatic Adjustment Based on Consumer Price Index for Regulation III Fees and the Socioeconomic Impact Assessment for Proposed Amended Regulation III – Fees; and

**BE IT FURTHER RESOLVED**, that the SCAQMD Governing Board does hereby amend, pursuant to the authority granted by law, Regulation III – Fees, including Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315, as set forth in the attached, and incorporated herein by reference.

DATE: \_\_\_\_\_

\_\_\_\_\_  
CLERK OF THE BOARDS



## ATTACHMENTS G1-G12

### PROPOSED AMENDED REGULATION III – FEES

Attachment	Rule	CPI Update	Proposed Amendments with Fee Impacts	Proposed Amendments with No Fee Impacts and/or Administrative Changes
G1	Proposed Amended Rule 301 – Permitting And Associated Fees	✓	✓	✓
G2	Proposed Amended Rule 303 – Hearing Board Fees	✓		
G3	Proposed Amended Rule 304 – Equipment, Materials, and Ambient Air Analyses	✓		✓
G4	Proposed Amended Rule 304.1 – Analyses Fees	✓		✓
G5	Proposed Amended Rule 306 – Plan Fees	✓	✓	✓
G6	Proposed Amended Rule 307.1 – Alternative Fees for Air Toxics Emissions Inventory	✓	✓	✓
G7	Proposed Amended Rule 308 – On-Road Motor Vehicle Mitigation Options Fees	✓		
G8	Proposed Amended Rule 309 – Fees for Regulation XVI and Regulation XXV	✓		
G9	Proposed Amended Rule 311 - Air Quality Investment Program (AQIP) Fees	✓		
G10	Proposed Amended Rule 313 - Authority to Adjust Fees and Due Dates	✓		✓
G11	Proposed Amended Rule 314 – Fees for Architectural Coatings	✓		
G12	Proposed Amended Rule 315 - Fees for Training Classes and License Renewal	✓		

## ATTACHMENT G1

(Adopted Feb. 4, 1977)(Amended May 27, 1977)(Amended Jan. 6, 1978)  
(Amended June 16, 1978)(Amended April 4, 1980)(Amended Sept. 5, 1980)  
(Amended June 5, 1981)(Amended July 9, 1982)(Amended Dec. 3, 1982)  
(Amended June 3, 1983)(Amended May 4, 1984)(Amended July 6, 1984)  
(Amended Nov. 2, 1984)(Amended Dec. 6, 1985)(Amended May 1, 1987)  
(Amended June 3, 1988)(Amended December 2, 1988)(Amended January 6, 1989)  
(Amended June 2, 1989)(Amended June 1, 1990)(Amended June 7, 1991)  
(Amended December 6, 1991)(Amended June 5, 1992)(Amended July 10, 1992)  
(Amended June 11, 1993)(Amended October 8, 1993)(Amended June 10, 1994)  
(Amended May 12, 1995)(Amended October 13, 1995)(Amended May 10, 1996)  
(Amended May 9, 1997)(Amended May 8, 1998)(Amended June 12, 1998)  
(Amended May 14, 1999)(Amended May 19, 2000)(Amended May 11, 2001)  
(Amended May 3, 2002)(Amended June 6, 2003)(Amended July 9, 2004)  
(Amended June 3, 2005)(Amended June 9, 2006)(Amended May 4, 2007)  
(Amended May 2, 2008)(Amended June 5, 2009)(Amended May 7, 2010)  
(Amended May 6, 2011)(Updated July 1, 2012)(Updated July 1, 2013)  
(Amended June 6, 2014)(Amended May 1, 2015)(Updated July 1, 2016)  
(Amended June 2, 2017)(Amended January 5, 2018)  
(Proposed Amended Rule May 4, 2018)

**Proposed Effective Date January 5, July 1, 2018**

### **PROPOSED AMENDED RULE 301. PERMITTING AND ASSOCIATED FEES**

(a) Applicability

California Health and Safety Code Section 40510 provides authority for the South Coast Air Quality Management District to adopt a fee schedule for the issuance of permits to cover the cost of evaluation, planning, inspection, and monitoring related to that activity. This rule establishes such a fee schedule and requires that fees be paid for:

- (1) Permit processing for Facility Permits [see subdivisions (l), (m), and (n)], Facility Registrations [see subdivision (t)], and Permits to Construct and/or Permits to Operate equipment (submitted pursuant to Regulation II) that may cause air pollution or equipment intended to control air pollution [see subdivision (c)].
- (2) Processing of applications for banking emission reduction credits; change of title of emissions reduction credits; alteration/modification of emission reduction credits; retirement of short term emission reduction credits for transfer into Rule 2202; and the transfer of ERCs out of Rule 2202 pursuant to Rule 2202 (h)(4); or conversion of emissions reduction credits, mobile source credits, or area source credits to short term emission reduction credits, pursuant to Regulation XIII [see paragraphs (c)(4) and (c)(5)].

- (3) Annual operating permit renewal fee [see subdivision (d)].
- (4) Annual operating permit emissions fee [see subdivision (e)] or Regional Clean Air Incentives Market (RECLAIM) Trading Credits (RTCs) [see subdivision (l)].
- (5) Duplicate and reissued permits [see subdivision (f)].
- (6) Reinstating expired applications or permits [see subdivision (g)].
- (7) Reinstating revoked permits [see subdivision (h)].
- (8) RECLAIM Transaction Registration Fee [see subdivision (l)].
- (9) Non-Tradeable Allocation Credit Mitigation Fee [see subdivision (l)].
- (10) Environmental Impact Analysis, Air Quality Analysis, Health Risk Assessment, Public Notification for Projects and Emission Reduction Credits (pursuant to Regulation XIII - New Source Review) [see paragraph (c)(4) and subdivision (j) of this rule].
- (11) Asbestos demolition and renovation activities [see subdivision (o)].
- (12) Lead abatement activities [see subdivision (p)].
- (13) Evaluation of permit applications submitted for compliance under a National Emission Standard for Hazardous Air Pollutants (NESHAP) [see subdivision (q)].
- (14) Certification of Clean Air Solvents [see subdivision (r)].

(b) Definitions

For the purpose of this rule, the following definitions shall apply:

- (1) ALTERATION or MODIFICATION means any physical change, change in method of operation of, or addition to, existing equipment requiring an application for Permit to Construct pursuant to Rule 201. Routine maintenance and/or repair shall not be considered a physical change. A change in the method of operation of equipment, unless previously limited by an enforceable permit condition, shall not include:
  - (A) An increase in the production rate, unless such increase will cause the maximum design capacity of the equipment to be exceeded; or
  - (B) An increase in the hours of operation.
- (2) ALTERNATIVE OPERATING CONDITION is an order established by the Hearing Board pursuant to subdivision (e) of this rule which, if recognized by the United States Environmental Protection Agency, authorizes a source to be operated in a specified manner that would otherwise not comply with an applicable requirement of the State

Implementation Plan or a permit term or condition based on any such applicable requirement.

- (3) BANKING means the process of recognizing and certifying emission reductions and registering transactions involving emission reduction credits.
- (4) CANCELLATION is an administrative action taken by the District which nullifies or voids a previously pending application for a permit.
- (5) CERTIFIED EQUIPMENT PERMIT means a permit issued to a manufacturer or distributor for a specific model or series of models of equipment. By this permit, the District certifies that the equipment meets all District rules and Best Available Control Technology (BACT) requirements under a set of conditions. Eligibility for the certification process shall be limited to equipment for which the following conditions exist, as determined by the Executive Officer:
  - (A) Equipment operation and emission characteristics will be applicable to a number of identical pieces of equipment;
  - (B) Permitting can be accomplished through the use of identical permit conditions for each piece of equipment regardless of use or location;
  - (C) The equipment is exempt from emission offsets as defined in Rule 1304(a)(4) or Rule 1304(a)(5); or the emissions of each criteria pollutant, except lead, are determined to be less than the limits listed in Rule 1303, Appendix A, Table A-1; and
  - (D) The equipment does not emit lead or the toxic emissions do not result in a Maximum Individual Cancer Risk (MICR) equal to or greater than one in a million as calculated according to Rule 1401.Certified Equipment Permit shall be valid for one year, and shall be renewed annually if the Executive Officer determines the equipment meets all District rules and BACT requirements. Certification shall not relieve the person constructing, installing or operating the equipment from the requirement to obtain all necessary permits to construct and permits to operate, or from compliance with any other District rule including the requirements of Regulation XIII.
- (6) CHANGE OF CONDITION means a change of a current permit condition that will not result in an emission increase. Any request for a Change in Condition to a previously enforceable permit condition that will result in a emission increase subject to the New Source Review Rules in Regulation

XIII, XIV, or XX will be considered a change in the method of operation and processed as an Alteration or Modification.

- (7) CLEAN AIR SOLVENT is as defined in Rule 102 as “Clean Air Solvent”.
- (8) CLEAN AIR SOLVENT CERTIFICATE is as defined in Rule 102 as “Clean Air Solvent Certificate”.
- (9) CONFINED ANIMAL FACILITY (CAF) means a source or group of sources of air pollution at an agricultural source for the raising of 3,360 or more fowl or 50 or more animals, including but not limited to, any structure, building, installation, farm, corral, coop, feed storage area, milking parlor, or system for the collection, storage, or distribution of solid and liquid manure; if domesticated animals, including but not limited to, cattle, calves, horses, sheep, goats, swine, rabbits, chickens, turkeys, or ducks corralled, penned, or otherwise caused to remain in restricted areas for commercial agricultural purposes and feeding is by means other than grazing.
- (10) CONTINUOUS EMISSIONS MONITORING SYSTEM (CEMS) is a system comprised of components that continuously measure all parameters necessary to determine pollutant concentration or pollutant mass emissions, pursuant to a District rule or regulation.
  - (A) For the purpose of this rule, a CEMS includes, but is not limited to, the following analyzers, monitors, components, systems, or equipment:
    - (i) Pollutant concentration analyzer(s) (e.g., NO<sub>x</sub>, SO<sub>x</sub>, CO, Total Sulfur) and associated sample collection, transport, and conditioning equipment, and data acquisition and logging systems,
    - (ii) Diluent gas analyzer (O<sub>2</sub> or CO<sub>2</sub>),
    - (iii) Flow monitor (direct in-stack measurement or indirectly calculated from fuel usage or other process parameters approved by the Executive Officer), and
    - (iv) Other equipment (e.g., moisture monitor) as required to comply with monitoring requirements.
  - (B) For the purpose of this rule, a “time-shared CEMS” means a CEMS as described in paragraph (j)(5) which is common to several sources of emissions at the same facility.
  - (C) For the purpose of this rule, a “Fuel Sulfur Monitoring System” or “FSMS” may be used as an alternative to a CEMS SO<sub>x</sub> monitoring requirement, subject to District Rules and Regulations, and the

approval of the Executive Officer. An FSMS is a total sulfur monitoring system configured similar to the CEMS described in paragraph (Jj)(5) but, as an alternative to directly monitoring SOx emissions at sources required to have SOx CEMS (at the same facility), SOx emission information at each affected source is determined “indirectly” by monitoring the sulfur content of the fuel gas supply firing the affected sources.

- (D) For the purpose of this rule, an “Alternative Continuous Emissions Monitoring System” or “ACEMS” (also known as a “Predictive or Parametric Emissions Monitoring System” or “PEMS”) may be used as an alternative to a CEMS pollutant monitoring requirement, subject to District Rules and Regulations, and the approval of the Executive Officer. Instead of directly monitoring the pollutant emissions at a source required to have a CEMS as in paragraph (Jj)(5), emission information is “predicted” by the ACEMS or PEMS by monitoring key equipment operating parameters (e.g., temperature, pressure) at the affected source, irrespective of exhaust gas or fuel supply analysis.
- (11) EMISSION FACTOR means the amount of air contaminant emitted per unit of time or per unit of material handled, processed, produced, or burned.
- (12) EMISSION REDUCTION CREDIT (ERC) means the amount of emissions reduction which is verified and determined by the Executive Officer to be eligible for credit in an emissions reduction bank.
- (13) EMISSION SOURCE is any equipment or process subject to Rule 222. The source does not require a permit, but the owner/operator is required to file information pursuant to Rule 222 and Rule 301(t).
- (14) EQUIPMENT means any article, machine, or other contrivance, or combination thereof, which may cause the issuance or control the issuance of air contaminants, and which:
  - (A) Requires a permit pursuant to Rules 201 and/or 203; or
  - (B) Is in operation pursuant to the provisions of Rule 219
- (15) EXPIRATION means the end of the period of validity for an application, Permit to Operate, or a temporary Permit to Operate.
- (16) FACILITY means any source, equipment, or grouping of equipment or sources, or other air contaminant-emitting activities which are located on one or more contiguous properties within the District, in actual physical contact or separated solely by a public roadway or other public right-of-

way, and are owned or operated by the same person (or persons under common control) or an outer continental shelf (OCS) source as defined in 40 CFR § 55.2. Such above-described groupings, if on noncontiguous properties but connected only by land carrying a pipeline, shall not be considered one facility. Equipment or installations involved in crude oil and gas production in Southern California coastal or OCS waters, and transport of such crude oil and gas in Southern California coastal or OCS waters, shall be included in the same facility which is under the same ownership or use entitlement as the crude oil and gas facility on-shore.

- (17) FACILITY PERMIT is a permit which consolidates existing equipment permits and all new equipment at a facility, into one permit. A facility permit may be issued pursuant to Regulation XX and/or XXX.
- (18) FACILITY REGISTRATION is a permit which consolidates existing equipment permits and all new equipment at a facility into one permit. A Facility Registration may be issued at District discretion to any facility not subject to Regulation XX or XXX.
- (19) GREENHOUSE GAS or “GHG” means carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), sulfur hexafluoride (SF<sub>6</sub>), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs).
- (20) IDENTICAL EQUIPMENT means any equipment which is to be operated by the same operator, and have the same equipment address, and have the same operating conditions and processing material to the extent that a single permit evaluation would be required for the set of equipment. Portable equipment, while not operating at the same location, may qualify as identical equipment.
- (21) NON-ROAD ENGINE is a portable engine that requires a permit and is certified by the Executive Officer to be a Non-Road Engine regulated by U.S. EPA pursuant to 40 CFR Part 89.
- (22) PREMISES means one parcel of land or contiguous parcels of land under the same ownership or entitlement to use, not including the parcels which are remotely located and connected only by land carrying a pipeline.
- (23) QUALIFYING PORTABLE ENGINE is a portable engine that requires a permit and is certified by the Executive Officer to meet all the requirements of Non-Road Engine of 40 CFR Part 89 except date of manufacture, and has been demonstrated to meet the emission limitations of 40 CFR Section 89.112-96.

- (24) RECLAIM TRADING CREDITS (RTCs) means the amount of emissions credit available to a facility for use at the facility for transfer or sale to another party. Each RTC has a denomination of one pound of RECLAIM pollutant and a term of one year, and can be issued as part of a facility's Annual Allocation or alternatively in the form of an RTC certificate.
- (25) REGISTRATION PERMIT means a permit to construct or permit to operate issued to an owner/operator of equipment which has previously been issued a Certified Equipment Permit by the District. The owner/operator shall agree to operate under the conditions specified in the Certified Equipment Permit.
- (26) RELOCATION means the removal of an existing source from one parcel of land in the District and installation on another parcel of land where the two parcels are not in actual physical contact and are not separated solely by a public roadway or other public right-of-way.
- (27) REVOCATION is an action taken by the Hearing Board following a petition by the Executive Officer which invalidates a Permit to Construct or a Permit to Operate.
- (28) SMALL BUSINESS is as defined in Rule 102 as "Small Business."
- (29) SPECIFIC ORGANIC GASES are any of the following compounds:
  - trifluoromethane (HFC-23)
  - chlorodifluoromethane (HCFC-22)
  - dichlorotrifluoroethane (HCFC-123)
  - tetrafluoroethane (HFC-134a)
  - dichlorofluoroethane (HCFC-141b)
  - chlorodifluoroethane (HCFC-142b)
  - 1,1,1-trifluoroethane (HFC-143a)
  - 1,1-difluoroethane (HFC-152a)
  - cyclic, branched, or linear, completely fluorinated alkanes
  - cyclic, branched, or linear, completely fluorinated ethers with no unsaturations
  - cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations
  - sulfur-containing perfluorocarbons with no unsaturations and with sulfur bonds only to carbon and fluorine.
- (30) SOURCE means any grouping of equipment or other air contaminant-emitting activities which are located on parcels of land within the District, in actual physical contact or separated solely by a public roadway or other



public right-of-way, and are owned or operated by the same person or by persons under common control. Such above-described groupings, if remotely located and connected only by land carrying a pipeline, shall not be considered one stationary source. (Under RECLAIM, a SOURCE is any individual unit, piece of equipment or process which may emit an air contaminant and which is identified, or required to be identified, in the RECLAIM Facility Permit).

- (31) STREAMLINED STANDARD PERMIT means a permit issued for certain types of equipment or processes commonly permitted by SCAQMD with pre-set levels of controls and emissions. The operating conditions and other qualifying criteria are pre-determined by the SCAQMD and provided to the permit applicant in the permit application package for concurrence.
- (32) STATEWIDE EQUIPMENT is equipment with a valid registration certificate issued by CARB for the Statewide Portable Equipment Registration Program.
- (33) TEMPORARY PERMIT TO OPERATE represents interim authorization to operate equipment until the Permit to Operate is granted or denied. A temporary Permit to Operate is not issued by the District but may exist pursuant to Rule 202.

(c) Fees for Permit Processing

(1) Permit Processing Fee

(A) Permit Processing Fee Applicability

Except as otherwise provided in this rule, every applicant who files an application for a Permit to Construct, Permit to Operate, Facility Permit, court judgments in favor of the District and administrative civil penalties or a revision to a Facility Permit, shall, at the time of filing, pay all delinquent fees associated with the facility and shall pay a permit processing fee.

- (i) Except as otherwise provided in this paragraph, the permit processing fee shall be determined in accordance with the schedules (set forth in ~~the Summary Permit Fee Rates~~ Tables FEE RATE-A) at the time the application is deemed complete.
- (ii) A person applying for permits for relocation of equipment shall pay fees in accordance with the schedules set forth in ~~the Summary Permit Fee Rates~~ Tables FEE RATE-A at the

time the application is deemed complete. All fees due, within the past 3 years, from the previous facility for equipment for which a Change of Location application is filed, and all facility-specific fees (such as “Hot Spots” fees), must be paid before the Change of Location application is accepted.

(iii) A person applying for permits for any equipment/process not otherwise listed in Table IA or Table IB shall pay the fees associated with Schedule C. Prior to the issuance of a permit, these fees are subject to adjustment, as necessary.

~~(iv) For applications submitted prior to July 1, 1990, the applicant shall pay a permit processing fee as specified in the Summary Permit Fee Rates tables, less any previously paid filing fees not to exceed the amount due. These fees are due and payable within thirty (30) days of receipt of notification.~~

~~(v)~~(iv) In the event a Permit to Construct expires under the provisions of Rule 205, and the applicable rules, regulations, and BACT for that particular piece of equipment have not been amended since the original evaluation was performed, the permit processing fee for a subsequent application for a similar equipment shall be the fee established in the Summary Permit Fee Rates - Change of Operator table according to the applicable schedule under the Change of Operator category, provided the subsequent application is submitted within one (1) year from the date of expiration of either the Permit to Construct, or an approved extension of the Permit to Construct.

**(B) Notice of Amount Due and Effect of Nonpayment**

For fees due upon notification, such notice may be given by personal service or by deposit, postpaid, in the United States mail and shall be due thirty (30) days from the date of personal service or mailing. For the purpose of this subparagraph, the fee payment will be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or the state

holiday with the same effect as if it had been postmarked on the expiration date. Nonpayment of the fee within this period of time will result in expiration of the application and voiding of the Permit to Construct or Permit to Operate. No further applications will be accepted from the applicant until such time as overdue permit processing fees have been fully paid. If an application is canceled, a permit processing fee will be charged if evaluation of the application has been initiated.

~~(C) — Payment for Permit Processing of Equipment Already Constructed~~  
~~In the case of application for a Permit to Operate equipment already constructed, or where a Permit to Construct was granted prior to August 1, 1982, the applicant shall pay the permit processing fee within thirty (30) days of receipt of notification. In the case where a portion of the permit evaluation fee was paid when a Permit to Construct was granted, the amount paid shall be credited to the amount due for permit processing in accordance with the Summary Permit Fee Rates tables, and shall be due within thirty (30) days of receipt of notification. In both cases, payment shall be as specified in subparagraph (c)(1)(B) of this rule. If, at the time the Permit to Operate is granted or denied, it is determined that any annual operating permit fee as provided in subdivision (d) of this rule had been based on incorrect information, the applicant will be billed for or credited with the difference, as appropriate.~~

~~(D)(C)~~ Higher Fee for Failing to Obtain a Permit

- (i) When equipment is operated, built, erected, installed, altered, or replaced (except for replacement with identical equipment) without the owner/operator first obtaining a required Permit to Construct or Permit to Operate, the permit processing fee shall be 150 percent (150%) of the amount set forth in ~~the Summary Permit Fee Rates tTables~~ FEE RATE-A of this rule unless the applicant is a Small Business as defined in this provision and the facility has no prior permit applications, Permit to Construct or Permit to Operate (as evidenced by a facility identification number) with the District in which case the permit processing fee shall be the amount set forth in ~~the Summary Permit Fee Rates tTables~~ FEE RATE-A of this rule. If a facility has been issued a

Notice of Violation (NOV), there shall be no waiver of the higher fee. The applicant shall also remit annual operating fees for the source for a full three (3) years, or the actual years of operation if less than three (3) years. The assessment of such fee shall not limit the District's right to pursue any other remedy provided for by law. Fees are due and payable within thirty (30) days of receipt of notification. [See subparagraph (c)(2)(B).] However, the higher fee shall be waived if the application is being submitted for equipment that was previously permitted (issued either a Permit to Construct or a Permit to Operate) but had expired due to non-payment of fees, provided the application is submitted within one (1) year of the expiration date, and that permit is reinstatable under subdivision (g) of this rule.

(ii) For purposes of assessing a higher fee for failing to obtain a permit only, small business shall be defined as a business which is independently owned and operated and not an affiliate of a non-small business entity and meets the following criteria:

(A) If a non-manufacturer, the number of employees is 25 or less and the total gross annual receipts are \$1,000,000 or less; or

(B) If a manufacturer, the number of employees is 50 or less and the total gross annual receipts are \$5,000,000 or less, or

(C) Is a not-for-profit training center.

(iii) This clause shall apply to applications for a Permit to Operate for equipment already constructed without first obtaining a required Permit to Construct. If, at the time the Permit to Operate is granted or denied, it is determined that any annual operating permit fee as provided in subdivision (d) of this rule had been based on incorrect information, the applicant will be billed for or credited with the difference, as appropriate.

~~(E)~~(D) Small Business

When applications are filed in accordance with the provisions of subparagraphs (c)(1)(A), (c)(1)(~~HG~~)(i), (c)(1)(~~DC~~) or paragraph

(c)(3) for a Small Business as defined in Rule 102 – Definition of Terms, the fees assessed shall be fifty percent (50%) of the amount set forth in ~~the Summary Permit Fee Rates—Permit Processing, Change of Conditions, Alteration/Modifications~~ Table FEE RATE-A and in the Summary of ERC Processing Rates, Banking, Change of Title, Alteration/Modification, Conversion to Short Term Credits, Re-Issuance of Short Term Credits, Retirement of Short Term Credits for Transfer Into Rule 2202, and Transfer of ERCs Out of Rule 2202 table.

~~(F)~~(E) Fees for Permit Processing for Identical Equipment and Processing of Applications for Short Term Emission Reduction Credits

When applications are submitted in accordance with the provisions of subparagraphs (c)(1)(A), (c)(1)~~(DC)~~, (c)(1)~~(ED)~~, (c)(1)~~(H)~~, paragraphs (c)(3) or (c)(4) concurrently for identical equipment, or for change of title or alteration/modification of short term emission reduction credits, full fees for the first application, and fifty percent (50%) of the applicable processing fee for each additional application shall be assessed. The provisions of this subparagraph do not apply to Certified Equipment Permits, Registration Permits, and the exceptions mentioned in subparagraphs (c)(3)(A), (c)(3)(B), and (c)(3)(C). ~~—This subparagraph shall, upon request of the applicant, apply to applications which have been received before July 1, 1996, but not yet been processed or which have not received final determination regarding applicable permit processing fees.~~

~~(G)~~(F) Discounts for Small Business and Identical Equipment

Applications qualifying with the provisions of both subparagraph (c)(1)~~(ED)~~ and (c)(1)~~(FE)~~ shall only be entitled to one fee discount equivalent to the maximum discount afforded under either subparagraph.

~~(H)~~(G) Fees for Permit Processing for Certified Equipment Permits and Registration Permits

- (i) Persons applying for a Certified Equipment Permit shall pay a one-time permit processing fee for each application. The fee shall be determined in accordance with ~~the Summary Permit Fee Rates~~ Tables FEE RATE-A of this rule. No annual operating permit renewal fee shall be charged.

- (ii) A permit processing fee equal to 50% of Schedule A Permit Processing Fee of ~~the Summary Permit Fee Rates~~ Table FEE RATE-A shall be assessed to a person applying for a Change of Operator for a Certified Equipment Permit.
- (iii) A permit processing fee equal to 50% of Schedule A Permit Processing Fee of ~~the Summary Permit Fee Rates~~ Table FEE RATE-A shall be charged to a person applying for a Registration Permit to Construct and Permit to Operate for certified equipment. Annual operating permit renewal fees shall be paid pursuant to subdivision (d).
- (iv) When certified equipment is built, erected, installed, or replaced (except for identical replacement) without the owner/operator obtaining a required Rule 201 Permit to Construct, the permit processing fee assessed shall be 150 percent (150%) of the amount set forth in subparagraph (c)(1)(~~HG~~)(iii) of Rule 301.

~~(H)~~(H) Applications Submitted for Equipment Previously Exempted by Rule 219

When applications for equipment are submitted within one year after the adoption of the most recent amendment to Rule 219 and are filed in accordance with the provisions of subparagraphs (c)(1)(A), (c)(1)(~~FE~~), paragraphs (c)(2), or (c)(3) and require a permit, solely due to the most recent amendments to Rule 219, the permit processing fees assessed shall be in accordance with Schedule A of Table FEE RATE-A.

~~(J)~~(I) Standard Streamlined Permits

The Streamlined Standard Permit application processing fee shall be ~~\$865.01 for FY 2017-18 and \$899.61~~930.20 for FY 2018-19 and thereafter, except that the fee shall not exceed the applicable permit processing fee including small business discount if applicable. There shall be no small business discount on the basic fee of ~~\$865.01 for FY 2017-18 and \$899.61~~930.20 for FY 2018-19 and thereafter. Applications submitted for existing equipment which is operating and qualifies for a Streamlined Standard Permit shall be assessed an application processing fee in accordance with the provisions of subparagraph 301(c)(1)(~~DC~~). Standard Streamlined Permits may be

issued for the following equipment or processes: Replacement dry-cleaning equipment and Lithographic printing equipment.

(2) Fee for Change of Operator or Additional Operator

Under Rule 209 (Transfer and Voiding of Permits), a permit granted by the District is not transferable. Every applicant who files an application for a change of operator or additional operator with the same operating conditions of a Permit to Operate shall be subject to a permit processing fee as follows:

(A) The permit processing fee shall be as established in ~~the Summary Permit Fee Rates—Change of Operator~~ Table FEE RATE-C for equipment at one location so long as the new operator files an application for a Permit to Operate within one (1) year from the last renewal of a valid Permit to Operate and does not change the operation of the affected equipment. All fees billed from the date of application submittal that are associated with the facility for equipment for which a Change of Operator or Additional Operator application is filed, and all facility-specific fees (such as “Hot Spots” fees), must be paid before the Change of Operator or Additional Operator application is accepted. If after an application is received and SCAQMD determines that fees are due, the new operator shall pay such fees within 30 days of notification. If the fees are paid timely, the operator will not be billed for any additional fees billed to the previous operator.

(B) If an application for change of operator of a permit is not filed within one (1) year from the last annual renewal of the permit under the previous operator, the new operator shall submit an application for a new Permit to Operate, along with the permit processing fee as prescribed in subparagraph (c)(1)(A). A higher fee, as described in subparagraph (c)(1)(~~DC~~), shall apply.

(3) Change of Operating Condition, Alteration/Modification/Addition

All delinquent fees, and court judgments in favor of the District and administrative civil penalties associated with the facility must be paid before a Change of Operating Condition, Alteration/Modification/Addition application will be accepted. When an application is filed for a permit involving change of operating conditions, and/or a permit involving proposed alterations/modifications or additions resulting in a change to any existing equipment for which a Permit to Construct or a Permit to Operate

was granted and has not expired in accordance with these rules, the permit processing fee shall be the amount set forth in ~~the Summary Permit Fee Rates~~ Tables FEE RATE-A. The only exceptions to this fee shall be:

- (A) Permits that must be reissued with conditions prohibiting the use of toxic materials and for which no evaluation is required, no physical modifications of equipment are made, and the use of substitute materials does not increase Volatile Organic Compounds (VOC) by more than 0.5 pound in any one day. When an application is filed for a modification described by this exception, the permit processing fee shall be the applicable fee as shown in the table below in this subparagraph:

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$865.01</del>	<del>\$920.48</del>
FY 2018-19	<del>\$899.61</del> <u>930.20</u>	<del>\$1,018.70</del> <u>1,053.34</u>
FY 2019-20 and thereafter	<del>\$899.61</del> <u>930.20</u>	<del>\$1,127.29</del> <u>1,165.62</u>

- (B) Permits that must be reissued to reflect the permanent removal of a standby fuel supply, or to render equipment non-operational shall pay the applicable reissue permit fee as shown in the tables below in this subparagraph, as follows:

- (i) Does not result in a new source review emission adjustment:

Facility Type	Non-Title V (per equipment or reissued permit)	Title V (per equipment or reissued permit)
<del>FY 2017-18</del>	<del>\$633.40</del>	<del>\$674.02</del>
FY 2018-19	<del>\$658.73</del> <u>681.13</u>	<del>\$745.94</del> <u>771.30</u>
FY 2019-20 and thereafter	<del>\$658.73</del> <u>681.13</u>	<del>\$825.46</del> <u>853.53</u>



- (ii) Does result in a new source review emission adjustment:

Facility Type	Non-Title V (per equipment)	Title V (per equipment)
<del>FY 2017-18</del>	<del>\$1,660.65</del>	<del>\$1,767.15</del>
FY 2018-19	<del>\$1,727.07</del> <u>1,785.79</u>	<del>\$1,955.70</del> <u>2,022.19</u>
FY 2019-20 and thereafter	<del>\$1,727.07</del> <u>1,785.79</u>	<del>\$2,164.18</del> <u>2,237.76</u>

- (C) Permits reissued for an administrative change in permit description, for splitting a permit into two or more permits based on Equipment/Process listed in Table IA or IB (an application is required for each Equipment/Process) or for a change in permit conditions based on actual operating conditions and which do not require any engineering evaluation and do not cause a change in emissions, shall be charged a fee according to the following schedule:

Schedule	Non-Title V		Title V		
	<del>FY 2017-18</del>	FY 2018-19 and thereafter	<del>FY 2017-18</del>	FY 2018-19	FY 2019-20 and thereafter
A	<del>\$633.40</del>	<del>\$658.74</del> <u>681.14</u>	<del>\$674.02</del>	<del>\$745.94</del> <u>771.30</u>	<del>\$825.46</del> <u>853.53</u>
A1	<del>\$633.40</del>	<del>\$658.74</del> <u>681.14</u>	<del>\$674.02</del>	<del>\$745.94</del> <u>771.30</u>	<del>\$825.46</del> <u>853.53</u>
B	<del>\$865.01</del>	<del>\$899.61</del> <u>930.20</u>	<del>\$920.48</del>	<del>\$1,018.70</del> <u>1,053.34</u>	<del>\$1,127.29</del> <u>1,165.62</u>
B1	<del>\$865.01</del>	<del>\$899.61</del> <u>930.20</u>	<del>\$920.48</del>	<del>\$1,018.70</del> <u>1,053.34</u>	<del>\$1,127.29</del> <u>1,165.62</u>
C	<del>\$865.01</del>	<del>\$899.61</del> <u>930.20</u>	<del>\$920.48</del>	<del>\$1,018.70</del> <u>1,053.34</u>	<del>\$1,127.29</del> <u>1,165.62</u>

Schedule	Non-Title V		Title V		
	<del>FY 2017-18</del>	FY 2018-19 and thereafter	<del>FY 2017-18</del>	FY 2018-19	FY 2019-20 and thereafter
D	<del>\$865.01</del>	<del>\$899.61</del> <u>930.20</u>	<del>\$920.48</del>	<del>\$1,018.70</del> <u>1,053.34</u>	<del>\$1,127.29</del> <u>1,165.62</u>
E	<del>\$865.01</del>	<del>\$899.61</del> <u>930.20</u>	<del>\$920.48</del>	<del>\$1,018.70</del> <u>1,053.34</u>	<del>\$1,127.29</del> <u>1,165.62</u>
F	<del>\$865.01</del>	<del>\$899.61</del> <u>930.20</u>	<del>\$920.48</del>	<del>\$1,018.70</del> <u>1,053.34</u>	<del>\$1,127.29</del> <u>1,165.62</u>
G	<del>\$865.01</del>	<del>\$899.61</del> <u>930.20</u>	<del>\$920.48</del>	<del>\$1,018.70</del> <u>1,053.34</u>	<del>\$1,127.29</del> <u>1,165.62</u>
H	<del>\$865.01</del>	<del>\$899.61</del> <u>930.20</u>	<del>\$920.48</del>	<del>\$1,018.70</del> <u>1,053.34</u>	<del>\$1,127.29</del> <u>1,165.62</u>

(D) For permits reissued because of Rule 109-~~or Rule 109.1~~, which do not result in Best Available Control Technology (BACT) determination, the permit processing fee shall be 50% of the amount set forth in ~~the Summary Permit Fee Rules~~ Tables FEE RATE-A.

(4) Fee for Evaluation of Applications for Emission Reductions

Every applicant who files an application for banking of emission reduction credits; change of title of emission reduction credits; alteration/modification of emission reduction credits; or conversion of emission reduction credits, mobile source credits, or area source credits to short term emission reduction credits, as described in paragraph (a)(2) of this rule shall, at the time of filing, pay a processing fee in accordance with Schedule I in ~~the Summary Permit Fee Rates~~ Tables FEE RATE-B. Additionally, the applicant shall, if required by Rule 1310(c), either:

- (A) Pay a fee for publication of public notice, ~~as specified in Table H (B)~~ and a preparation fee as per Rule 301(ij)(4), or
- (B) Arrange publication of the public notice independent of the District option and provide to the Executive Officer a copy of the proof of publication.

(5) Fees for Retirement of Short Term Emission Reduction Credits for Transfer into Rule 2202, and for ERCs Transfer Out of Rule 2202.

Any applicant who files an application to transfer a short term emission reduction credit certificate into Rule 2202 or to transfer ERCs out of Rule 2202 pursuant to Rule 2202 – On-Road Motor Vehicle Mitigation Options shall, at the time of filing, pay the fee as listed in ~~the Summary of ERC Processing Rates, Banking, Change of Title, Alteration/Modification, Conversion to Short Term Credits, Re-Issuance of Short Term Credits, Retirement of Short Term Credits for Transfer Into Rule 2202, and Transfer of ERCs Out of Rule 2202~~ Table FEE RATE-B.

(d) Annual Operating Permit Renewal Fee

(1) Renewal of Permit to Operate

All Permits to Operate (including temporary Permits to Operate pursuant to Rule 202) for equipment on the same premises shall be renewed on the annual renewal date set by the Executive Officer. A Permit to Operate is renewable if the permit is valid according to the District's Rules and Regulations and has not been voided or revoked and if the annual operating permit fee is paid within the time and upon the notification specified in paragraph (d)(8) of this rule and if all court judgments in favor of the District and administrative civil penalties associated with the facility are paid.

(2) Annual Operating Fees

The annual operating permit renewal fee shall be assessed in accordance with the following schedules:

Equipment/Process Schedules in Tables IA and IB	Non-Title V Annual Operating Permit Renewal Fee	Title V Annual Operating Permit Renewal Fee
A1	<del>\$188.78 for FY 2017-18 and \$196.33-203.01 for FY 2018- 19 and thereafter</del>	<del>\$200.89 for FY 2017-18, \$222.32-229.88 for FY 2018- 19 and \$246.02-254.38 for FY 2019- 20 and thereafter</del>
A, B, and B1 (excluding Rule 461 liquid fuel dispensing nozzles)	<del>\$378.28 for FY 2017-18 and \$393.41-406.79 for FY 2018- 19 and thereafter</del>	<del>\$402.54 for FY 2017-18, \$445.49-460.64 for FY 2018- 19 and \$492.98-509.74 for FY 2019-20 and thereafter</del>
C and D	<del>\$1,354.85 for FY 2017-18 and \$1,409.05-1,456.96 for FY 2018-19 and thereafter</del>	<del>\$1,441.75 for FY 2017-18, \$1,595.58-1,649.83 for FY 2018-19 and 1,765.67 \$1,825.70 for FY 2019-20 and thereafter</del>
E, F, G, and H	<del>\$3,253.18 for FY 2017-18 and \$3,383.30-3,498.33 for FY 2018-19 and thereafter</del>	<del>\$3,461.82 for FY 2017-18, \$3,831.20-3,961.46 for FY 2018-19 and \$4,239.61-4,383.76 for FY 2019-20 and thereafter</del>
Rule 461 liquid fuel dispensing system	<del>\$111.83 for FY 2017-18 and \$116.31-120.26 for FY 2018- 19 and thereafter</del> per product dispensed per nozzle	<del>\$119.01 for FY 2017-18, \$131.71-136.19 for FY 2018- 19 and \$145.75-150.71 for FY 2019-20 and thereafter</del> per product dispensed per nozzle

In addition to the annual operating permit renewal fees based on equipment/process, each RECLAIM/Title V facility shall pay the additional fee of:

Title V Facility	<del>\$583.62 for FY 2017-18, \$645.89-667.85 for FY 2018-19 and \$714.74-739.04 for FY 2019-20 and thereafter per facility</del>
RECLAIM Facility	<del>\$910.09 for FY 2017-18 and \$946.49-978.67 for FY 2018-19 and thereafter per Major Device</del>
	<del>\$182.02 for FY 2017-18 and \$189.30-195.74 for FY 2018-19 and thereafter per Large Device</del>
	<del>\$182.02 for FY 2017-18 and \$189.30-195.74 for FY 2018-19 and thereafter per Process Unit Device</del>
RECLAIM and Title V Facility	RECLAIM fee + Title V fee

**(3) Credit for Solar Energy Equipment**

Any permittee required to pay an annual operating permit renewal fee shall receive an annual fee credit for any solar energy equipment installed at the site where the equipment under permit is located. Solar energy projects that receive grant funding from the Rule 1309.1 – Priority Reserve account shall not be eligible for this annual fee credit.

**(A) Computation**

The design capacity of the solar energy equipment expressed in thousands of British Thermal Units (Btu) per hour shall be used to determine the fee credit calculated at ~~\$1.94~~1.97 per 1,000 Btu.

**(B) Limitation**

The solar energy credit shall not exceed the annual operating permit renewal fee for all permits at the site where the solar energy equipment is located.

**(4) Renewal of Temporary Permit to Operate New Equipment**

A Permit to Construct, which has not expired or has not been canceled or voided, will be considered a temporary Permit to Operate on the date the applicant completes final construction and commences operation, pursuant to subdivision (a) of Rule 202. For the purposes of this paragraph, the date specified as the estimated completion date on the application for Permit to Construct will be considered the date of commencement of operation, unless the applicant notifies the District in writing that operation will commence on another date, or unless the equipment already has been placed

in operation. Such temporary Permit to Operate shall be valid for the period of time between commencement of operation and the applicant's next annual renewal date following commencement of operation and shall be subject to a prorated amount of the annual operating permit renewal fee prescribed in paragraph (d)(2). The proration shall be based on the time remaining to the next annual renewal date. On that next annual renewal date, and each year thereafter, the annual operating permit renewal fee for the temporary Permit to Operate shall be due in the amount prescribed in paragraph (d)(2).

(5) **Renewal of Temporary Permit to Operate Existing Equipment**

In the case of equipment operating under a temporary Permit to Operate issued pursuant to subdivision (c) of Rule 202, where a Permit to Construct was not issued, the company is immediately subject to a prorated amount of the annual operating permit renewal fee prescribed in paragraph (d)(2) following the submission of the completed application for Permit to Operate. The proration shall be based on the time remaining to the next annual renewal date. On that next annual renewal date, and each year thereafter, the annual operating permit renewal fee shall be due in the amount prescribed in paragraph (d)(2). If no annual renewal date has been established, the Executive Officer shall set one upon receipt of the application.

(6) **Annual Renewal Date**

If, for any reason, the Executive Officer determines it is necessary to change the annual renewal date, all annual operating permit renewal fees shall be prorated according to the new annual renewal date.

(7) **Annual Renewal Date for Change of Operator**

The same annual renewal date shall apply from one change of operator to another.

(8) **Notice of Amount Due and Effect of Nonpayment**

At least thirty (30) days before the annual renewal date, the owner/operator of equipment under permit will be notified by mail of the amount to be paid and the due date. If such notice is not received at least thirty (30) days before the annual renewal date, the owner/operator of equipment under permit shall notify the District on or before the permit renewal date that said notice was not received. The annual operating permit renewal fee for each permit shall be in the amount described in paragraph (d)(2). If the annual operating permit renewal fee is not paid within thirty (30) days after the due

date, the permit will expire and no longer be valid. In the case of a RECLAIM facility, if the individual device fee(s) are not paid, the application(s) associated with the device(s) shall expire and no longer be valid. For a Title V facility, if the Title V facility fee, which is not based on any specific equipment but applies to the whole facility, is not paid, the Title V facility permit shall expire. In such a case, the owner/operator will be notified by mail of the expiration and the consequences of operating equipment without a valid permit, as required by Rule 203 (Permit to Operate). For the purpose of this paragraph, the fee payment will be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or state holiday with the same effect as if it had been postmarked on the expiration date.

(9) Annual Operating Fees for Redundant Emission Controls

Any person holding permits to operate for two or more emission controls applicable to the same equipment who establishes that any of the emission controls is redundant, i.e., not necessary to assure compliance with all applicable legal requirements, shall not be required to pay annual operating permit renewal fees under subdivision (d) for the redundant equipment. The Executive Officer may reinstate the obligation to pay such fees at any time upon determination that operating the control is or has become necessary to assure compliance with any applicable legal requirements.

(e) Annual Operating Emissions Fee

(1) Annual Operating Emission Fee Applicability

In addition to the annual operating permit renewal fee, the owner/operator of all equipment operating under permit shall pay an annual emissions fee based on the total weight of emissions of each of the contaminants specified in Table III from all equipment used by the operator at all locations, including total weight of emissions of each of the contaminants specified in Table III resulting from all products which continue to passively emit air contaminants after they are manufactured, or processed by such equipment, with the exception of such product that is shipped or sold out of the District so long as the manufacturer submits records which will allow for the determination of emissions within the District from such products.

(2) Emissions Reporting and Fee Calculation

For the reporting period July 1, 2000 to June 30, 2001, and all preceding reporting periods, emissions from equipment not requiring a written permit pursuant to Regulation II shall be reported but not incur a fee for emissions so long as the owner/operator keeps separate records which allow the determination of emissions from such non-permitted equipment. Notwithstanding the above paragraph, for the purposes of Rule 317 – Clean Air Act Non-Attainment Fees, all major stationary sources of NOx and VOC, as defined in Rule 317, shall annually report and pay the appropriate clean air act non-attainment fees for all actual source emissions including but not limited to permitted, unpermitted, unregulated and fugitive emissions. Beginning with the reporting period of July 1, 2001 to June 30, 2002, and for subsequent reporting periods, each facility with total emissions including emissions from equipment or processes not requiring a written permit pursuant to Regulation II greater than or equal to the threshold amount of contaminants listed in paragraph (e)(5) shall report all emissions and incur an emissions fee as prescribed in Table III.

Non-permitted emissions which are not regulated by the District shall not be reported and shall be excluded from emission fees if the facility provides a demonstration that the emissions are not regulated and maintains sufficient records to allow the accurate demonstration of such non-regulated emissions.

(3) Exception for the Use of Clean Air Solvents

An owner/operator shall not pay a fee for emissions from the use of Clean Air Solvents issued a valid Certificate from the District so long as the facility submits separate records which allow the determination of annual emissions, usage, and identification of such products. A copy of the Clean Air Solvent certificate issued to the manufacturer or distributor shall be submitted with the separate records.

(4) Flat Annual Operating Emission Fee

The owner/operator of all equipment operating under at least one permit (not including certifications, registrations or plans) shall each year be assessed a flat annual emissions fee of ~~\$127.46~~131.79.

(5) Emission Fee Thresholds

Each facility with emissions greater than or equal to the threshold amount of the contaminant listed below shall be assessed a fee as prescribed in Table III.



TABLE III

Air Contaminant(s)	Annual Emissions Threshold (TPY)
Gaseous sulfur compounds (expressed as sulfur dioxide)	$\geq 4$ TPY
Total organic gases (excluding methane, exempt compounds as specified in paragraph (e)(13), and specific organic gases as specified in paragraph (b)(28))	$\geq 4$ TPY
Specific organic gases	$\geq 4$ TPY
Oxides of nitrogen (expressed as nitrogen oxide)	$\geq 4$ TPY
Total particulate matter	$\geq 4$ TPY
Carbon monoxide	$\geq 100$ TPY

## (6) Clean Fuels Fee Thresholds

Each facility emitting 250 tons or more per year ( $\geq 250$  TPY) of Volatile Organic Compounds, Nitrogen Oxides, Sulfur Oxides and Particulate Matter shall pay an annual clean fuels fee as prescribed in Table V (California Health and Safety Code Section 40512).

## (7) Fees for Toxic Air Contaminants or Ozone Depleters

Each facility emitting a toxic air contaminant or ozone depleter greater than or equal to the annual thresholds listed in Table IV shall be assessed an annual emissions fee as indicated therein. The annual emissions fee for toxic air contaminants and ozone depleters shall be based on the total weight of emissions of these contaminants associated with all equipment and processes including, but not limited to, material usage, handling, processing, loading/unloading; combustion byproducts, and fugitives (equipment/component leaks).

(A) Any dry cleaning facility that emits less than two (2) tons per year of perchloroethylene, and qualifies as a small business as defined in the general definition of Rule 102, shall be exempt from fees listed in Table IV. This provision shall be retroactive to include the July 10, 1992, rule amendment which included perchloroethylene in Table IV.

(B) Any facility that emits less than two (2) tons per year, of formaldehyde, perchloroethylene, or methylene chloride, may petition the Executive Officer, at least thirty (30) days prior to the

official submittal date of the annual emissions report as specified in paragraph (e)(10), for exemption from formaldehyde, perchloroethylene, or methylene chloride fees as listed in Table IV. Exemption from emissions fees shall be granted if the facility demonstrates that no alternatives to the use of these substances exist, no control technologies exist, and that the facility qualifies as a small business as defined in the general definition of Rule 102.

- (8) Reporting of Total Emissions from Preceding Reporting Period and Unreported or Under-reported Emissions from Prior Reporting Periods
  - (A) The owner/operator of equipment subject to paragraph (e)(1), (e)(2), (e)(5), (e)(6), and (e)(7) shall report to the Executive Officer the total emissions for the immediate preceding reporting period of each of the air contaminants concerned from all equipment. The report shall be made at the time and in the manner prescribed by the Executive Officer. The permit holder shall report the total emissions for the twelve (12) month period reporting for each air contaminant concerned from all equipment or processes, regardless of the quantities emitted.
  - (B) The Executive Officer will determine default emission factors applicable to each piece of permitted equipment or group of permitted equipment, and make them available to the owner/operator in a manner specified by the Executive Officer and provide them to the owner/operator upon request. In determining emission factors, the Executive Officer will use the best available data. A facility owner/operator can provide alternative emission factors that more accurately represent actual facility operations subject to the approval of the Executive Officer.
  - (C) A facility owner/operator shall report to the Executive Officer, in the same manner, and quantify any emissions of air contaminants in previous reporting periods which had not been reported correctly and should have been reported under the requirements in effect in the reporting period in which the emissions occurred.
- (9) Request to Amend Emissions Report and Refund of Emission Fees
  - (A) A facility owner/operator shall submit a written request (referred to as an “Amendment Request”) for any proposed revisions to previously submitted annual emissions reports. Amendment requests with no fee impact, submitted after one (1) year and seventy

five (75) days from the official due date of the subject annual emissions report shall include a non-refundable standard evaluation fee of ~~\$332.65~~343.96 for each subject facility and reporting period. Evaluation time beyond two hours shall be assessed at the rate of ~~\$166.35~~172.01 per hour and shall not exceed ten (10) hours. Amendment requests received within one year (1) and seventy five (75) days from the official due date of a previously submitted annual emissions report shall not incur any such evaluation fees. The Amendment Request shall include all supporting documentation and copies of revised applicable forms.

- (B) A facility owner/operator shall submit a written request (referred to as a “Refund Request”) to correct the previously submitted annual emissions reports and request a refund of overpaid emission fees. Refund Requests must be submitted within one (1) year and seventy five (75) days from the official due date of the subject annual emissions report to be considered valid. The Refund Request shall include all supporting documentation and copies of revised applicable forms. If the Refund Request is submitted within one (1) year and seventy five (75) days from the official due date of the subject annual emissions report, and results in no fee impact, then the facility owner/operator shall be billed for the evaluation fee pursuant to subparagraph (e)(9)(A).

(10) Notice to Pay and Late Filing Surcharge

- (A) A notice to report emissions and pay the associated emission fees will be mailed annually to the owners/operators of all equipment (as shown in District records) to which this subdivision applies. A notice to pay the semi-annual fee specified in paragraph (e)(11) will also be mailed to facilities which in the preceding reporting year emitted any air contaminant equal to or greater than the emission thresholds specified in subparagraph (e)(11)(A). Emissions reports and fee payments are the responsibility of the owner/operator regardless of whether the owner/operator was notified.

If both the fee payment and the completed emissions report are not received by the seventy-fifth (75<sup>th</sup>) day following July 1 (for semi-annual reports), or January 1 (for annual reports), they shall be considered late, and surcharges for late payment shall be imposed as set forth in subparagraph (e)(10)(B). For the purpose of this

subparagraph, the emissions fee payment and the emissions report shall be considered to be timely received by the District if it is postmarked on or before the seventy-fifth (75<sup>th</sup>) day following the official due date. If the seventy-fifth (75<sup>th</sup>) day falls on a Saturday, Sunday, or a state holiday, the fee payment and emissions report may be postmarked on the next business day following the Saturday, Sunday, or the state holiday with the same effect as if they had been postmarked on the seventy-fifth (75<sup>th</sup>) day.

- (B) If fee payment and emissions report are not received within the time prescribed by subparagraph (e)(10)(A), a surcharge shall be assessed and added to the original amount of the emission fee due according to the following schedule:

Less than 30 days	5% of reported amount
30 to 90 days	15% of reported amount
91 days to 1 year	25% of reported amount
More than 1 year	(See subparagraph (e)(10)(D))

- (C) If an emission fee is timely paid, and if, within one year after the seventy-fifth (75<sup>th</sup>) day from the official due date is determined to be less than ninety percent (90%) of the full amount that should have been paid, a fifteen percent (15%) surcharge shall be added, and is calculated based on the difference between the amount actually paid and the amount that should have been paid, to be referred to as underpayment. If payment was ninety percent (90%) or more of the correct amount due, the difference or underpayment shall be paid but with no surcharges added. The fee rate to be applied shall be the fee rate in effect for the year in which the emissions actually occurred. If the underpayment is discovered after one (1) year and seventy five (75) days from the official fee due date, fee rates and surcharges will be assessed based on subparagraph (e)(10)(D).
- (D) The fees due and payable for the emissions reported or reportable pursuant to subparagraph (e)(8)(~~DC~~) shall be assessed according to the fee rate for that contaminant specified in Tables III, IV, and V, and further increased by fifty percent (50%). The fee rate to be applied shall be the fee rate in effect for the year in which the emissions are actually reported, and not the fee rate in effect for the year the emissions actually occurred.

- (E) If one hundred twenty (120) days have elapsed since January 1st, July 1st, or as applicable, and all emission fees including any surcharge have not been paid in full, the Executive Officer may take action to revoke all Permits to Operate for equipment on the premises, as authorized in Health and Safety Code Section 42307.

(11) Semi-Annual Emissions Fee Payment

- (A) For facilities emitting the threshold amount of any contaminant listed below, the Executive Officer will estimate one half (1/2) of the previous annual emission fees and request that the permit holder pay such an amount as the first installment on annual emission fees for the current reporting period.

Air contaminant(s)	Annual emissions threshold (TPY)
Gaseous sulfur compounds (expressed as sulfur dioxide)	≥10 TPY
Total organic gases (excluding methane, exempt compounds as specified in paragraph (e)(13), and specific organic gases as specified in paragraph (b)(28))	≥10 TPY
Specific organic gases	≥10 TPY
Oxides of nitrogen (expressed as nitrogen dioxide)	≥10 TPY
Total particulate matter	≥10 TPY
Carbon monoxide	≥100 TPY

- (B) In lieu of payment of one half the estimated annual emission fees, the owner/operator may choose to report and pay on actual emissions for the first six months (January 1 through June 30). By January 1 of the year following the reporting period, the permit holder shall submit a final Annual Emission Report together with the payment of the balance; the annual emission fees less the installment previously paid. The report shall contain an itemization of emissions for the preceding twelve (12) months of the reporting period (January 1 through December 31).
- (C) An installment fee payment is considered late and is subject to a surcharge if not received within seventy five (75) days of the due date pursuant to paragraph (e)(10).

(12) Fee Payment Subject to Validation

Acceptance of a fee payment does not constitute validation of the emission data.

(13) Exempt Compounds

Emissions of acetone, ethane, methyl acetate, parachlorobenzotrifluoride (PCBTF), and volatile methylated siloxanes (VMS), shall not be subject to the requirements of Rule 301(e).

(14) Reporting Emissions and Paying Fees

For the reporting period of January 1 through December 31, emission fees shall be determined in accordance with fee rates specified in Tables III, IV and V, and paragraph (e)(2). Installment fees that have been paid for Semi-Annual Emission Fees shall not be subject to this provision.

(15) Deadline for Filing Annual Emissions Report and Fee Payment

Notwithstanding any other applicable Rule 301(e) provisions regarding the annual emissions report and emission fees, for the reporting period January 1 through December 31, the fee payment and the completed annual emissions report shall be received by the District, or postmarked, on or before the seventy-fifth (75<sup>th</sup>) day following January 1 of the subsequent year to avoid any late payment surcharges specified in subparagraph (e)(10)(B).

(16) Reporting GHG Emissions and Paying Fees

A facility that is subject to the California Air Resources Board (CARB)'s mandatory reporting of Greenhouse Gas (GHG) emissions may request District staff to review and verify the facility's GHG emissions. The fee for review and verification for each GHG emissions report shall consist of an initial submittal fee of ~~\$131.31~~\$135.77 in addition to a verification fee assessed at ~~\$135.90~~140.52 per hour or prorated portion thereof.

(f) Certified Permit Copies and Reissued Permits

A request for a certified permit copy shall be made in writing by the permittee after the destruction, loss, or defacement of a permit. A request for a permit to be reissued shall be made in writing by the permittee where there is a name or address change without a change of operator or location. The permittee shall, at the time a written request is submitted, pay the fees to cover the cost of the certified permit copy or reissued permit as follows:

(1) Certified Permit Copy

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$28.08</del>	<del>\$29.88</del>
FY 2018-19	<del>\$29.20</del> <u>30.19</u>	<del>\$33.07</del> <u>34.19</u>
FY 2019-20 and thereafter	<del>\$29.20</del> <u>30.19</u>	<del>\$36.60</del> <u>37.84</u>

(2) Reissued Permit

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$217.39</del>	<del>\$231.33</del>
FY 2018-19	<del>\$226.08</del> <u>233.77</u>	<del>\$256.01</del> <u>264.71</u>
FY 2019-20 and thereafter	<del>\$226.08</del> <u>233.77</u>	<del>\$283.30</del> <u>292.93</u>

No fee shall be assessed to reissue a permit to correct an administrative error by District staff.

(g) Reinstating Expired Applications or Permits; Surcharge

An application or a Permit to Operate which has expired due to nonpayment of fees or court judgments in favor of the District or administrative civil penalties associated with the facility may be reinstated by submitting a request for reinstatement of the application or Permit to Operate accompanied by a reinstatement surcharge and payment in full of the amount of monies due at the time the application or Permit to Operate expired. The reinstatement surcharge shall be fifty percent (50%) of the amount of fees due per equipment at the time the application or Permit to Operate expired, or the following amount, whichever is lower:

Permit Holder Per Equipment Fee	Title V Facility	Non-Title V Facility	Other Facility Type
<del>FY 2017-18</del>	<del>\$245.43</del>	<del>\$230.64</del>	<del>\$230.64</del>
FY 2018-19	<del>\$271.62</del> <u>280.86</u>	<del>\$239.87</del> <u>248.03</u>	<del>\$239.87</del> <u>248.03</u>
FY 2019-20 and thereafter	<del>\$300.57</del> <u>310.79</u>	<del>\$239.87</del> <u>248.03</u>	<del>\$239.87</del> <u>248.03</u>

Such request and payment shall be made within one (1) year of the date of expiration. An application or Permit to Operate which has expired due to nonpayment of fees shall not be reinstated if the affected equipment has been altered since the expiration of the application or Permit to Operate. If the period of expiration has exceeded one (1) year or the affected equipment has been altered, operation of the equipment shall require a new Permit to Operate and the application shall be subject to Rule 1313(b).

(h) Reinstating Revoked Permits

If a Permit to Operate is revoked for nonpayment of annual permit fees based on emissions or fees on non-permitted emissions, it may be reinstated upon payment by the permit holder of such overdue fees and accrued surcharge in accordance with (e)(~~9~~10).

(i) Clean Air Act Non-Attainment Fees

Any fees remitted to the District pursuant to Rule 317 – Clean Air Act Non-attainment Fees shall be held in escrow accounts unique to each source. Fees accrued in such escrow accounts may be used for either of the following at the discretion of the source's owner or operator.

- (1) Creditable up to the amount of fees due by the same source during the calendar year or subsequent calendar year(s) for annual emissions fees due pursuant to Rule 301(e)(2), (4), (6), (7) and (11) and annual operating permit renewal fees due pursuant to Rule 301(d)(1), (2) and (4). In no case shall the credit be greater than the fees paid; or
- (2) Use by the owner or operator for VOC and NOx reduction programs at their source that are surplus to the State Implementation Plan according to the following prioritization:
  - (A) at the source; or



- (B) use within another facility under common ownership; or
- (C) use in the community adjacent to the facility; or
- (D) other uses to reduce emissions.

Up to five percent of funds can be used by the South Coast Air Quality Management District for administrative support for items in paragraph (i)(2).

(j) **Special Permit Processing Fees - California Environmental Quality Act (CEQA) Assistance, Air Quality Analysis, Health Risk Assessment, and Public Notice for Projects**

(1) **Payment for CEQA Assistance**

(A) **CEQA Document Preparation**

When a determination is made by the Executive Officer that the District is the Lead Agency for a project, pursuant to the California Environmental Quality Act (CEQA), Public Resources Code Section 21000 et seq. and state CEQA Guidelines (14 California Code of Regulations section 15000 et seq.), the project applicant may be required to pay a review fee (based on a staff rate of ~~\$166.35~~ 172.01 per hour) when a 400-CEQA form requires the CEQA staff to review for CEQA applicability. If preparation of CEQA documentation is deemed necessary, the applicant shall pay an initial fee for the preparation of necessary CEQA documentation according to the following schedule:

Notice of Exemption (upon applicant request)	<del>\$332.69</del> <u>344.00</u>
Negative Declaration <u>(ND)</u> , <u>including Supplemental or Subsequent ND</u>	<del>\$5,016.90</del> <u>5,187.47</u>
Mitigated Negative Declaration <u>(MND)</u> , <u>including Supplemental or Subsequent MND</u>	<del>\$5,016.90</del> <u>5,187.47</u>
Environmental Impact Report (EIR), <u>including Supplemental or Subsequent EIR</u>	<del>\$6,689.15</del> <u>6,916.58</u>
<del>Supplemental or Subsequent EIR</del>	<del>\$6,689.15</del>
Addendum to EIR, <u>including Addendum to ND/MND</u>	<del>\$3,466.69</del> <u>3,584.56</u>

If the Executive Officer determines that the District's CEQA preparation costs (may include, but not limited to, mailing, noticing,

publications, et cetera) and staff time (based on the rate of ~~\$166.35~~172.01 per hour) exceed the initial fee the project applicant, upon notification from the District, shall make periodic payment of the balance due. The Executive Officer shall determine the amount and timing of such periodic payments, based upon the level of CEQA analysis and the amount of monies needed to offset the actual preparation costs.

**(B) CEQA Document Assistance**

When the District is not the Lead Agency for a project and a request is made by: another public agency; a project proponent; or any third party, for staff assistance with any of the following tasks including, but not limited to: reviewing all or portions of a CEQA document and air quality analysis protocols for emissions inventories and air dispersion modeling prior to its circulation to the public for review pursuant to Public Resources Code §21092; assisting lead agencies with developing and implementing mitigation measures, the requestor may be required to pay a fee for staff time at the rate of ~~\$166.35~~172.01 per hour. This fee shall not apply to review of CEQA documents prepared by other public agencies that are available for public review pursuant to Public Resources Code §21092 and is part of the District's intergovernmental review responsibilities under CEQA.

**(2) Payment for Air Quality Analysis**

When a determination is made by the Executive Officer that an air quality analysis of the emissions from any source is necessary to predict the extent and amount of air quality impact prior to issuance of a permit, the Executive Officer may order air quality simulation modeling by qualified District personnel. Alternatively, the Executive Officer may require (or the owner/operator of the source may elect) that modeling be performed by the owner/operator or an independent consultant.

Where modeling is performed by the owner/operator or an independent consultant, the Executive Officer may require that the results be verified by qualified District personnel. The owner/operator of the source shall provide to the Executive Officer a copy of the final modeling report including all input data, description of methods, analyses, and results. The owner/operator of the source modeled by District personnel shall pay a fee as specified in Table IIA to cover the costs of the modeling analysis. A fee,

as specified in Table IIA, shall be charged to offset the cost of District verification of modeling performed by an independent consultant.

(3) Payment for Health Risk Assessment

(A) When a determination is made by the Executive Officer that any source being evaluated for a Permit to Construct or a Permit to Operate may emit toxic or potentially toxic air contaminants, the Executive Officer may order a Health Risk Assessment be conducted by qualified District personnel or by a qualified consultant, as determined by the Executive Officer, engaged by the District under a contract. Alternatively, the Executive Officer may require (or owner/operator of the source may elect) that the assessment be performed by the owner/operator or an independent consultant engaged by the owner/operator. The Health Risk Assessment shall be performed pursuant to methods used by the California EPA's Office of Environmental Health Hazard Assessment.

(B) For a Health Risk Assessment conducted by the owner/operator of the source or the owner/operator's consultant, the Executive Officer may require that the results be verified by qualified District personnel or by a qualified consultant engaged by the District. The owner/operator of the source shall provide to the Executive Officer a copy of the final Health Risk Assessment including all input data, and description of methods, analyses, and results. The owner/operator of the source for which a Health Risk Assessment is conducted or is evaluated and verified by District personnel or consultant shall pay the fees specified in Table IIA to cover the costs of an Air Quality Analysis and Health Risk Assessment analysis, evaluation, or verification. When the Health Risk Assessment is conducted or is evaluated and verified by a consultant engaged by the District, or District personnel, the fees charged will be in addition to all other fees required.

(C) When a Health Risk Assessment is evaluated by the California EPA, pursuant to Health and Safety Code Sections 42315, 44360, 44361 or 44380.5, or by a consultant engaged by the California EPA, or when the District consults with the California EPA regarding the Health Risk Assessment, any fees charged by the California EPA to the District will be charged to the person whose Health Risk

Assessment is subject to the review, in addition to other fees required.

(4) Payment for Public Notice

An applicant shall pay the applicable fee, for preparation of any public notice as required by the rules, as shown below in this paragraph:

Public Notification Type	Non-Title V Source	Title V Source
For a project requiring notification as defined in Rule 212(c)	<del>\$1,008.50 for FY 2017-18 and \$1,048.841,084.50 for FY 2018-19 and thereafter</del>	<del>\$1,073.18 for FY 2017-18, \$1,187.691,228.07 for FY 2018-19 and \$1,314.30-1,358.99 for FY 2019-20 and thereafter</del>
For emission reduction credits (ERCs) in excess of the amounts as specified in Rule 1310(c)	<del>\$1,008.50 for FY 2017-18 and \$1,048.841,084.50 for FY 2018-19 and thereafter</del>	<del>\$1,073.18 for FY 2017-18, \$1,187.691,228.07 for FY 2018-19 and \$1,314.30-1,358.99 for FY 2019-20 and thereafter</del>
Requesting allocations from the Offset Budget or requesting the generation or use of any Short Term Credit (STCs)	<del>\$1,008.50 for FY 2017-18 and \$1,048.841,084.50 for FY 2018-19 and thereafter</del>	<del>\$1,073.18 for FY 2017-18, \$1,187.691,228.07 for FY 2018-19 and \$1,314.30-1,358.99 for FY 2019-20 and thereafter</del>
Significant revision of a Title V permit	---	<del>\$1,073.18 for FY 2017-18, \$1,187.691,228.07 for FY 2018-19 and \$1,314.30-1,358.99 for FY 2019-20 and thereafter</del>

The notice preparation fee is waived for existing dry cleaning operations at the same facility that install, modify or replace dry cleaning equipment to comply with Rule 1421 provided there is a concurrent removal from service of the perchloroethylene equipment. Eligibility includes converting from perchloroethylene to non-toxic alternative solvents, including non-toxic hydrocarbon solvents. In addition, an applicant for a project subject to the requirements of Rule 212(g) shall either:

- (A) Pay the actual cost ~~a fee, as invoiced specified in Table IIB,~~ for publication of the notice by prominent advertisement in the newspaper of general circulation in the area affected where the facility is located and for the mailing of the notice to persons identified in Rule 212(g), or
  - (B) Arrange publication of the above notice independent of the District option. This notice must be by prominent advertisement in the newspaper of general circulation in the area affected where the facility is located. Where publication is performed by the owner/operator or an independent consultant, the owner/operator of the source shall provide to the Executive Officer a copy of the proof of publication.
- (5) Payment for Review of Continuous Emissions Monitoring System (CEMS), Fuel Sulfur Monitoring System (FSMS), and Alternative Continuous Emissions Monitoring System (ACEMS)
- (A) New Application for Process Equipment Requiring CEMS or, Alternatively, an FSMS or ACEMS to Comply with the CEMS Requirement.  
  
When a determination is made by the Executive Officer that a Continuous Emissions Monitoring System (CEMS) is required in order to determine a source's compliance with a District rule or regulation, the applicant shall:
    - (i) Apply for the use of a CEMS and pay a basic processing fee as specified in Table IIB ~~C~~ at the time of filing.
    - (ii) Apply for the use of an FSMS or ACEMS in lieu of a CEMS and pay a basic processing fee as specified in Table IIB ~~C~~ at the time of filing.
  - (B) Modification of an Existing Certified CEMS, FSMS, or ACEMS  
  
If a certified CEMS, FSMS, or ACEMS is modified in a manner (excluding routine replacement or servicing of CEMS or FSMS components for preventive or periodic maintenance according to established quality assurance guidelines, or CEMS or FSMS components designated by the Executive Officer as "standardized" or direct replacement-type components) determined by the Executive Officer to compromise a source's compliance with a District rule or regulation, the applicant shall pay a processing fee

covering the evaluation of the modification and recertification, if necessary, as follows:

- (i) If one or more CEMS or FSMS components (excluding additional pollutant monitors) are replaced, modified, or added, the applicant shall pay a minimum processing fee of ~~\$887.67~~907.51; and additional fees will be assessed at a rate of ~~\$166.35~~172.01 per hour for time spent on the evaluation in excess of 10 hours up to a maximum total fee of ~~\$5,549.80~~5738.49.
  - (ii) If one or more pollutant monitors are added to a CEMS or FSMS (and one or more of its components are concurrently replaced, modified, or added), the applicant shall pay a minimum processing fee as specified in Table IIB~~C~~, based on the number of CEMS or FSMS pollutant monitors and components added.
  - (iii) If one or more pollutant emission sources at a facility are added to an FSMS, a time-shared CEMS, or a SO<sub>x</sub> CEMS which is specifically used to “back-calculate” fuel sulfur content for these sources, the applicant shall pay a minimum processing fee as specified in Table IIB~~C~~, based on the number of CEMS or FSMS monitors and components added.
  - (iv) If one or more ACEMS (or PEMS) components are replaced, modified, or added, the applicant shall pay a minimum processing fee ~~\$877.67~~907.51; and additional fees will be assessed at a rate of ~~\$166.35~~172.01 per hour for time spent on the evaluation in excess of 10 hours up to a maximum total fee of ~~\$5,549.80~~5738.49.
- (C) **Modification of CEMS, FSMS, or ACEMS Monitored Equipment**  
For any RECLAIM or non-RECLAIM equipment monitored or required to be monitored by a CEMS, FSMS, or ACEMS, that is modified in a manner determined by the Executive Officer to compromise a source’s compliance with a District CEMS-, FSMS-, or ACEMS-related rule or regulation, or requires an engineering evaluation, or causes a change in emissions; the applicant shall pay a minimum processing fee of ~~\$877.67~~907.51, covering the evaluation and recertification, if necessary, of the CEMS, FSMS, or ACEMS. Additional fees will be assessed at a rate of

~~\$166.35~~172.01 per hour for time spent on the evaluation in excess of 10 hours up to a maximum total fee of ~~\$5,549.80~~5738.49.

(D) Periodic Assessment of an Existing ~~RECLAIM~~-CEMS, FSMS, or ACEMS

An existing ~~RECLAIM~~-CEMS, FSMS, or ACEMS, ~~which undergoes certification as in (i)(5)(A),~~ must be retested on a quarterly, semi-annual, or annual basis to remain in compliance with District ~~R~~regulations-XX. The applicant shall pay a minimum processing fee of ~~\$877.67~~907.51 for this evaluation, if required. Additional fees will be assessed at a rate of ~~\$166.35~~172.01 per hour for time spent on the evaluation in excess of 10 hours up to a maximum total fee of ~~\$5,549.80~~5738.49.

(E) CEMS, FSMS, or ACEMS Change of Ownership

Every applicant who files an application for a change of operator of a RECLAIM or non-RECLAIM facility permit shall also file an application for a change of operator of a CEMS, FSMS, or ACEMS, if applicable, and be subject to a processing fee equal to ~~\$264.61~~273.61 for the first CEMS, FSMS, or ACEMS, plus ~~\$52.78~~54.57 for each additional CEMS, FSMS, or ACEMS.

(6) Payment for Review and Certification of Barbecue Charcoal Igniter Products

(A) Certification of Barbecue Charcoal Igniter Products

Pursuant to the requirements of District Rule 1174, manufacturers, distributors, and/or retailers of applicable barbecue charcoal igniter products shall perform the required testing and shall submit a formal report for review by SCAQMD staff for product compliance and certification. For each product evaluated, the applicant shall pay a minimum processing fee of ~~\$656.47~~678.79 per product certified, and additional fees will be assessed at the rate of ~~\$131.31~~135.77 per hour for time spent on the evaluation/certification process in excess of 5 hours.

(B) Repackaging of Certified Barbecue Charcoal Igniter Products

When a currently certified barbecue charcoal igniter product is repackaged for resale or redistribution, the manufacturer, distributor, and/or retailer shall submit the required documentation to SCAQMD staff for evaluation and approval. For each product or products evaluated, the applicant shall pay a processing fee of

~~\$328.26~~339.42 for the first certificate issued, and additional fees will be assessed at the rate of ~~\$131.34~~135.77 per hour for the time spent in excess of 3 hours for the first certificate issued. Additional certificates for the same product or products shall be assessed at the rate of ~~\$65.62~~67.85 per each additional certificate issued.

(7) Fees for Inter-basin, Inter-district, or Interpollutant Transfers of Emission Reduction Credits

An applicant for inter-basin, inter-district, or interpollutant transfer of ERCs shall file an application for ERC Change of Title and pay fees as listed in ~~the Summary ERC Processing Rates — Banking, Change of Title, Alteration/Modification Table~~ FEE RATE-B. Additional fees shall be assessed at a rate based on the number of hours for the time spent on review and evaluation of inter-basin, inter-district, and interpollutant transfers of ERCs pursuant to Rule 1309 subdivisions (g) and (h).

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$173.00/hr</del>	<del>\$184.10/hr</del>
FY 2018-19	<del>\$179.92</del> <u>186.04/hr</u>	<del>\$203.74</del> <u>210.67/hr</u>
FY 2019-20 and thereafter	<del>\$179.92</del> <u>186.04/hr</u>	<del>\$225.46</del> <u>233.13/hr</u>

(8) Fees for Grid Search to Identify Hazardous Air Pollutant Emitting Facilities  
A fee of ~~\$330.50~~341.74 shall be submitted by any individual, business or agency requesting the District to conduct a grid search to identify all facilities with the potential to emit hazardous air pollutants located within one-quarter mile of a proposed school boundary.

Failure to pay the fees described in this subdivision within thirty (30) days after their due date(s) shall result in expiration of pending applications, and no further applications will be accepted from the applicant until the fees have been paid in full.

(k) Government Agencies

All applicants and permittees, including federal, state, or local governmental agencies or public districts, shall pay all fees.



(l) RECLAIM Facilities

(1) For RECLAIM facilities, this subdivision specifies additional conditions and procedures for assessing the following fees:

- (A) Facility Permit;
- (B) Facility Permit Amendment;
- (C) Change of Operating Condition;
- (D) Change of Operator;
- (E) Annual Operating Permit;
- (F) Transaction Registration;
- (G) RECLAIM Pollutant Emission;
- (H) Duplicate Permits;
- (I) Reissued Permits;
- (J) RECLAIM Breakdown Emissions; and
- (K) Non-Tradeable Allocation Credit Mitigations.

(2) RECLAIM Fees Applicability

All RECLAIM Facility Permit holders shall be subject to this subdivision.

(3) Rule 301 - Permit Fees Applicability

Unless specifically stated, all RECLAIM Facility Permit holders shall be subject to all other provisions of Rule 301 - Permit Fees.

~~(4) Facility Permit Fees~~

~~(A) Existing facilities entering the RECLAIM program after initial implementation of the RECLAIM program will pay 10 percent of the sum of the permit processing fees from the Summary Permit Fee Rates tables for each equipment merged into the Facility Permit, with a minimum fee as shown in the following table below in this subparagraph:~~

Facility Type	Non Title V	Title V
FY 2017-18	<del>\$576.81</del>	<del>\$613.81</del>
FY 2018-19	<del>\$599.88</del>	<del>\$679.30</del>
FY 2019-20 and thereafter	<del>\$599.88</del>	<del>\$751.71</del>

~~(B) New facilities with new equipment entering the RECLAIM program will pay a Facility Permit Fee equal to the sum total of the permit~~

~~processing fees from the Summary Permit Fee Rates tables for each equipment merged into the Facility Permit.~~

**(54) Facility Permit Amendment**

At the time of filing an application for a Facility Permit Amendment, a Facility Permit Amendment Fee shall be paid and an application for such amendment shall be submitted. The Facility Permit Amendment Fees for an application or group of applications that requires an engineering evaluation or causes a change in emissions are listed in Table VII and shall be based on the type of facility permit, as follows: Facility Permit Amendment Fees are in addition to

Facility Permit Amendment Fee	RECLAIM	Title V	RECLAIM & Title V
FY 2017-18	\$1,088.60	\$1,158.42	\$2,247.02
FY 2018-19	\$1,132.14	\$1,282.02	\$2,414.16
FY 2019-20 and thereafter	\$1,132.14	\$1,418.68	\$2,550.82

~~plus the sum of applicable fees assessed for each application required for affected equipment as specified in the Summary Permit Fee Rate tables. The Facility Permit Amendment Fee for an application that does not require an engineering evaluation or causes a change in emissions shall be based on the type of facility permit as follows:~~

Facility Permit Amendment Fee	RECLAIM	Title V	RECLAIM & Title V
FY 2017-18	\$1,088.60	\$1,158.42	\$2,247.02
FY 2018-19	\$1,132.14	\$1,282.02	\$2,414.16
FY 2019-20 and thereafter	\$1,132.14	\$1,418.68	\$2,550.82

~~plus the applicable administrative permit change fee based on the equipment schedule as set forth in Rule 301 subparagraph (c)(3)(C) (for administrative equipment applications) or Table FEE RATE-A (for non-administrative equipment applications) or Rule 306 (i)(1) for each application required for affected equipment. All delinquent fees, court judgments in favor of the~~

District and administrative civil penalties associated with the facility must be paid before a Facility Permit Amendment application will be accepted.

**(65)** Change of Operating Condition

At the time of filing an application for a Change of Operating Conditions that requires engineering evaluation or causes a change in emissions, a Change of Condition Fee shall be paid. Such fee shall be equal to the sum of fees assessed for each equipment subject to the change of condition as specified in ~~the Summary Permit Fee Rates—Permit Processing, Change of Conditions, Alteration/Modification~~ Table FEE RATE-A ~~and in the Summary ERC Processing Rates—Banking, Change of Title, Alteration/Modification~~ table. All delinquent fees associated with the affected facility subject to the change of condition must be paid before a Change of Operating Conditions application will be accepted.

**(76)** Fee for Change of Operator

The Permit Processing Fee for a Change of Operator of a RECLAIM facility permit shall be determined from ~~the Table FEE RATE-C~~ Summary of Permit Fee Rates—Change of Operator, Non-Small Business. In addition, a Facility Permit Amendment fee as specified in paragraph (1)(~~54~~) shall be assessed. All fees, billed within the past 3 years from the date of application submittal that are, associated with the facility for equipment for which a Change of Operator or Additional Operator application is filed, and all facility-specific fees (such as “Hot Spots” fees), must be paid before a Change of Operator or Additional Operator application is accepted. If after an application is received and SCAQMD determines that fees are due, the new operator shall pay such fees within 30 days of notification. If the fees are paid timely the new operator will not be billed for any additional fees billed to the previous operator.

**(87)** Annual Operating Permit Renewal Fee

- (A) Unless otherwise stated within this subdivision, the Facility Permit holder shall be subject to all terms and conditions pursuant to subdivision (d).
- (B) An Annual Operating Permit Renewal Fee shall be submitted by the end of the compliance year. Such fee shall be equal to the sum of applicable permit renewal fees specified in paragraph (d)(2).
- (C) At least thirty (30) days before the annual renewal date, the owner/operator of equipment under permit will be notified by mail of the amount to be paid and the due date. If such notice is not

received at least thirty (30) days before the annual renewal date, the owner/operator of equipment under permit shall notify the District on or before the permit renewal date that said notice was not received. If the Annual Operating Permit Renewal fee is not paid within thirty (30) days after the due date, the permit will expire and no longer be valid. In such a case, the owner/operator will be notified by mail of the expiration and the consequences of operating equipment without a valid permit as required by District Rule 203 (Permit to Operate). For the purpose of this subparagraph, the fee payment will be considered to be received by the District if it is postmarked by the United States Post Office on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or state holiday as if it had been postmarked on the expiration date.

**(98) Transaction Registration Fee**

The transferor and transferee of an RTC shall jointly register the transaction with the District pursuant to District Rule 2007 – Trading Requirements. ~~At the time the transaction is registered with the District, t~~The transferee shall pay a Transaction Registration Fee of \$169.60/175.37 at the time the transaction is registered with the SCAQMD, as shown in the following table below in this paragraph:

<del>Facility Registration Fee</del>	<del>Non-Title V</del>	<del>Title V</del>
<del>FY 2017-18</del>	<del>\$163.08</del>	<del>\$173.54</del>
<del>FY 2018-19</del>	<del>\$169.60</del>	<del>\$192.06</del>
<del>FY 2019-20 and thereafter</del>	<del>\$169.60</del>	<del>\$212.53</del>

**(109) RECLAIM Pollutant Emission Fee**

At the end of the reporting period specified in subparagraph (e)(8)(~~B~~A), RECLAIM facilities shall pay a RECLAIM Pollutant Emission Fee based on the facilities' total certified RECLAIM pollutant emissions. For facilities emitting ten (10) tons per year or more of any contaminant the previous year, the Facility Permit holders shall pay a semi-annual

installment equal to one half (1/2) of the total estimated fee with final balance due at the end of the reporting period.

- (A) The Facility Permit Holder shall pay emission fees according to the provisions of subdivision (e) for all emissions that are not accounted for with RECLAIM pollutant emissions. The Facility Permit holder shall add non-RECLAIM emissions to applicable RECLAIM emissions to determine the appropriate fee rate from Table III fee rate per ton of emissions.
- (B) Facility Permit Holders shall pay RECLAIM Pollutant Emission Fees according to the provisions of subdivision (e), except that:
  - (i) Fees based on emissions of RECLAIM pollutants as defined in Rule 2000(c)(58) for annual payments shall be calculated based on certified emissions as required by paragraph (b)(2) or (b)(4) of Rule 2004, as applicable;
  - (ii) RECLAIM Pollutant Emission Fees shall be due as established by subdivision (e) of this rule for both Cycle 1 and Cycle 2 Facilities;
  - (iii) Facilities emitting ten (10) tons per year or more of a RECLAIM pollutant during the previous annual reporting period, shall also pay a semi-annual installment based on either (a) one-half (1/2) of the facility's RECLAIM pollutant fees for the previous annual reporting period; or (b) emissions certified pursuant to paragraph (b)(2) and (b)(4) of Rule 2004 in the two (2) quarters falling in the time period that coincides with the first six (6) months of the current reporting period, by the deadline as established by subdivision (e) of this rule for both Cycle 1 and Cycle 2 Facilities.
  - (iv) A fee payment is considered late and subject to the late payment surcharge of paragraph (e)(10) if not received within sixty (60) days of the due date specified in this paragraph.
- (C) If the Executive Officer determines that the APEP emissions reported by a Facility Permit Holder are less than the amount calculated as specified in Rule 2004(b)(2) and (b)(4), the Facility Permit Holder shall pay RECLAIM Pollutant Emission Fees on the difference between the APEP total as determined by the Executive

Officer and the reported APEP total as specified in subparagraph (l)(49)(A).

- (D) In the event that certified emissions determined pursuant to Rule 2004(b)(2) and (b)(4), for compliance year beginning January 1, 1995 and after, include emissions calculated using missing data procedures, and these procedures were triggered pursuant to Rule 2011(c)(3) or 2012(c)(3) solely by a failure to electronically report emissions for major sources due to a problem with transmitting the emission data to the District which was beyond the control of the Facility Permit holder, such portion of the emissions may be substituted by valid emission data monitored and recorded by a certified CEMS, for the purpose of RECLAIM pollutant emission fee determination only, provided that a petition is submitted to the Executive Officer with the appropriate processing fee by the Facility Permit holder. The petition must be made in writing and include all relevant data to clearly demonstrate that the valid emission data were recorded and monitored by a certified CEMS as required by Rules 2011 and 2012 and the only reason for missing data procedures being triggered was due to a problem with transmitting the emission data to the District which was beyond the control of the Facility Permit holder. In addition to the RECLAIM pollutant emission fee, the petitioner shall pay a minimum processing fee as shown in the following table in this subparagraph:

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$674.54</del>	<del>\$717.81</del>
FY 2018-19	<u>\$701.52725.37</u>	<u>\$794.40821.41</u>
FY 2019-20 and thereafter	<u>\$701.52725.37</u>	<u>\$879.08908.97</u>

and an additional fee assessed at the applicable hourly rate, for time spent on evaluation in excess of 3 hours, as shown in the table below in this subparagraph:

Facility Type (After 3 hours)	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$173.00/hr</del>	<del>\$184.10/hr</del>
FY 2018-19	<del>\$179.92</del> <u>186.04/hr</u>	<del>\$203.74</del> <u>210.67/hr</u>
FY 2019-20 and thereafter	<del>\$179.92</del> <u>186.04/hr</u>	<del>\$225.46</del> <u>233.13/hr</u>

**(4410)** Certified Permits Copies

A request for a certified copy of a Facility Permit shall be made in writing by the permittee. The permittee shall, at the time the written request is submitted, pay a fee for the first page as follows:

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$28.08</del>	<del>\$29.88</del>
FY 2018-19	<del>\$29.20</del> <u>30.19</u>	<del>\$33.07</del> <u>34.19</u>
FY 2019-20 and thereafter	<del>\$29.20</del> <u>30.19</u>	<del>\$36.60</del> <u>37.84</u>

and the applicable fee per page for each additional page in the Facility Permit as shown below:

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$1.98/page</del>	<del>\$2.11/page</del>
FY 2018-19	<del>\$2.06</del> <u>2.13/page</u>	<del>\$2.34</del> <u>2.42/page</u>
FY 2019-20 and thereafter	<del>\$2.06</del> <u>2.13/page</u>	<del>\$2.59</del> <u>2.68/page</u>

**(4211)** Reissued Permits

A request for a reissued Facility Permit shall be made in writing by the permittee where there is a name or address change without a change of operator or location. The permittee shall, at the time the written request is submitted, pay a fee for the first page as follows:

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$217.39</del>	<del>\$231.33</del>
FY 2018-19	<del>\$226.09</del> <u>233.78</u>	<del>\$256.04</del> <u>264.71</u>
FY 2019-20 and thereafter	<del>\$226.09</del> <u>233.78</u>	<del>\$283.30</del> <u>292.93</u>

and the applicable fee per page for each additional page in the facility permit as shown below:

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$1.98/page</del>	<del>\$2.11/page</del>
FY 2018-19	<del>\$2.06</del> <u>2.13</u> /page	<del>\$2.34</del> <u>2.42</u> /page
FY 2019-20 and thereafter	<del>\$2.06</del> <u>2.13</u> /page	<del>\$2.59</del> <u>2.68</u> /page

**(1312) Breakdown Emission Report Evaluation Fee**

The Facility Permit Holder, submitting a Breakdown Emission Report to seek exclusion of excess emissions from the annual allocations pursuant to Rule 2004 - Requirements, shall pay fees for the evaluation of a Breakdown Emission Report. The Facility Permit Holder shall pay a filing fee of one (1) hour based on the fee rates shown in the table below in this paragraph, at the time of filing of a Breakdown Emission Report, and shall be assessed an evaluation fee at the hourly rate shown in the same table.

Facility Type (After 3 hours)	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$173.00/hr</del>	<del>\$184.10/hr</del>
FY 2018-19	<del>\$179.92</del> <u>186.04</u> /hr	<del>\$203.74</del> <u>210.67</u> /hr
FY 2019-20 and thereafter	<del>\$179.92</del> <u>186.04</u> /hr	<del>\$225.46</del> <u>233.13</u> /hr



**(1413) Breakdown Emission Fee**

At the end of the time period from July 1 through June 30, the Facility Permit holder shall pay a Breakdown Emission Fee for excess emissions determined pursuant to District Rule 2004 - Requirements. The Facility Permit Holder shall include excess emissions to the total certified RECLAIM emissions to determine the appropriate RECLAIM Pollutant Emission Fee.

**(1514) Mitigation of Non-Tradeable Allocation Credits**

Upon submitting a request to activate non-tradeable allocation credits pursuant to District Rule 2002(h), the RECLAIM Facility Permit Holder shall pay a mitigation fee per ton of credits requested as shown below:

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$11,544.44/ton</del>	<del>\$12,284.84/ton</del>
FY 2018-19	\$12,006.22 <u>12,414.43/ton</u>	\$13,595.63 <u>14,057.88/ton</u>
FY 2019-20 and thereafter	\$12,006.22 <u>12,414.43/ton</u>	\$15,044.92 <u>15,556.45/ton</u>

plus a non-refundable processing fee as shown below:

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$115.07</del>	<del>\$122.45</del>
FY 2018-19	<del>\$119.67</del> <u>123.74</u>	<del>\$135.52</del> <u>140.13</u>
FY 2019-20 and thereafter	<del>\$119.67</del> <u>123.74</u>	<del>\$149.97</del> <u>155.07</u>

**(1615) Evaluation Fee to Increase an Annual Allocation to a Level Greater than a Facility's Starting Allocation Plus Non-Tradable Credits**

The Facility Permit Holder submitting an application to increase an annual Allocation to a level greater than the facility's starting allocation plus non-tradable credits pursuant to Rule 2005 - New Source Review shall pay fees

for the evaluation of the required demonstration specified in Rule 2005(c)(3). The Facility Permit Holder shall pay an evaluation fee at the applicable hourly rate as shown in the table below:

Facility Type (After 3 hours)	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$173.00/hr</del>	<del>\$184.10/hr</del>
FY 2018-19	<del>\$179.92</del> <u>186.04/hr</u>	<del>\$203.74</del> <u>210.67/hr</u>
FY 2019-20 and thereafter	<del>\$179.92</del> <u>186.04/hr</u>	<del>\$225.46</del> <u>233.13/hr</u>

**(16) Facility Permit Reissuance Fee for Facilities Exiting RECLAIM**

A facility exiting the NOx RECLAIM program pursuant to Rule 2002(f)(7) shall be assessed a Facility Permit Reissuance Fee for the conversion of its RECLAIM Facility Permit to a Command-and-Control Facility Permit. The conversion consists of removal of non-applicable RECLAIM provisions and addition of requirements for applicable command-and-control rules. The Facility Permit Reissuance Fee includes an initial flat fee, plus an additional time and materials (T&M) charge where applicable. Both the initial flat fee and T&M charge are tiered based on the number of permitted RECLAIM NOx sources at the facility. Both the initial flat fee and T&M charge are also differentiated based on a facility's Title V status.

The initial flat fee to transition from NOx RECLAIM Facility Permit to Command-and-Control Facility Permit per Rule 2002(f)(7) shall be paid at the time of filing and assessed according to the following fee schedule.

<u>Number of Permitted RECLAIM NOx Sources</u>	<u>Non-Title V</u>	<u>Title V</u>
<u>Less than 10</u>	<u>\$2,232</u>	<u>\$3,160</u>
<u>Greater than or equal to 10 and less than 20</u>	<u>\$4,651</u>	<u>\$6,320</u>
<u>20 or more</u>	<u>\$13,0239,302</u>	<u>\$21,06712,640</u>

An additional T&M charge shall be assessed for time spent on the permit conversion in excess of the number of hours and at the hourly rate specified in the following fee schedule and billed following permit reissuance.

	<u>Non-Title V</u>		<u>Title V</u>	
<u>Number of Permitted RECLAIM NOx Sources</u>	<u>Begin Charging Hourly Rate After (hrs)</u>	<u>T&amp;M Rate (\$/hr)</u>	<u>Begin Charging Hourly Rate After (hrs)</u>	<u>T&amp;M Rate (\$/hr)</u>
<u>Less than 10</u>	<u>12</u>	<u>\$186.04</u>	<u>15</u>	<u>\$210.67</u>
<u>Greater than or equal to 10 and less than 20</u>	<u>25</u>	<u>\$186.04</u>	<u>30</u>	<u>\$210.67</u>
<u>20 or more</u>	<u>7050</u>	<u>\$186.04</u>	<u>40060</u>	<u>\$210.67</u>

(17) Optional Conversion of Transitioned RECLAIM Facility Permit

A Facility that has transitioned out of the RECLAIM program in accordance with paragraph (1)(16) and that elects to convert all permitted equipment described on the RECLAIM Facility Permit to equipment/process based Permits to Operate (pursuant to Regulation II) shall pay a fee equal to the Change of Condition fee specified in Table FEE RATE-A, in accordance with the Schedule identified in Table IA or IB, for each equipment/process converted.

(m) Title V Facilities

(1) Applicability

The requirements of this subdivision apply only to facilities that are subject to the requirements of Regulation XXX - Title V Permits.

(2) Rule 301 Applicability

All Title V facilities shall be subject to all other provisions of Rule 301 - Permit Fees, except as provided for in this subdivision.

(3) Permit Processing Fees for ~~Existing Facilities with Existing District Permits~~  
Applying for an Initial Title V Facility Permit

(A) The applicant shall pay the following initial fee when the application is submitted:

Title V INITIAL Fee				
Number of Devices	1-20	21-75	76-250	251+
Applications submitted on or after July 1, 2017 through June 30, 2018	\$1,841.16	\$5,892.29	\$13,258.22	\$22,465.60
Applications submitted on or after July 1, 2018 through June 30, 2019	<del>\$2,037.61</del> <u>2,106.89</u>	<del>\$6,521.00</del> <u>6,742.71</u>	<del>\$14,672.87</del> <u>15,171.75</u>	<del>\$24,862.68</del> <u>25,708.01</u>
Applications submitted on or after July 1, 2019	<del>\$2,254.82</del> <u>2,331.48</u>	<del>\$7,216.14</del> <u>7,461.49</u>	<del>\$16,237.00</del> <u>16,789.06</u>	<del>\$27,513.04</del> <u>28,448.48</u>

To determine the initial fee when the number of devices is not available, the applicant may substitute the number of active equipment. This fee will be adjusted when the Title V permit is issued and the correct number of devices are known.

- (B) The applicant shall, upon notification by the District of the amount due when the permit is issued, pay the following final fee based on the time spent on the application:

Title V FINAL Fee				
Number of Devices	1-20	21-75	76-250	251+
Time Spent in Excess of:	8 Hours	30 Hours	70 Hours	120 Hours
<del>On or after July 1, 2017 through June 30, 2018</del>	<del>\$184.10 per hour; up to a maximum total fee of \$22,475.03</del>	<del>\$184.10 per hour; up to a maximum total fee of \$44,950.04</del>	<del>\$184.10 per hour; up to a maximum total fee of \$115,064.31</del>	<del>\$184.10 per hour; up to a maximum total fee of \$168,562.65</del>
On or after July 1, 2018 through June 30, 2019	<del>\$203.74</del> <u>210.67</u> per hour; up to a maximum total fee of <del>\$24,873.12</del> <u>25,718.81</u>	<del>\$203.74</del> <u>210.67</u> per hour; up to a maximum total fee of <del>\$49,746.21</del> <u>51,437.58</u>	<del>\$203.74</del> <u>210.67</u> per hour; up to a maximum total fee of <del>\$127,341.67</del> <u>131,671.29</u>	<del>\$203.74</del> <u>210.67</u> per hour; up to a maximum total fee of <del>\$186,548.28</del> <u>192,890.92</u>
On or after July 1, 2019	<del>\$225.46</del> <u>233.13</u> per hour; up to a maximum total fee of <del>\$27,524.59</del> <u>28,460.43</u>	<del>\$225.46</del> <u>233.13</u> per hour; up to a maximum total fee of <del>\$55,049.16</del> <u>56,920.83</u>	<del>\$225.46</del> <u>233.13</u> per hour; up to a maximum total fee of <del>\$140,916.29</del> <u>145,707.44</u>	<del>\$225.46</del> <u>233.13</u> per hour; up to a maximum total fee of <del>\$206,434.33</del> <u>213,453.10</u>

For applicants that did not pay the correct initial fee based on the actual number of devices, the fee when the permit is issued shall be equal to the correct initial fee less the initial fee actually paid, plus the final fee.

Applications submitted on or prior to January 15, 1998 shall not be subject to the final fee.

- (C) If the facility requests revisions to the existing permit terms or conditions, including permit streamlining, an alternative operating scenario or a permit shield, the facility shall submit additional applications with the applicable fees in subdivisions (c) and (i) for

each piece of equipment for which a revision is requested. Evaluation time spent on these additional applications shall be excluded from the time calculated for the billing for initial permit issuance in subparagraph (m)(3)(B).

**(4D) Permit Processing Fee Applicability**

~~The permit processing fee for~~ If a new facility is required to obtain a Title V facility permit to construct, the facility shall be submit initial Title V fees as specified in paragraph (m)(3). These fees are in addition to the sum of all the applicable fees in subdivisions (c) and (ij) for all equipment at the facility.

**(5E) Rule 301 Fee Applicability**

~~The permit processing fee for~~ If an existing facility is required to obtain a Title V facility permit because of a modification, pursuant to paragraph (c)(2) of Rule 301, the facility shall be submit initial Title V fees the ~~as~~ specified in paragraph (m)(3). These fees are in addition to ~~plus~~ the sum of all the applicable fees in subdivisions (c) and (ij) for all new and modified equipment at the facility.

~~(6) —~~ **Administrative Permit Revision Fee**

~~Notwithstanding paragraphs (l)(6), (l)(9), and (m)(3), and except as provided in paragraphs (l)(5), (l)(7), (l)(12), (m)(3), (m)(5) and (m)(8), the permit processing fee for an administrative permit revision shall be a fee of \$1,158.42 for FY2017-18, \$1,282.02 for FY2018-19 and \$1,418.68 for FY 2019-20 and thereafter.~~

**(74) Permit Revision Fee**

The permit processing fees for a Facility Permit Amendment or Revision shall be based on the Facility Permit type as specified in Table VII. Facility Permit Amendment or Revision includes any administrative permit revision or amendment, minor permit revision or amendment, de minimis significant permit revision or amendment, or and any significant permit revision or amendment ~~shall be \$1,158.42 for FY 2017-18, \$1,282.02 for FY 2018-19 and \$1,418.68 for FY 2019-20 and thereafter plus the applicable fee in paragraphs (l)(5), (l)(6), (m)(3), and (m)(4). RECLAIM facilities shall only pay the fee specified in paragraph (l)(5).~~

**(85) Renewal Fees**

The fees for renewal of a Title V Facility Permit, at the end of the term specified on the permit, ~~shall be~~ are specified in Table VII. Renewal fees include both an initial processing fee of \$2,631.19 for FY 2017-18,

~~\$2,911.94 for FY 2018-19 and \$3,222.35 for FY 2019-20 and thereafter to be paid that is due when the application is submitted; and a final fee of \$184.10 for FY 2017-18 and \$203.74 for FY 2018-19 and \$225.46 for FY 2019-20 and thereafter per hour for time spent on the application in excess of 8 hours, assessed after SCAQMD evaluation is complete and the permit is issued, and is due upon notification by the District-SCAQMD of the amount due when the permit is issued.~~

**(96)** Public Notice Fees

The holder of, or applicant for, a Title V permit shall either:

- (A) pay the actual cost~~a fee~~, as invoiced~~specified in Table IIB~~, for publication of the notice by prominent advertisement in the newspaper of general circulation in the area affected where the facility is located and for the mailing of the notice to persons identified in Rule 212(g), or
- (B) arrange publication of the above notice independent of the District option. This notice must be by prominent advertisement in the newspaper of general circulation in the area affected where the facility is located.

Where publication is performed by the owner/operator or an independent consultant, the owner/operator of the source shall provide to the Executive Officer a copy of the proof of publication.

**(107)** Public Hearing Fees

The holder of, or applicant for, a Title V permit shall, upon notification by the District of the amount due, pay fees of ~~\$3,685.23 for FY 2017-18, \$4,078.444,217.11 for FY 2018-19 and \$4,513.204,666.65 for FY 2019-20 and thereafter plus \$1,145.79 for FY 2017-18, \$1,268.051,311.16 for FY 2018-19 and \$1,403.221,450.93 for FY 2019-20 and thereafter per hour for a public hearing held on a permit action.~~

**(118)** Application Cancellation

If a Title V permit application is canceled, the applicant shall pay, upon notification of the amount due, a final fee in accordance with this subdivision. The District shall refund the initial fee only if evaluation of the application has not been initiated.

**(129)** Notice of Amount Due and Effect of Nonpayment

For fees due upon notification, such notice may be given by personal service or by deposit, postpaid, in the United States mail and shall be due thirty (30) days from the date of personal service or mailing. For the purpose of this



paragraph, the fee payment will be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or the state holiday with the same effect as if it had been postmarked on the expiration date. Nonpayment of the fee within this period of time will result in permit expiration or revocation of the subject permit(s) in accordance with subdivision (f) of Rule 3002. No further applications will be accepted from the applicant until such time as overdue permit processing fees have been fully paid.

**(103) Exclusion Requests**

The fees for requesting exclusion or exemption from the Title V program shall be calculated in accordance with Rule 306 – Plan Fees.

**(n) All Facility Permit Holders**

**(1) Applicability**

The requirements of this subdivision apply to all non-RECLAIM holders of a Facility Permit.

**(2) Rule 301 Applicability**

All non-RECLAIM Facility Permit holders or applicants shall be subject to all other provisions of Rule 301 - Permit Fees, except as provided for in this subdivision.

**(3) Facility Permit Revision**

Except as provided in paragraphs (m)(74) and (m)(85), the permit processing fee for an addition, alteration or revision to a Facility Permit that requires engineering evaluation or causes a change in emissions shall be the sum of applicable fees assessed for each affected equipment as specified in subdivisions (c) and (ij).

**(4) Change of Operating Condition**

The permit processing fee for a Change of Operating Condition that requires engineering evaluation or causes a change in emissions shall be the sum of fees assessed for each equipment or process subject to the change of condition as specified in subdivisions (c) and (ij).

**(5) Fee for Change of Operator**

The Permit Processing Fee for a Change of Operator of a facility permit shall be determined from the Table FEE RATE-C~~Summary of Permit Fee~~

~~Rates—Change of Operator, Non-Small Business.~~ In addition, an administrative permit revision fee, as ~~specified~~~~down~~ in the ~~Table VII, below in this paragraph~~ shall be assessed.

<del>Facility Type</del>	<del>Non-Title V</del>	<del>Title V</del>
<del>FY 2017-18</del>	<del>\$1,088.60</del>	<del>\$1,158.42</del>
<del>FY 2018-19</del>	<del>\$1,132.14</del>	<del>\$1,282.02</del>
<del>FY 2019-20 and thereafter</del>	<del>\$1,132.14</del>	<del>\$1,418.68</del>

All fees billed within the past 3 years from the date of application submittal that are associated with the facility for equipment for which a Change of Operator or Additional Operator application is filed, and all facility specific fees (such as “Hot Spots” fees), must be paid before the Change of Operator or Additional Operator application is accepted. If after an application is received and SCAQMD determines that fees are due, the new operator shall pay such fees within 30 days of notification. If the fees are paid timely, the new operator will not be billed for any additional fees billed the previous operator.

- (6) Annual Operating Permit Renewal Fee
- (A) Unless otherwise stated within this subdivision, the Facility Permit holder shall be subject to all terms and conditions pursuant to subdivision (d).
  - (B) An Annual Operating Permit Renewal Fee shall be submitted by the end of the compliance year. Such fee shall be equal to the sum of applicable annual operating permit renewal fees specified in paragraph (d)(2).
  - (C) At least thirty (30) days before the annual renewal date, the owner/operator of equipment under permit will be notified by mail of the amount to be paid and the due date. If such notice is not received at least thirty (30) days before the annual renewal date, the owner/operator of equipment under permit shall notify the District on or before the permit renewal date that said notice was not received. If the Annual Operating Permit Renewal Fee is not paid within thirty (30) days after the due date, the permit will expire and

no longer be valid. In such a case, the owner/operator will be notified by mail of the expiration and the consequences of operating equipment without a valid permit as required by District Rule 203 (Permit to Operate). For the purpose of this subparagraph, the fee payment will be considered to be received by the District if it is postmarked by the United States Post Office on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or state holiday as if it had been postmarked on the expiration date.

(7) Certified Permit Copies

A request for a certified copy of a Facility Permit shall be made in writing by the permittee. The permittee shall, at the time a written request is submitted, pay ~~\$27.00~~27.92 for the first page and ~~\$1.94~~1.97 for each additional page in the facility permit.

(8) Reissued Permits

A request for a reissued Facility Permit shall be made in writing by the permittee where there is a name or address change without a change of operator or location. The permittee shall, at the time a written request is submitted, pay ~~\$209.03~~216.14 for the first page plus ~~\$1.94~~1.97 for each additional page in the Facility Permit.

(o) Asbestos Fees

Any person who is required by District Rule 1403 - Asbestos Emissions from Demolition/Renovation Activities to submit a written notice of intention to demolish or renovate shall pay at the time of delivery of notification, the Asbestos and Lead Fees specified in Table VI of this rule. Fees are per notification and multiple fees may apply. No notification shall be considered received pursuant to Rule 1403, unless it is accompanied by the required payment. Each revision of a notification shall require a payment of the Revision to Notification fee in Table VI. When a revision involves a change in project size, the person shall pay, in addition to the revision fee, the difference between the fee for the original project size and the revised project size according to Table VI. If the project size does not change for the revision, no additional fees based on project size shall be required. Revisions are not accepted for expired notifications.

For all requests of pre-approved Procedure 5 plans submitted in accordance with Rule 1403(d)(1)(D)(i)(V)(2), the person shall pay the full fee for the first evaluation and shall pay fifty percent (50%) of the applicable fee for each subsequent pre-approved Procedure 5 plan evaluation.

(p) **Lead Abatement Notification Fees**

A person who is required by a federal or District rule to submit written notice of intent to abate lead shall, at the time of delivery of notification, pay the appropriate renovation and abatement fee specified in Table VI of this rule. Fees are per notification and multiple fees may apply. No notification shall be considered received unless it is accompanied by the required payment. Each revision of a notification shall require a payment of the Revision to Notification fee in Table VI. When a revision involves a change in project size, the person shall pay, in addition to the revision fee, the difference between the fee for the original project size and the revised project size according to Table VI. If the project size does not change for the revision, no additional fees based on project size shall be required. Revisions are not accepted for expired notifications.

(q) **NESHAP Evaluation Fee**

(1) At the time of filing an application for a Change of Operating Conditions submitted solely to comply with the requirements of a NESHAP, a NESHAP Evaluation Fee shall be paid. The fee shall be ~~\$336.57~~\$348.01. Additional fees shall be assessed at a rate of ~~\$166.35~~\$172.01 per hour for time spent in the evaluation in excess of two (2) hours, to a maximum total fee not to exceed the applicable Change of Conditions Fees listed for each affected piece of equipment as specified in ~~the Summary Permit Fee Rates – Permit Processing, Change of Conditions, Alteration /Modification – Table FEE RATE-A and in the Summary ERC Processing Rates – Banking, Change of Title, Alteration/Modification table.~~

(2) Payment of all applicable fees shall be due in thirty (30) days from the date of personal service or mailing of the notification of the amount due. Non-payment of the fees within this time period will result in expiration of the permit. For the purpose of this paragraph, the fee payment will be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the business day following the

Saturday, Sunday, or the state holiday, with the same effect as if it had been postmarked on the expiration date. No further applications will be accepted until such time as all overdue fees have been fully paid.

(r) Fees for Certification of Clean Air Solvents

~~Persons applying for Clean Air Solvent certification shall pay the following fee for each product to be certified:~~

<del>Gas Chromatograph/Mass Spectrometry Analysis</del>	<del>\$373.24 for five or fewer compounds \$34.63 for each additional compound</del>
<del>Density measurement</del>	<del>\$139.97</del>
<del>Time and material</del>	<del>\$131.31 per person per hour or prorated portion thereof</del>
<del>Clean Air Solvent Certificate</del>	<del>\$190.96</del>

At the time of filing for a Clean Air Solvent certificate, the applicant shall submit a fee of ~~\$835.46~~1,503.77 for each product to be tested. Additional fees will be assessed at the rate of \$131.31~~135.77~~ per hour for time spent on the analysis/certification process in excess of 12 hours. Adjustments, including refunds or additional billings, shall be made to the submitted fee as necessary. A Clean Air Solvent Certificate shall be valid for five (5) years from the date of issuance and shall be renewed upon the determination of the Executive Officer that the product(s) containing a Clean Air Solvent continue(s) to meet Clean Air Solvent criteria, and has not been reformulated.

(s) Fees for Certification of Consumer Cleaning Products Used at Institutional and Commercial Facilities

~~Persons applying for certification of Consumer Cleaning Products Used at Institutional and Commercial Facilities shall pay the following fee for each product to be certified:~~

<del>Gas Chromatograph/Mass Spectrometry Analysis</del>	<del>\$373.24 for five or fewer compounds \$34.63 for each additional compound</del>
<del>Time and material</del>	<del>\$131.31 per person per hour or prorated portion thereof</del>
<del>Clean Air Choices Cleaner Certificate</del>	<del>\$190.96</del>

At the time of filing for certification of any Consumer Cleaning Products Used at Institutional and Commercial Facilities, the applicant shall submit a fee of ~~\$880.18~~1,503.77 for each product to be tested, plus an additional fee of \$300 for

quantification of total nitrogen, total phosphorous, and trace metals by a contracting laboratory. Additional fees will be assessed at the rate of \$~~131.34~~135.77 per hour for time spent on the analysis/certification process in excess of 12 hours. Adjustments, including refunds or additional billings, shall be made to the submitted fee as necessary. A Consumer Cleaning Products Used at Institutional and Commercial Facilities Certificate shall be valid for three (3) years from the date of issuance and shall be renewed upon the determination of the Executive Officer that the product(s) certified as a Consumer Cleaning Products Used at Institutional and Commercial Facilities continue(s) to meet Consumer Cleaning Products Used at Institutional and Commercial Facilities criteria, and has not been reformulated.

(t) All Facility Registration Holders

(1) Applicability

The requirements of this subdivision apply to all holders of a Facility Registration.

(2) Rule 301 Applicability

Unless specifically stated otherwise, all Facility Registration holders shall be subject to all other provisions of Rule 301 - Permit Fees.

(3) Fee Applicability to Existing Facilities

Existing facilities entering the Facility Registration Program shall pay no fee if no changes are initiated by actions of the permittee to the existing permit terms or conditions or to the draft Facility Registration prepared by the District.

(4) Duplicate of Facility Registrations

A request for a duplicate of a Facility Registration shall be made in writing by the permittee. The permittee shall, at the time a written request is submitted, pay \$~~27.00~~27.92 for the first page and \$~~1.94~~1.97 for each additional page in the Facility Registration.

(5) Reissued Facility Registrations

A request for a reissued Facility Registration shall be made in writing by the permittee where there is a name or address change without a change of operator or location, or for an administrative change in permit description or a change in permit conditions to reflect actual operating conditions, which do not require any engineering evaluation, and do not cause a change in emissions. The permittee shall, at the time a written request is submitted, pay \$~~209.03~~216.14 for the first equipment listed in the Facility Registration

plus ~~\$1.94~~1.97 for each additional equipment listed in the Facility Registration.

(u) Fees for Non-permitted Emission Sources Subject to Rule 222

(1) Initial Filing Fee

Prior to the operation of the equipment, the owner/operator of an emission source subject to Rule 222 shall pay to the District an initial non-refundable non-transferable filing and processing fee of ~~\$203.08~~209.98 for each emission source.

(2) Change of Operator/Location

If the owner/operator or the location of an emission source subject to Rule 222 changes, the current owner/operator must file a new application for Rule 222 and pay to the District an initial non-refundable non-transferable filing and processing fee of ~~\$203.08~~209.98 for each emission source.

(3) Annual Renewal Fee

On an annual re-filing date set by the Executive Officer the owner/operator of a source subject to Rule 222 shall pay a renewal fee of ~~\$203.08~~209.98 (except for non-retrofitted boilers). At least thirty (30) days before such annual re-filing date, all owners/operators of emission sources subject to Rule 222 will be notified by either electronic or regular mail of the amount to be paid and the due date for the annual re-filing fee.

(4) Notification of Expiration

If the annual re-filing fee is not paid within thirty (30) days after the due date, the filing will expire and no longer be valid. In such case, the owner/operator will be notified by either electronic or regular mail of the expiration and the consequences of operating equipment without a valid Rule 222 filing.

(5) Reinstating Expired Filings

To re-establish expired filings, the owner/operator of a source subject to Rule 222 shall pay a reinstatement fee of fifty percent (50%) of the amount of fees due per emission source. Payment of all overdue fees shall be made in addition to the reinstatement surcharge. Payment of such fees shall be made within one year of the date of expiration. If the period of expiration has exceeded one year or the affected equipment has been altered, the owner/operator of an emission source subject to Rule 222 shall file a new application and pay all overdue fees.

(v) Fees for Expedited Processing Requests

An applicant has the option to request expedited processing for an application for a permit, CEQA work, an application for an ERC/STC, Air Dispersion Modeling, HRA, Source Test Protocols and Report Fees and Asbestos Procedure 4 & 5 notifications. A request for expedited processing pursuant to this section shall be made upon initial application submittal. Expedited processing is intended to be performed by District Staff strictly during overtime work. Approval of such a request is contingent upon the District having necessary procedures in place to implement an expedited processing program and having available qualified staff for overtime work to perform the processing requested. The applicant shall be notified whether or not the request for expedited processing has been accepted within 30 days of submittal of the request. If the request for expedited processing is not accepted by the District, the additional fee paid for expedited processing will be refunded to the applicant.

(1) Permit Processing Fee

Fees for requested expedited processing of permit applications will be an additional fee of fifty percent (50%) of the applicable base permit processing fee (after taking any discounts for identical equipment but not the higher fee for operating without a permit) by equipment schedule. For schedule F and higher as shown in the table below in this paragraph, expedited processing fees will include an additional hourly fee, as set forth in the applicable “Non-Title V Added Base Hourly Fee” or “Title V Added Base Hourly Fee” columns, when the processing time exceeds times as indicated in the “Processing Time Exceeding” column; but not to exceed the total amounts in the applicable “Non-Title V Maximum Added Base Cap Fee” or “Title V Maximum Added Base Cap Fee” columns.



Processing Time Exceeding	Schedule	Non-Title V Added Base Hourly Fee	Non-Title V Maximum Added Base Cap Fee	Title V Added Base Hourly Fee	Title V Maximum Added Base Cap Fee
FY 2017-18					
99 hours	F	\$259.52	\$48,778.45	\$276.16	\$51,906.84
117 hours	G	\$259.52	\$83,568.95	\$276.16	\$88,928.62
182 hours	H	\$259.52	\$106,257.72	\$276.16	\$113,072.52
FY 2018-19					
99 hours	F	<del>\$269.90</del> <u>279.08</u>	<del>\$50,729.59</del> <u>52,454.40</u>	<del>\$305.63</del> <u>316.02</u>	<del>\$57,445.30</del> <u>59,398.44</u>
117 hours	G	<del>\$269.90</del> <u>279.08</u>	<del>\$86,911.71</del> <u>89,866.71</u>	<del>\$305.63</del> <u>316.02</u>	<del>\$98,417.30</del> <u>101,763.49</u>
182 hours	H	<del>\$269.90</del> <u>279.08</u>	<del>\$110,508.03</del> <u>114,265.30</u>	<del>\$305.63</del> <u>316.02</u>	<del>\$125,137.36</del> <u>129,392.03</u>
FY 2019-20					
99 hours	F	<del>\$269.90</del> <u>279.08</u>	<del>\$50,729.59</del> <u>52,454.40</u>	<del>\$338.21</del> <u>349.71</u>	<del>\$63,568.97</del> <u>65,730.31</u>
117 hours	G	<del>\$269.90</del> <u>279.08</u>	<del>\$86,911.71</del> <u>89,866.71</u>	<del>\$338.21</del> <u>349.71</u>	<del>\$108,908.58</del> <u>112,611.47</u>
182 hours	H	<del>\$269.90</del> <u>279.08</u>	<del>\$110,508.03</del> <u>114,265.30</u>	<del>\$338.21</del> <u>349.71</u>	<del>\$138,477.00</del> <u>143,185.22</u>

(2) CEQA Fee

Fees for requested expedited CEQA work will be an additional fee based upon actual review and work time billed at a rate for staff overtime which is equal to the staff's hourly rate of ~~\$166.35~~172.01 plus ~~\$86.28~~89.21 per hour (one half of hourly plus mileage). The established CEQA fees found in the provisions of Rule 301(j) shall be paid at the time of filing with the

additional overtime costs billed following permit issuance. Notwithstanding other provisions of this section, fees are due at the time specified in the bill which will allow a reasonable time for payment. This proposal is contingent upon the ability of the District to implement the necessary policies and procedures and the availability of qualified staff for overtime work.

(3) CEMS, FSMS, and ACEMS Fee

Fees for requested expedited processing of CEMS, FSMS, and ACEMS applications will be an additional fee based upon actual review and work time billed at a rate for staff overtime which is equal to the staff's hourly rate of ~~\$166.35~~172.01 plus ~~\$86.28~~89.21 per hour (one half of hourly plus mileage). The established "Basic Fee" schedule found in the CEMS, FSMS, and ACEMS Fee Schedule in TABLE IIB~~C~~ shall be paid at the time of filing with the additional overtime costs billed following project completion. Notwithstanding other provisions of this section, fees are due at the time specified in the bill which will allow a reasonable time for payment. A request for expedited CEMS, FSMS, and ACEMS application work can only be made upon initial work submittal, and approval of such a request is contingent upon the ability of the District to implement the necessary policies and procedures and the availability of qualified staff for overtime work.

(4) Air Dispersion Modeling; and HRA, ~~Source Test Protocols and Reports~~ Fees

Fees for requested expedited review and evaluation of air dispersion modelings; and health risk assessments; ~~source test protocols and source test reports~~ will be an additional fee based upon actual review and work time billed at a rate for staff overtime which is equal to the staff's hourly rate of ~~\$139.31~~144.05 plus ~~\$72.26~~74.72 per hour (one half of hourly plus mileage).

(5) ERC/STC Application Fees

Fees for requested expedited review and evaluation of ERC/STC application fees will be an additional fee based upon actual review and work time billed at a rate for staff overtime which is equal to the staff's hourly rate of ~~\$166.35~~172.01 plus ~~\$86.28~~89.21 per hour (one half of hourly plus mileage).

- (6) Procedure 4 & 5 Evaluation  
Fees for requested expedited reviews and evaluation of Procedure 4 or 5 plans per Rule 301(~~HO~~) Asbestos Fees will be an additional fee of fifty percent (50%) of the Procedure 4 & 5 plan evaluation fee.
- (w) Enforcement Inspection Fees for Statewide Portable Equipment Registration Program (PERP)
  - (1) Registered Portable Equipment Unit Inspection Fee  
Registered portable equipment units are those which emit PM10 in excess of that emitted by an associated engine alone. An hourly fee of \$98.00 shall be assessed for a triennial portable equipment unit inspection, including the subsequent investigation and resolution of violations, if any, of applicable state and federal requirements, not to exceed \$500.00 per unit.
  - (2) Registered Tactical Support Equipment (TSE) Inspection Fee  
Registered TSE includes registered equipment using a portable engine, including turbines, that meet military specifications, owned by the U.S. Department of Defense, the U.S. military services, or its allies, and used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.
    - (A) To determine compliance with all applicable state and federal requirements, each registered TSE unit will be inspected once per calendar year.
      - (i) For registered TSE units determined to be in compliance with all applicable state and federal requirements during the annual inspection:
        - (a) A fee for the annual inspection of a single registered TSE unit shall be assessed at a unit cost of \$75.00.
        - (b) A fee for annual inspection of two or more registered TSE units at a single location shall be assessed at the lesser of the following costs:
          - (1) The actual time to conduct the inspection at the rate of \$100.25 per hour; or
          - (2) A unit cost of \$75.00 per registered TSE unit inspected.
      - (ii) For registered TSE units determined to be out of compliance with one or more applicable state or federal requirements during the annual inspection, fees for the annual inspection

(including the subsequent investigation and resolution of the violation) shall be assessed at the lesser of the following costs:

- (1) The actual time to conduct the inspection at the rate of \$100.25 per hour; or
  - (2) A unit cost of \$75.00 per registered TSE unit inspected.
- (3) **Off-hour Inspection Fee**  
In addition to the inspection fees stated above, any arranged inspections requested by the holder of the registration that are scheduled outside of District normal business hours may be assessed an additional off-hour inspection fee of \$40.96 per hour for the time necessary to complete the inspection.
- (4) **Notice to Pay and Late Payment Surcharge**  
A notice to pay the inspection fees will be mailed to the registration holder. Fees are due and payable immediately upon receipt of the notice to pay. All inspection fees required under this section are due within 30 days of the invoice date. If fee payment is not received by the thirtieth (30th) day following the date of the notice to pay, the fee shall be considered late and, a late payment surcharge of \$70.11 per portable engine or equipment unit shall be imposed, not to exceed \$138.73 for any notice to pay. For the purpose of this subparagraph, the inspection fee payment shall be considered to be timely received by the District if it is postmarked by the United States Postal Service on or before the thirtieth (30th) day following the date of the notice to pay. If the thirtieth (30th) day falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or the state holiday with the same effect as if it had been postmarked on the thirtieth (30th) day. Failure to pay the inspection fees and any late payment surcharge within 120 days of the date of the initial notice to pay may result in the suspension or revocation of the registration by CARB. Once a registration has been suspended, CARB will not consider reinstatement until all fees due, including late payment surcharge fees, have been paid in full.

- (x) Rule 1149, ~~and Rule 1166, and Rule 1466~~ Notification Fees
- (1) Any person who is required by the District to submit a written notice pursuant to Rule 1149, Rule 1166, Rule 1466, or for soil vapor extraction projects shall pay a notification fee of ~~\$60.85~~62.92 per notification.
- (2) Notifications pursuant to Rule 1466 paragraph (f)(2) shall be exempt from this subdivision.
- (y) Fees for the Certification of Equipment Subject to the Provisions of Rules 1111, 1121 and 1146.2
- (1) Initial Certification Fee
- Any person requesting certification pursuant to Rules 1111, 1121 or 1146.2 shall pay a fee of ~~\$560.90~~579.97 per certification letter for each family of model series certified. This fee shall be paid in addition to the fees paid to review any associated source test report(s).
- (2) Additional Fees for Modification or Extension of Families to Include a New Model(s)
- Any person requesting a modification or extension of a certification already issued to include a new model(s) shall pay an additional fee of ~~\$280.46~~290.00 for certification of new models added by extension to the previously certified model series per request.
- (3) Failure to pay all certification fees shall result in the revocation of each certified piece of equipment that was evaluated for which fee payment has not been received within 30 days after the due date.
- (z) “No Show” Fee for Rule 461 – Gasoline Dispensing Equipment Scheduled Testing
- (1) Reverification, and Performance Testing
- If a testing company and/or tester does not show for a Reverification test, or Performance test within one hour of its original scheduled time, and an SCAQMD inspector arrives for the inspection, a “No Show” fee of ~~\$412.43~~426.45 shall be charged to the testing company and/or tester. The fee shall be paid within 60 days of the date of the invoice. If the fee is not paid, the account will become delinquent 30 days after the due date. Any delinquent account holder will not be allowed to schedule any future tests within SCAQMD jurisdiction until all overdue fees are paid in full.
- (2) Pre-Backfill Inspection
- If a contracting company is not ready for a Pre-Backfill inspection of its equipment at the original scheduled time, and/or did not notify the

SCAQMD inspector of postponement/cancellation at least three hours prior to the scheduled time, a “No Show” fee of \$412.43426.45 shall be charged to the contracting company. The fee shall be paid within 60 days of the date of the invoice. If the fee is not paid, the account will become delinquent 30 days after the due date. Any delinquent account holder will not be allowed to schedule any future pre-backfill inspections within SCAQMD jurisdiction until all overdue fees are paid in full.

(aa) Refinery Related Community Air Monitoring System Annual Operating and Maintenance Fees

- (1) The owner or operator of a petroleum refinery subject to Rule 1180 shall pay an annual operating and maintenance fee for a refinery-related community air monitoring system designed, developed, installed, operated, and maintained by SCAQMD in accordance with California Health and Safety Code Section 42705.6.
- (2) The annual operating and maintenance fee per facility required by paragraph (aa)(1) shall be as follows:

<u>Facility Name* and Location</u>	<u>Annual Operating and Maintenance Fee</u>
<u>Andeavor Corporation (Carson)</u>	<u>\$871,086.00</u>
<u>Andeavor Corporation (Wilmington)</u>	<u>\$435,543.00</u>
<u>Chevron U.S.A, Inc. (El Segundo)</u>	<u>\$871,086.00</u>
<u>Delek U.S. Holdings, Inc. (Paramount)</u>	<u>\$217,771.50</u>
<u>Phillips 66 Company (Carson)</u>	<u>\$435,543.00</u>
<u>Phillips 66 Company (Wilmington)</u>	<u>\$435,543.00</u>
<u>PBF Energy, Torrance Refining Company (Torrance)</u>	<u>\$871,086.00</u>
<u>Valero Energy (Wilmington)</u>	<u>\$435,543.00</u>

\*Based on the current facility names. Any subsequent owner(s) or operator(s) of the above listed facilities shall be subject to this rule.

- (3) The annual operating and maintenance fee required by this subdivision shall be billed with the annual operating permit renewal fee required by subdivision (d) beginning in calendar year 2020. If the annual operating and maintenance fee

required by this subdivision is not paid in full within sixty (60) calendar days of its due date, a ten-percent (10%) penalty shall be imposed every sixty (60) calendar days from the due date.

- (4) No later than January 1, 2022 and every three years thereafter, the Executive Officer shall reassess the annual operating and maintenance fee required by this subdivision to ensure that the fee is consistent with the requirements of the California Health and Safety Code Section 42705.6 (f)(1) and (f)(2).

**(ab)** Defense of Permit

Within 10 days of receiving a complaint or other legal process initiating a challenge to the SCAQMD's issuance of a permit, the SCAQMD shall notify the applicant or permit holder in writing. The applicant or permit holder may, within 30 days of posting of the notice, request revocation of the permit or cancellation of the application. An applicant or permit holder not requesting revocation or cancellation within 30 days of receipt of notice from the District shall be responsible for reimbursement to the District for all reasonable and necessary costs to defend the issuance of a permit or permit provisions against a legal challenge, including attorney's fees and legal costs. The Executive Officer will invoice the applicant or permit holder for fees and legal costs at the conclusion of the legal challenge. The SCAQMD and the applicant or permit holder will negotiate an indemnity agreement within 30 days of the notice by SCAQMD to the facility operator. The agreement will include, among other things, attorneys' fees and legal costs. The Executive Officer or designee may execute an indemnity agreement only after receiving authorization from the Administrative Committee. The Executive Officer may in his discretion, waive all or any part of such costs upon a determination that payment for such costs would impose an unreasonable hardship upon the applicant or permit holder.

**FY 2017-18**

**SUMMARY PERMIT FEE RATES – PERMIT PROCESSING, CHANGE OF  
CONDITIONS, ALTERATION/MODIFICATION**

Schedule	Non-Title V			Title V		
	Permit Processing	Change of Condition	Alteration/Modification	Permit Processing	Change of Condition	Alteration/Modification
A	\$1,660.65	\$865.01	\$1,660.65	\$1,767.15	\$920.48	\$1,767.15
A1	\$1,660.65	\$865.01	\$1,660.65	\$1,767.15	\$920.48	\$1,767.15
B	\$2,646.69	\$1,311.15	\$2,646.69	\$2,816.43	\$1,395.24	\$2,816.43
B1	\$4,186.29	\$2,269.16	\$4,186.29	\$4,454.77	\$2,414.69	\$4,454.77
C	\$4,186.29	\$2,269.16	\$4,186.29	\$4,454.77	\$2,414.69	\$4,454.77
D	\$5,777.78	\$3,880.88	\$5,777.78	\$6,148.34	\$4,129.78	\$6,148.34
E	\$6,642.70	\$5,698.08	\$6,642.70	\$7,068.73	\$6,063.52	\$7,068.73
F	\$16,693.49+ T&M	\$8,318.82+ T&M	\$13,233.47+ T&M	\$17,764.12+ T&M	\$8,852.34+ T&M	\$14,082.20+ T&M
G	\$19,703.51+ T&M	\$14,116.48+ T&M	\$16,243.46+ T&M	\$20,967.18+ T&M	\$15,021.84+ T&M	\$17,285.23+ T&M
H	\$30,532.44+ T&M	\$17,898.53+ T&M	\$27,072.40+ T&M	\$32,490.62+ T&M	\$19,046.45+ T&M	\$28,808.68+ T&M

+T&M=Time and Materials Charge in Addition to the Rates Above for Selected Schedules

Schedule	Begin Charging Hourly Rate After (hrs)	Non-Title V T&M Rate (\$/hr)	Non-Title V Not to Exceed (\$)	Title V T&M Rate (\$/hr)	Title V Not to Exceed (\$)
F	99	\$173.00	\$32,518.98	\$184.10	\$34,604.57
G	117	\$173.00	\$55,712.60	\$184.10	\$59,285.71
H	182	\$173.00	\$70,838.47	\$184.10	\$75,381.67



## TABLE FEE RATE-A. FY 2018-19

SUMMARY PERMIT FEE RATES - PERMIT PROCESSING, CHANGE OF  
CONDITIONS, ALTERATION/MODIFICATION

Schedule	Non-Title V			Title V		
	Permit Processing	Change of Condition	Alteration/Modification	Permit Processing	Change of Condition	Alteration/Modification
A	<del>\$1,727.07</del> <u>1,785.79</u>	<del>\$899.61</del> <u>930.20</u>	<del>\$1,727.07</del> <u>1,785.79</u>	<del>\$1,955.70</del> <u>2,022.19</u>	<del>\$1,018.70</del> <u>1,053.34</u>	<del>\$1,955.70</del> <u>2,022.19</u>
A1	<del>\$1,727.07</del> <u>1,785.79</u>	<del>\$899.61</del> <u>930.20</u>	<del>\$1,727.07</del> <u>1,785.79</u>	<del>\$1,955.70</del> <u>2,022.19</u>	<del>\$1,018.70</del> <u>1,053.34</u>	<del>\$1,955.70</del> <u>2,022.19</u>
B	<del>\$2,752.55</del> <u>2,846.14</u>	<del>\$1,363.59</del> <u>1,409.95</u>	<del>\$2,752.55</del> <u>2,846.14</u>	<del>\$3,116.94</del> <u>3,222.92</u>	<del>\$1,544.11</del> <u>1,596.61</u>	<del>\$3,116.94</del> <u>3,222.92</u>
B1	<del>\$4,353.74</del> <u>4,501.77</u>	<del>\$2,359.93</del> <u>2,440.17</u>	<del>\$4,353.74</del> <u>4,501.77</u>	<del>\$4,930.09</del> <u>5,097.71</u>	<del>\$2,672.34</del> <u>2,763.20</u>	<del>\$4,930.09</del> <u>5,097.71</u>
C	<del>\$4,353.74</del> <u>4,501.77</u>	<del>\$2,359.93</del> <u>2,440.17</u>	<del>\$4,353.74</del> <u>4,501.77</u>	<del>\$4,930.09</del> <u>5,097.71</u>	<del>\$2,672.34</del> <u>2,763.20</u>	<del>\$4,930.09</del> <u>5,097.71</u>
D	<del>\$6,008.89</del> <u>6,213.19</u>	<del>\$4,036.11</del> <u>4,173.34</u>	<del>\$6,008.89</del> <u>6,213.19</u>	<del>\$6,804.37</del> <u>7,035.72</u>	<del>\$4,570.43</del> <u>4,725.82</u>	<del>\$6,804.37</del> <u>7,035.72</u>
E	<del>\$6,908.41</del> <u>7,143.30</u>	<del>\$5,926.00</del> <u>6,127.48</u>	<del>\$6,908.41</del> <u>7,143.30</u>	<del>\$7,822.96</del> <u>8,088.94</u>	<del>\$6,710.50</del> <u>6,938.66</u>	<del>\$7,822.96</del> <u>8,088.94</u>
F	<del>\$17,361.23</del> <u>17,951.51+</u> T&M	<del>\$8,651.57</del> <u>8,945.72+</u> T&M	<del>\$13,762.81</del> <u>14,230.75+</u> T&M	<del>\$19,659.55</del> <u>20,327.97+</u> T&M	<del>\$9,796.88</del> <u>10,129.97+</u> T&M	<del>\$15,584.77</del> <u>16,114.65+</u> T&M
G	<del>\$20,491.65</del> <u>21,188.37+</u> T&M	<del>\$14,681.14</del> <u>15,180.30+</u> T&M	<del>\$16,893.20</del> <u>17,467.57+</u> T&M	<del>\$23,204.38</del> <u>23,993.33+</u> T&M	<del>\$16,624.67</del> <u>17,189.91+</u> T&M	<del>\$19,129.56</del> <u>19,779.97+</u> T&M
H	<del>\$31,753.74</del> <u>32,833.37+</u> T&M	<del>\$18,614.48</del> <u>19,247.37+</u> T&M	<del>\$28,155.30</del> <u>29,112.58+</u> T&M	<del>\$35,957.37</del> <u>37,179.92+</u> T&M	<del>\$21,078.71</del> <u>21,795.39+</u> T&M	<del>\$31,882.57</del> <u>32,966.58+</u> T&M

Schedule	Begin Charging Hourly Rate After (hrs)	Non-Title V T & M Rate (\$/hr)	Non-Title V Not to Exceed (\$)	Title V T & M Rate (\$/hr)	Title V Not to Exceed (\$)
F	99	<del>\$179.92</del> <u>186.04</u>	<del>\$33,819.74</del> <u>34,969.61</u>	<del>\$203.74</del> <u>210.67</u>	<del>\$38,296.88</del> <u>39,598.97</u>
G	117	<del>\$179.92</del> <u>186.04</u>	<del>\$57,941.11</del> <u>59,911.11</u>	<del>\$203.74</del> <u>210.67</u>	<del>\$65,611.50</del> <u>67,842.29</u>
H	182	<del>\$179.92</del> <u>186.04</u>	<del>\$73,672.01</del> <u>76,176.86</u>	<del>\$203.74</del> <u>210.67</u>	<del>\$83,424.89</del> <u>86,261.34</u>

**TABLE FEE RATE-A. FY 2019-20 and thereafter**  
**SUMMARY PERMIT FEE RATES - PERMIT PROCESSING, CHANGE OF**  
**CONDITIONS, ALTERATION/MODIFICATION**

Schedule	Non-Title V			Title V		
	Permit Processing	Change of Condition	Alteration/Modification	Permit Processing	Change of Condition	Alteration/Modification
A	<del>\$1,727.07</del> <u>1,785.79</u>	<del>\$899.61</del> <u>930.20</u>	<del>\$1,727.07</del> <u>1,785.79</u>	<del>\$2,164.18</del> <u>2,237.76</u>	<del>\$1,127.29</del> <u>1,165.62</u>	<del>\$2,164.18</del> <u>2,237.76</u>
A1	<del>\$1,727.07</del> <u>1,785.79</u>	<del>\$899.61</del> <u>930.20</u>	<del>\$1,727.07</del> <u>1,785.79</u>	<del>\$2,164.18</del> <u>2,237.76</u>	<del>\$1,127.29</del> <u>1,165.62</u>	<del>\$2,164.18</del> <u>2,237.76</u>
B	<del>\$2,752.55</del> <u>2,846.14</u>	<del>\$1,363.59</del> <u>1,409.95</u>	<del>\$2,752.55</del> <u>2,846.14</u>	<del>\$3,449.21</del> <u>3,566.48</u>	<del>\$1,708.71</del> <u>1,766.81</u>	<del>\$3,449.21</del> <u>3,566.48</u>
B1	<del>\$4,353.74</del> <u>4,501.77</u>	<del>\$2,359.93</del> <u>2,440.17</u>	<del>\$4,353.74</del> <u>4,501.77</u>	<del>\$5,455.64</del> <u>5,641.13</u>	<del>\$2,957.21</del> <u>3,057.76</u>	<del>\$5,455.64</del> <u>5,641.13</u>
C	<del>\$4,353.74</del> <u>4,501.77</u>	<del>\$2,359.93</del> <u>2,440.17</u>	<del>\$4,353.74</del> <u>4,501.77</u>	<del>\$5,455.64</del> <u>5,641.13</u>	<del>\$2,957.21</del> <u>3,057.76</u>	<del>\$5,455.64</del> <u>5,641.13</u>
D	<del>\$6,008.89</del> <u>6,213.19</u>	<del>\$4,036.11</del> <u>4,173.34</u>	<del>\$6,008.89</del> <u>6,213.19</u>	<del>\$7,529.72</del> <u>7,785.73</u>	<del>\$5,057.64</del> <u>5,229.60</u>	<del>\$7,529.72</del> <u>7,785.73</u>
E	<del>\$6,908.41</del> <u>7,143.30</u>	<del>\$5,926.00</del> <u>6,127.48</u>	<del>\$6,908.41</del> <u>7,143.30</u>	<del>\$8,656.89</del> <u>8,951.22</u>	<del>\$7,425.84</del> <u>7,678.32</u>	<del>\$8,656.89</del> <u>8,951.22</u>
F	<del>\$17,361.23</del> <u>17,951.51+</u> T&M	<del>\$8,651.57</del> <u>8,945.72+</u> T&M	<del>\$13,762.81</del> <u>14,230.75+</u> T&M	<del>\$21,755.26</del> <u>22,494.94+</u> T&M	<del>\$10,841.23</del> <u>11,209.83+</u> T&M	<del>\$17,246.11</del> <u>17,832.48+</u> T&M
G	<del>\$20,491.65</del> <u>21,188.37+</u> T&M	<del>\$14,681.14</del> <u>15,180.30+</u> T&M	<del>\$16,893.20</del> <u>17,467.57+</u> T&M	<del>\$25,677.97</del> <u>26,551.02+</u> T&M	<del>\$18,396.86</del> <u>19,022.35+</u> T&M	<del>\$21,168.77</del> <u>21,888.51+</u> T&M
H	<del>\$31,753.74</del> <u>32,833.37+</u> T&M	<del>\$18,614.48</del> <u>19,247.37+</u> T&M	<del>\$28,155.30</del> <u>29,112.58+</u> T&M	<del>\$39,790.43</del> <u>41,143.30+</u> T&M	<del>\$23,325.70</del> <u>24,118.77+</u> T&M	<del>\$35,281.25</del> <u>36,480.81+</u> T&M

Schedule	Begin Charging Hourly Rate After (hrs)	Non-Title V T& M Rate (\$/hr)	Non-Title V Not to Exceed (\$)	Title V T& M Rate (\$/hr)	Title V Not to Exceed (\$)
F	99	<del>\$179.92</del> <u>186.04</u>	<del>\$33,819.74</del> <u>34,969.61</u>	<del>\$225.46</del> <u>233.13</u>	<del>\$42,379.33</del> <u>43,820.23</u>
G	117	<del>\$179.92</del> <u>186.04</u>	<del>\$57,941.11</del> <u>59,911.11</u>	<del>\$225.46</del> <u>233.13</u>	<del>\$72,605.69</del> <u>75,074.28</u>
H	182	<del>\$179.92</del> <u>186.04</u>	<del>\$73,672.01</del> <u>76,176.86</u>	<del>\$225.46</del> <u>233.13</u>	<del>\$92,317.98</del> <u>95,456.79</u>

**TABLE FEE RATE-B. SUMMARY OF ERC PROCESSING RATES, BANKING, CHANGE OF TITLE, ALTERATION/MODIFICATION, CONVERSION TO SHORT TERM CREDITS, RE-ISSUANCE OF SHORT TERM CREDITS, RETIREMENT OF SHORT TERM CREDITS FOR TRANSFER INTO RULE 2202, and TRANSFER OF ERCs OUT OF RULE 2202**

Schedule I	Non-Title V		Title V		
	<del>FY 2017-18</del>	<del>FY 2018-19</del> and thereafter	<del>FY 2017-18</del>	FY 2018-19	FY 2019-20 and thereafter
Banking Application	<del>\$4,285.13</del>	<del>\$4,456.54</del> <u>4,608.06</u>	<del>\$4,559.95</del>	<del>\$5,046.50</del> <u>5,218.08</u>	<del>\$5,584.46</del> <u>5,774.33</u>
Change of Title	<del>\$756.95</del>	<del>\$787.23</del> <u>814.00</u>	<del>\$805.49</del>	<del>\$891.44</del> <u>921.75</u>	<del>\$986.47</del> <u>1,020.01</u>
Alteration/ Modification	<del>\$756.95</del>	<del>\$787.23</del> <u>814.00</u>	<del>\$805.49</del>	<del>\$891.44</del> <u>921.75</u>	<del>\$986.47</del> <u>1,020.01</u>
Conversion to Short Term Credits	<del>\$756.95</del>	<del>\$787.23</del> <u>814.00</u>	<del>\$805.49</del>	<del>\$891.44</del> <u>921.75</u>	<del>\$986.47</del> <u>1,020.01</u>
Re-Issuance of Short Term Credits	<del>\$756.95</del>	<del>\$787.23</del> <u>814.00</u>	<del>\$805.49</del>	<del>\$891.44</del> <u>921.75</u>	<del>\$986.47</del> <u>1,020.01</u>
Retirement of Short Term Emission Credits for Transfer into Rule 2202 and Transfer of ERCs Out of Rule 2202	<del>\$254.58</del>	<del>\$264.76</del> <u>273.76</u>	<del>\$270.91</del>	<del>\$299.82</del> <u>310.01</u>	<del>\$331.78</del> <u>343.06</u>

**TABLE FEE RATE-C. SUMMARY OF PERMIT FEE RATES  
CHANGE OF OPERATOR<sup>a</sup>**

Facility Type	Non-Title V	Title V
Small Business	<del>\$230.64 for FY 2017-18 and</del> <del>\$239.87</del> <u>248.03</u> <del>for FY 2018-</del> <del>19 and thereafter</del>	<del>\$245.43 for FY 2017-18,</del> <del>\$271.62</del> <u>280.86</u> <del>for FY 2018-19</del> and <del>\$300.57</del> <u>310.79</u> <del>for FY 2019-20</del> and thereafter
Non-Small Business	<del>\$633.40 for FY 2017-18 and</del> <del>\$658.74</del> <u>681.14</u> <del>for FY 2018-</del> <del>19 and thereafter</del>	<del>\$674.02 for FY 2017-18,</del> <del>\$745.94</del> <u>771.30</u> <del>for FY 2018-19</del> and <del>\$825.46</del> <u>853.53</u> <del>for FY 2019-20</del> and thereafter

<sup>a</sup> Fees are for each permit unit application and apply to all facilities, including RECLAIM facilities. The change of operator fee for Non-RECLAIM Title V facilities shall not exceed ~~\$8,383.28 for FY 2017-18,~~ ~~\$9,277.78~~ 9,593.22 ~~for FY 2018-19 and \$10,266.79~~ 10,615.86 ~~for FY 2019-20 and thereafter per facility and for all other Non-RECLAIM facilities shall not exceed \$15,756.06 for FY 2017-18 and \$16,386.30~~ 16,943.43 ~~for FY 2018-19 and thereafter per facility.~~ There is no limit to the change of operator fees for RECLAIM facilities.

**TABLE IA - PERMIT FEE RATE SCHEDULES FOR CONTROL EQUIPMENT**

Equipment/Process	Schedule
Abatement System/HEPA, Asbestos, Lead	B
Activated Carbon Adsorber, Venting Single Source (s.s.=single source)	B
Activated Carbon Adsorber, Venting Multiple Source (m.s.=multiple sources)	C
Activated Carbon Adsorber, Other	D
Activated Carbon Adsorber, Drum Venting Toxic Source (t.s. = toxic source)	C
Activated Carbon Adsorber, with regeneration	E
Afterburner (<= 1 MMBTU/hr, venting s.s.)	B
Afterburner (<= 1 MMBTU/hr, venting m.s.)	C
Afterburner, Catalytic for Bakery Oven	C
Afterburner, Direct Flame	D
Afterburner/Oxidizer: Regenerative Ceramic/Hot Rock Bed Type, Recuperative Thermal	D
Afterburner/Oxidizer, Catalytic	D
Air Filter, Custom	C
Amine (or DEA) Regeneration Unit <sup>1</sup>	D
Amine Treating Unit <sup>1</sup>	D
Baghouse, Ambient (<= 100 FT <sup>2</sup> )	A
Baghouse, Ambient (> 100 - 500 FT <sup>2</sup> )	B
Baghouse, Ambient (> 500 FT <sup>2</sup> )	C
Baghouse, Hot (> 350 F)	D
Biofilter (<= 100 cfm)	B
Biofilter (> 100 cfm)	C
Boiler as Afterburner	D
CO Boiler	F
Condenser	C
Control Systems, two in series	C
Control Systems, three in series	D
Control Systems, four or more in series	E
Control Systems, Venting Plasma Arc Cutters	B1
Cyclone	B
Dry Filter (<= 100 FT <sup>2</sup> )	A
Dry Filter (> 100 - 500 FT <sup>2</sup> )	B

Equipment/Process	Schedule
Dry Filter (> 500 FT <sup>2</sup> )	C
Dust Collector/HEPA, other Rule 1401 toxics	C
Electrostatic Precipitator, Restaurant	B
Electrostatic Precipitator, Asphalt Batch Equipment	C
Electrostatic Precipitator, Extruder	B
Electrostatic Precipitator, < 3000 CFM	B
Electrostatic Precipitator, => 3000 CFM	D
Electrostatic Precipitator for Fluid Catalytic Cracking Unit (FCCU)	H
Ethylene Oxide Sterilization, Control, Hospital	B
Flare, Landfill/Digester Gas, Enclosed	E
Flare, Landfill/Digester Gas, Open	C
Flare, Portable	B
Flare System, Refinery <sup>2</sup>	F
Flare Other	C
Flue Gas Desulfurization <sup>1</sup>	D
Gas Absorption Unit <sup>3</sup>	D
Gas Scrubbing System <sup>1</sup>	F
Incinerator, Afterburner	D
Mesh pads, for toxics gas stream	C
Mesh pads, for other acid mists	B
Mist Control	B
Mist Eliminator with HEPA	C
Negative Air Machine/HEPA, Asbestos, Lead	A
Non-Selective Catalytic Reduction	B
Odor Control Unit	D
Relief and Blowdown System <sup>4</sup>	D
Scrubber, Biofiltration	C
Scrubber Controlling NO <sub>x</sub> venting	D
Scrubber Controlling SO <sub>x</sub> venting	D
Scrubber Controlling HCL or NH <sub>3</sub> venting s.s.	B
Scrubber Controlling HCL or NH <sub>3</sub> venting m.s.	C
Scrubber, NO <sub>x</sub> , multistage	D
Scrubber, NO <sub>x</sub> , single stage	C
Scrubber, Odor, < 5000 cfm	C

**TABLE IA - PERMIT FEE RATE SCHEDULES FOR CONTROL EQUIPMENT**

Equipment/Process	Schedule
Scrubber, Other venting s.s.	B
Scrubber, Other venting m.s.	C
Scrubber, Other Chemical venting s.s.	B
Scrubber, Other Chemical venting m.s.	D
Scrubber, Particulates venting s.s.	B
Scrubber, Particulates venting m.s.	C
Scrubber, Particulates venting t.s.	D
Scrubber, Restaurant	B
Scrubber, Toxics venting	D
Scrubber, Venturi venting s.s.	B
Scrubber, Venturi venting m.s.	C
Scrubber, Venturi venting t.s.	C
Scrubber, Water (no packing)	B
Selective Catalytic Reduction (SCR)	C
Settling Chamber	B
Ship Hold Hatch Cover	A
Slop Oil Recovery System	D
Sour Water Oxidizer Unit <sup>5</sup>	D
Sour Water Stripper <sup>6</sup>	D
Sparger	B
Spent Acid Storage & Treating Facility <sup>7</sup>	E
Spent Carbon Regeneration System	D
Spent Caustic Separation System <sup>8</sup>	D
Spray Booth/Enclosure, Other	B
Spray Booth/Enclosure, Powder Coating System with single or multiple APC for particulates	B

Equipment/Process	Schedule
Spray Booth, Metallizing	C
Spray Booth with Carbon Adsorber (non-regenerative)	C
Spray Booths (multiple) with Carbon Adsorber (non-regenerative)	D
Spray Booth(s) with Carbon Adsorber (regenerative)	E
Spray Booth(s) (1 to 5) with Afterburner/Oxidizer (Regenerative/Recuperative)	D
Spray Booths (>5) with Afterburner/Oxidizer (Regenerative/Recuperative)	E
Spray Booth, Automotive, with Multiple VOC Control Equipment	C
Spray Booth with Multiple VOC Control	D
Spray Booths (multiple) with Multiple VOC Control Equipment	E
Storm Water Handling & Treating System <sup>9</sup>	E
Sulfur Recovery Equipment <sup>7</sup>	H
Tail Gas Incineration	D
Tail Gas Unit <sup>10</sup>	H
Storage Tank, Degassing Unit	D
Ultraviolet Oxidation	D
Vapor Balance System <sup>11</sup>	B
Vapor Recovery, Serving Crude Oil Production <sup>11</sup>	D
Vapor Recovery, Serving Refinery Unit <sup>11</sup>	E
Waste Gas Incineration Unit	E

<sup>1</sup> Including, but not limited to, all or part of the following: Accumulators, Columns, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels

<sup>2</sup> Including, but not limited to, all or part of the following: Flare, Compressors, Drums, Knock Out Pots, Pots, Vessels

<sup>3</sup> Including, but not limited to, all or part of the following: Accumulators, Columns, Condensers, Drums, Heat Exchangers, Knock

**TABLE IA - PERMIT FEE RATE SCHEDULES FOR CONTROL EQUIPMENT**

	Out Pots, Pots, Pumps, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, towers, Vessels
<sup>4</sup>	Including, but not limited to, all or part of the following: Compressors, Drums, Knock Out Pots, Pots	<sup>8</sup> Including, but not limited to, all or part of the following: Process Tanks, Separators, Tanks
<sup>5</sup>	Including, but not limited to, all or part of the following: Accumulators, Columns, Drums, Knock Out Pots, Tanks, Vessels	<sup>9</sup> Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Filter Presses, Clarifiers, Settling Tanks, Waste Water Separators, Tanks
<sup>6</sup>	Including, but not limited to, all or part of the following: Condensers, Coolers, Drums, Sumps, Vessels	<sup>10</sup> Including, but not limited to, all or part of the following: Absorbers, Condensers, Coolers, Drums, Heat Exchangers, Knock Out Pots, Reactors, Tanks, Vessels
<sup>7</sup>	Including, but not limited to, all or part of the following: Accumulators, Clarifier, Columns, Compressors, Condensers, Drums, Filters, Filter Presses, Heat Exchangers, Knock Out Pots, Pits,	<sup>11</sup> Including, but not limited to, all or part of the following: Absorbers, Compressors, Condensers, Knock Out Pots, Pumps, Saturators

**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule	Equipment/Process	Schedule
Abatement System, Asbestos, Lead	B	Aggregate Production/Crushing (< 5000 tpd) Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Crushers, Cyclones, Log Washers, Mixers, Screens, Vibrating Grizzlies, Weigh Stations	C
Abrasive Blasting (Cabinet, Mach., Room)	B	Aggregate Production/Crushing (>= 5000 tpd) Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Crushers, Cyclones, Log Washers, Mixers, Screens, Vibrating Grizzlies, Weigh Stations	D
Abrasive Blasting (Open)	A	Aggregate Screening Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Cyclones, Screens, Weigh Stations	C
Absorption Chillers, Gas-Fired, < 5 MM Btu/hr	B	Air Strippers	C
Absorption Chillers, Gas-Fired, => 5 MM Btu/hr	C	Aircraft Fueling Facility Including, but not limited to, all or part of the following: Storage Tanks, Dispensing Nozzles	D
Acetylene Purification System Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C	Alkylation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Acid Treating Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E	Ammonia Mfg. Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Coolers, Drums, Ejectors, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C
Adhesives Organic Additions Including, but not limited to, all or part of the following: Reactors, Mixers, Process Tanks, Vessels	C	Ammonia Vaporization Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Coolers, Drums, Ejectors, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C
Adsorption Chillers, Gas-Fired, < 5 MM Btu/hr	B		
Adsorption Chillers, Gas-Fired, => 5 MM Btu/hr	C		
Adsorption, Other	B		
Aeration Potable Water	C		
Aggregate, Tank Truck Loading/Conveying Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Weigh Stations	B		
Aggregate Production, with Dryer Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Dryers, Feeders, Hoppers, Crushers, Cyclones, Log Washers, Mixers, Screens, Vibrating Grizzlies, Weigh Stations	E		



**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule
Animal Feed Processing, Conveying Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators	B
Animal Feed Processing, Other Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators, Mixers, Feeders, Grinders	C
Anodizing (sulfuric, phosphoric)	B
Aqueous Ammonia Transfer & Storage	C
Aromatics Recovery Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Asphalt Air Blowing	B
Asphalt Blending/Batching Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Cyclones, Dryers, Feeders, Hoppers, Knock Out Pots, Mixers, Screens, Tanks, Weigh Stations	E
Asphalt Coating	C
Asphalt Day Tanker/Tar Pot	A
Asphalt Refining Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Asphalt Roofing Line Including, but not limited to, all or part of the following: Pumps, Conveyors, Process Tanks, Coater Operations, Cutters	C
Asphalt Roofing Saturator	D
Asphalt-Rubber Spraying	B
Auto Body Shredding	C
Autoclave, Non-sterilizing Type	B

Equipment/Process	Schedule
Battery Charging/Manufacturing Including, but not limited to, all or part of the following: Cutters, Crushers, Separators, Process Tanks, Conveyors	C
Benzene/Toluene/Xylene Production Equip. Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Beryllium Machining and Control Including, but not limited to, all or part of the following: Machining Operations, Filters, Baghouses,	C
Bleach Manufacturing Including, but not limited to, all or part of the following: Accumulators, Columns, Com-pressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Tanks, Towers, Vessels	B
Blending, Other	B
Boiler/hot water heater, various locations, diesel/oil fired (< 300,000 BTU/hr)	A
Boiler/hot water heater, single facility, portable, diesel/oil fired (< 600,000 BTU/hr)	A
Boiler, Landfill/Digester Gas (< 5 MMBTU/hr)	B
Boiler, Landfill/Digester Gas (5 to 20 MMBTU/hr)	C
Boiler, Landfill/Digester Gas (> 20 to 50 MMBTU/hr)	D
Boiler, Landfill/Digester Gas (>50MMBTU/hr)	F
Boiler, Natural gas-fired, 5 – 20 MM BTU/hr	C
Boiler, Other Fuel (< 5MMBTU/hr)	B
Boiler, Other Fuel (5 - 20 MMBTU/hr)	C
Boiler, Other Fuel (> 20 - 50 MMBTU/hr)	D
Boiler, Other Fuel (> 50 MMBTU/hr)	E
Boiler, Utility (> 50 MW)	H
Brake Shoes, Grinding, Bonding and Debonding, Deriveter	B
Bulk Chemical Terminal	B

**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule	Equipment/Process	Schedule
Bulk Loading/Unloading Stn ( < 50,000 GPD)	B	Charbroiler, Eating Establishment	A
Bulk Loading/Unloading Rack (50,000 - 200,000 GPD)	D	Charbroiler with Integrated Control	B
Bulk Loading/Unloading Rack ( > 200,000 GPD)	E	Charbroiler, Food Manufacturing	C
Bulk Loading/Unloading	C	Chemical Additive Injection System Including, but not limited to, all or part of the following: Injectors, Compressors, Pumps	C
<u>Carbon Dioxide Production Facility</u> <u>Including, but not limited to, all or part</u> <u>of the following:</u> <u>Separator, Knockout Pot, Scrubber,</u> <u>Chiller, Pumps, Blowers, Oil</u> <u>Separator, Compressor,</u> <u>Intercoolers, Filters, Cooling</u> <u>Tower</u>	F	Chip Dryer	D
Carpet Processing System Including, but not limited to, all or part of the following: Process Tanks, Dryers, Carpet Beaters, Carpet Shears	D	<u>Chippers, Greenwaste, not including</u> <u>I.C. Engine</u>	A
Catalyst Handling System Including, but not limited to, all or part of the following: Centrifuge, Bins, Conveyors, Hoppers, Cyclones, Screens, Tanks, Weigh Stations	C	Circuit Board Etchers	B
Catalyst Mfg./Calcining Including, but not limited to, all or part of the following: Bins, Conveyors, Reactors, Mixers, Process Tanks, Kilns	D	Cleaning, Miscellaneous	B
Catalyst Storage (Hoppers)	C	Coal Bulk Loading Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Loading Arms, Weigh Stations	E
Catalytic Reforming Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E	Coal Research Pilot / Equip (0-15 MMBTU/hr)	C
Caustic Treating Unit Including, but not limited to, all or part of the following: Knock Out Pots, Tanks, Towers, Vessels	E	Coal Research Pilot / Equip ( > 15 MMBTU/hr)	D
Cement Marine Loading & Unloading Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Loading & Unloading Arms, Weigh Stations	E	Coal Tar Treating Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C
Cement Packaging Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Weigh Stations	C	Coating & Drying Equipment, Continuous Organic, Web Type Including, but not limited to, all or part of the following: Coater Operations, Process Tanks, Dryers	C
Cement Truck Loading	C	Coffee Roaster < 50 lbs capacity with integrated afterburner	B
		Coffee Roasting, (11-49 lb roaster capacity Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Roasters, Coolers	A
		Coffee Roasting, 50-99 lb roaster capacity Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Roasters, Coolers	B

**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule
Coffee Roasting, 100 lb or more roaster capacity Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Roasters, Coolers	C
Coke Handling & Storage Facility Including, but not limited to, all or part of the following: Centrifuge, Bins, Conveyors, Clarifier, Hoppers, Cyclones, Screens, Tanks, Weigh Stations	E
Composting, in vessel Including, but not limited to, all or part of the following: Bins, Conveyors, Hoppers	C
Concrete/Asphalt Crushing Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Crushers, Cyclones, Screens, Vibrating Grizzlies, Weigh Stations	C
Concrete Batch Equipment Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Dryers, Feeders, Hoppers, Crushers, Cyclones, Log Washers, Mixers, Screens, Vibrating Grizzlies, Weigh Stations	C
Confined Animal Facility	A
Container Filling, Liquid	B
Conveying, Other	B
Cooling Tower, Petroleum Operations	C
Cooling Tower, Other	B
Core Oven	B
Cotton Ginning System Including, but not limited to, all or part of the following: Hoppers, Conveyors, Separators, Screens, Classifiers, Mixers	D
Crankcase Oil, Loading and Unloading	C
Crematory	C
Crude Oil, Cracking Catalytic Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	G

Equipment/Process	Schedule
Crude Oil, Distillation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Crude Oil/Gas/Water Separation System (< 30 BPD)** Including, but not limited to, all or part of the following: Adsorbers, Oil Water Separators, Oil Gas Water Separators, Pits, Sumps, Tanks, Vessels	C
Crude Oil/Gas/Water Separation System, (>= 30 BPD & < 400 BPD)** Including, but not limited to, all or part of the following: Adsorbers, Oil Water Separators, Oil Gas Water Separators, Pits, Sumps, Tanks, Vessels	C
Crude Oil/Gas/Water Separation System, (>= 400 BPD)** Including, but not limited to, all or part of the following: Adsorbers, Oil Water Separators, Oil Gas Water Separators, Pits, Sumps, Tanks, Vessels	E
Decorating Lehr	C
Decorator	B
Deep-Fat Fryer	C
Dehydration Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C
Degreaser, Cold Solvent Dipping	B
Degreaser, Cold Solvent Spray	C
Degreaser, (<= 1 lb VOC/day)	B
Degreaser, (> 1 lb VOC/day)	B
Degreaser, (VOCw/Toxics)	C

**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule	Equipment/Process	Schedule
Delayed Coking Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E	Evaporator, Other	B
Deposition on Ceramics (< 5 pieces)	B	Extraction - Benzene Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C
Deposition on Ceramics (5 or more pieces)	C	Extruder	B
Desalting Unit Including, but not limited to, all or part of the following: Mixers, Pumps, Reactors, Settling Tanks, Sumps, Tanks, Vessels	C	Extrusion System (Multiple Units) Including, but not limited to, all or part of the following: Extruders	C
Die Casting Equipment	C	Fatty Acid Mfg.	C
Digester Gas Desulfurization System Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Tanks, Towers, Vessels	C	Feathers, Size Classification	A
Dip Tank, Coating	B	Feed Handling (combining conveying and loading)	D
Dip Tank, (<= 3 gal/day)	B	Fermentation/Brewing Including, but not limited to, all or part of the following: Hoppers, Conveyors, Brew Kettles	C
Distillation, Other Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C	Fertilizer, Natural, Packaging/ Processing Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Loading Arms, Weigh Stations	B
Drilling Rig, Crude Oil Prod.	C	Fertilizer, Synthetic, Production Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Mixers, Dryers, Process Tanks, Reactors, Hoppers, Loading Arms, Weigh Stations	C
Drop Forge	B	Fiberglass Panel Mfg Including, but not limited to, all or part of the following: Conveyors, Mixers, Reactors, Process Tanks, Cutters	C
Dry Cleaning & Associated Control Equipment	A	Filament Winder, Rule 1401 Toxics	C
Dryer for Organic Material	C	Filament Winder, Other	B
Drying/Laundry	A	Filling Machine, Dry Powder	C
Drying, Other	B	Film Cleaning Machine	B
Emission Reduction Credits [Rule 301(c)(4) and (c)(5)]	I	Flour Handling (combining conveying, packaging, and loadout)	E
End Liner, Can	B	Flour Manufacturing (combining milling and conveying)	E
Ethylene Oxide Sterilization, Hospital	B	Flour Milling Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Mills, Weigh Stations	D
Evaporation, Toxics	C		

**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule
Flow Coater	B
Fluid Catalytic Cracking Equipment Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	H
Fluid Elimination, Waste Water	B
Foam-in-Place Packaging	A
Food Processing Grinding, Blending, Packaging, Conveying, Flavoring	C
Fractionation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Fruit and Vegetable Treating	A
Fuel Gas Mixer	C
Fuel Gas, Treating Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Scrubbers, Settling Tanks, Towers, Vessels	D
Fuel Storage & Dispensing Equipment (Rule 461) Including, but not limited to, all or part of the following: Storage Tanks, Dispensing Nozzles	A
Fumigation	A
Furnace, Arc	D
Furnace, Burn-Off, Armature	C
Furnace, Burn-Off, Drum	D
Furnace, Burn-Off, Engine Parts	C
Furnace, Burn-Off, Paint	C
Furnace, Burn-Off, Wax	C
Furnace, Burn-Off, Other	C
Furnace, Cupola	D
Furnace, Electric, Induction and Resistance	C

Equipment/Process	Schedule
Furnace, Frit	C
Furnace, Galvanizing	C
Furnace, Graphitization and Carbonization	C
Furnace, Heat Treating	B
Furnace, Other Metallic Operations	C
Furnace, Pot/Crucible	C
Furnace, Reverberatory	D
Furnace, Wire Reclamation	C
Garnetting, Paper/Polyester Including, but not limited to, all or part of the following: Feeders, Conveyors, Condensers, Cutters	C
Gas Plant Including, but not limited to, all or part of the following: Accumulators, Columns, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Re-generators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Gas Turbine, Landfill/Digester Gas, <0.3 MW	B
Gas Turbine, Landfill/Digester Gas, => 0.3 MW	E
Gas Turbine, <= 50 MW, other fuel	D
Gas Turbine, > 50 MW, other fuel	G
Gas Turbine, Emergency, < 0.3 MW	A
Gas Turbine, Emergency, => 0.3 MW	C
Gas Turbines (Microturbines only)	A
Gas-Oil Cracking Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Gasoline, In-line Blending Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D

**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule	Equipment/Process	Schedule
Gasoline, Refining Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D	Grain Cleaning Including, but not limited to, all or part of the following: Air Classifiers, Bins, Conveyors, Bucket Elevators, Hoppers, Mills, Screens, Weigh Stations	C
Gasoline, Separation - Liquid Production Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D	Grain Handling (combining storage and cleaning)	E
Gasoline, Vapor Gathering System Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D	Grain Storage	C
Gasoline Blending Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Scrubbers, Settling Tanks, Towers, Vessels	E	Grinder, Size Reduction	B
Gasoline Fractionation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	F	Groundwater Treatment System Including, but not limited to, all or part of the following: Air Strippers, Adsorbers, Process Tanks	C
Gasoline Transfer & Dispensing Facility (See Fuel Storage & Dispensing Equipment)		Gypsum, Calcining Including, but not limited to, all or part of the following: Air Classifiers, Bins, Conveyors, Bucket Elevators, Hoppers, Kilns, Weigh Stations	E
Glass Forming Machine	C	Halon/Refrigerants, Recovery and Recycling Equipment	A1
Glass Furnace < 1TPD	B	Heater, (< 5 MMBTU/hr)	B
Glass Furnace, > 1 - 50 TPD Pull	D	Heater, (5 - 20 MMBTU/hr)	C
Glass Furnace, > 50 TPD Pull	E	Heater, (> 20-50 MMBTU/hr)	D
		Heater, (> 50 MMBTU/hr)	E
		Hot End Coating, (Glass Mfg. Plant)	B
		Hydrant Fueling, Petrol. Middle Distillate Including, but not limited to, all or part of the following: Storage Tanks, Dispensing Nozzles	D
		Hydrocarbons, Misc., Treating Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D
		Hydrogen Desulfurization (HDS) Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	F

**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule
Hydrogen Production Equipment Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	F
Hydrotreating Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
IC Engine, (51-500 HP) Cogeneration	B
IC Engine, (> 500 HP) Cogeneration	C
IC Engine, Emergency	B
IC Engine, Landfill/Digester Gas	D
IC Engine, Other, 51-500 HP	B
IC Engine, Other, > 500 HP	C
Impregnating Equipment	C
Incineration, Hazardous Waste	H
Incinerator, < 300 lbs/hr, Non-Hazardous	E
Incinerator, >= 300 lbs/hr, Non-Hazardous	F
Indoor Shooting Range	B
Ink Mfg./Blending Including, but not limited to, all or part of the following: Process Tanks, Mixers	B
Inorganic Chemical Mfg. Including, but not limited to, all or part of the following: Process Tanks, Mixers, Reactors	D
Insecticide Separation/Mfg Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Coolers, Drums, Ejectors, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E

Equipment/Process	Schedule
Iodine Reaction Including, but not limited to, all or part of the following: Columns, Compressors, Condensers, Coolers, Heat Exchangers, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Tanks, Towers	C
Isomerization Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Jet Engine Test Facility	C
Kiln, Natural Gas	C
Landfill Condensate/Leachate Collection/Storage	B
Landfill Gas, Collection, (< 10 Wells)	B
Landfill Gas, Collection, (10 -50 Wells)	C
Landfill Gas, Collection, (> 50 Wells)	D
Landfill Gas, Treatment	E
Lime/Limestone, Conveying Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Weigh Stations	C
Liquid Separation, Other Including, but not limited to, all or part of the following: Process Tanks, Settling Tanks, Separators, Tanks	D
Liquid Waste Processing, Hazardous Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Filter Presses, Reactors, Process Tanks, Clarifiers, Settling Tanks, Waste Water Separators, Tanks	E
Liquid Waste Processing, Non Hazardous Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Filter Presses, Reactors, Process Tanks, Clarifiers, Settling Tanks, Waste Water Separators, Tanks	C
LPG, Tank Truck Loading	D

**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule	Equipment/Process	Schedule
LPG, Treating Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D	Merox Treating Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
LPG Distillation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E	Metal Deposition Equipment	C
Lube Oil Additive/Lubricant Mfg.	B	Metallic Mineral Production Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Crushers, Cyclones, Log Washers, Mixers, Screens, Vibrating Grizzlies, Weigh Stations	E
Lube Oil Re-refining Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D	Misc. Solvent Usage at a Premise	B
Marine Bulk Loading/Unloading System, Including, but not limited to, all or part of the following: Absorbers, Compressors, Condensers, Knock Out Pots, Pumps, Reactors, Saturators	D	Mixer, Chemicals	B
Marine Vessel Displaced Vapor Control, Including, but not limited to, all or part of the following: Absorbers, Compressors, Condensers, Knock Out Pots, Pumps, Reactors, Saturators	D	MTBE Production Facility Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Coolers, Drums, Ejectors, Heat Exchangers, Knock Out Pots, Mixers, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	F
Merichem Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D	Natural Gas Dehydration Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C
		Natural Gas Odorizers	C
		Natural Gas Stabilization Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Scrubbers, Regenerators, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
		Nut Roasters Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Roasters, Coolers	C



**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule
Nut Shell Drying Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Dryers, Coolers	C
Oil/Water Separator (< 10,000 GPD) Including, but not limited to, all or part of the following: Oil Water Separators, Pits, Sumps, Tanks, Vessels	B
Oil/Water Separator (>= 10,000 GPD) Including, but not limited to, all or part of the following: Oil Water Separators, Pits, Sumps, Tanks, Vessels	C
Open-Air resin operations	A
Oven Bakery	C
Oven, Curing (Rule 1401 toxics)	C
Oven, Other	B
Packaging, Other	B
Paint Stripping, Molten Caustic	C
Paper Conveying	A
Paper Pulp Products	D
Paper Size Reduction	C
Pavement Grinder	B
Pavement Heater	B
Pelletizing, Chlorine Compounds Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Pelletizers, Mixers, Dryers	C
Perlite Furnace	C
Perlite Handling Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators	C
Pesticide/Herbicide Mfg. Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Coolers, Drums, Ejectors, Heat Exchangers, Knock Out Pots, Mixers, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Petroleum Coke Calcining Including, but not limited to, all or part of the following: Bins, Conveyors, Reactors, Mixers, Process Tanks, Kilns	F

Equipment/Process	Schedule
Petroleum Coke Conveying Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators	B
Pharmaceutical Mfg. Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Reactors, Process Tanks, Pelletizers, Mixers, Dryers	C
Pharmaceutical Mfg. Tableting, Coating Vitamins or Herbs	C
Pipe Coating, Asphaltic	B
Plasma Arc Cutting	B1
Plastic Mfg., Blow Molding Machine	B
Plastic/Resin Size Reduction Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Grinders, Mills, Cyclones, Screens, Weigh Stations	B
Plastic/Resins Reforming	C
Plastic/Resins Treating	C
Plastisol Curing Equipment	B
Polystyrene Expansion/Molding	C
Polystyrene Expansion/Packaging	C
Polystyrene Extruding/Expanding	B
Polyurethane Foam Mfg. Including, but not limited to, all or part of the following: Coolers, Heat Exchangers, Pumps, Reactors, Mixers, Process Tanks	C
Polyurethane Mfg/Production	B
Polyurethane Mfg/Rebonding	B
Process Line, Chrome Plating (Hexavalent)	C
Process Line, Chrome Plating (Trivalent)	B
Precious Metal, Recovery, Other	B
Precious Metal, Recovery, Catalyst	D
Printing Press, Air Dry	B
Printing Press With IR, EB or UV Curing	B
Printing Press, Other	C
Printing Press, Screen	B
Production, Other	B
Railroad Car Loading/Unloading, Other	C
Railroad Car Unloading, liquid direct to trucks	B

**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule	Equipment/Process	Schedule
Reaction, Other	C	Semiconductor, Int. Circuit Mfg (5 or more)	C
Recovery, Other	B	Semiconductor, Photo resist (< 5 pieces)	B
Refined Oil/Water Separator Including, but not limited to, all or part of the following: Oil/Water Separators, Pits, Sumps, Tanks, Vessels	B	Semiconductor, Photo resist (5 or more pieces)	C
Refrigerant Recovery/Recycling	A1	Semiconductor, Solvent Cleaning (< 5 pieces)	B
Rendering Equipment, Blood Drying	C	Semiconductor, Solvent Cleaning (5 or more pieces)	C
Rendering Equipment, Fishmeal Drying	C	Sewage Sludge Composting	C
Rendering Equipment, Rendering	D	Sewage Sludge Drying, Conveying, Storage, Load-out Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators, Loading Arms	D
Rendering Equipment, Separation, Liquid	C	Sewage Sludge Digestion	D
Rendering Product, Handling Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators	C	Sewage Sludge Dryer	D
Resin, Varnish Mfg. Including, but not limited to, all or part of the following: Coolers, Heat Exchangers, Pumps, Reactors, Mixers, Process Tanks	D	Sewage Sludge Incineration	H
Roller Coater	B	Sewage Treatment, (<= 5 MGD), Aerobic Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Filter Presses, Clarifiers, Settling Tanks, Trickling Filters, Waste Water Separators, Tanks	C
Rubber Mfg. Including, but not limited to, all or part of the following: Coolers, Heat Exchangers, Pumps, Reactors, Mixers, Process Tanks	C	Sewage Treatment, (> 5 MGD) Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Filter Presses, Clarifiers, Settling Tanks, Trickling Filters, Waste Water Separators, Tanks	F
Rubber Presses or Molds with a ram diameter of more than 26 inches Submitted before September 11, 1999 Submitted on or after September 11, 1999	A B	Sewage Treatment, (> 5 MGD), Anaerobic Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Digesters, Filter Presses, Clarifiers, Settling Tanks, Trickling Filters, Waste Water Separators, Tanks	G
Rubber Roll Mill	B	Sheet Machine	B
Sand Handling Equipment, Foundry Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators	C	Shell Blasting System	B
Sand Handling Equipment w/Shakeout, Foundry Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators	D	Shipping Container System	B
Screening, Green Waste	A	Sintering	C
Screening, Other Including, but not limited to, all or part of the following: Screens, Conveyors, Bins, Hoppers, Bucket Elevators	C	Size Reduction, Other Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Dryers, Feeders, Hoppers, Crushers, Cyclones, Mixers, Screens, Weigh Stations	C
Semiconductor, Int. Circuit Mfg (< 5 pieces)	B		

**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule
Size Reduction, Petroleum Coke Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Dryers, Feeders, Hoppers, Crushers, Cyclones, Mixers, Screens, Weigh Stations	C
Sludge Dewatering, Other Including, but not limited to, all or part of the following: Filter Press, Process Tanks, Settling Tanks	D
Sludge Dryer, Other	B
Sludge Incinerator	H
Smoke Generator	B
Smokehouse	C
Soap/Detergent Mfg Including, but not limited to, all or part of the following: Process Tanks, Mixers, Tanks, Conveyors, Bins, Hoppers, Bucket Elevators	D
Soil Treatment, Other Including, but not limited to, all or part of the following: Bins, Conveyors, Ovens	D
Soil Treatment, Vapor Extraction Including, but not limited to, all or part of the following: Adsorbers, Afterburners	C
Solder Leveling	B
Soldering Machine	B
Solvent Reclaim, Still (Multistage)	C
Solvent Reclaim, Still (Single stage)	A
Solvent Redistillation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Spent Stretford Solution Regeneration Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D
Spray Equipment, Open	B

Equipment/Process	Schedule
Spray Machine, Adhesive	B
Spray Machine, Coating	B
Spray Machine, Powder Coating	B
Spraying, Resin/Gel Coat	C
Sterilization Equipment	C
Stereolithography	A
Storage, Petroleum Coke	C
Storage Container, Baker-Type	B
Storage Container, Baker-Type w/Control	C
Storage Silo, Other Dry Material	A
Storage Tank, w/o Control, Crude Oil/Petroleum Products	B
Storage Tank, Acid with sparger	B
Storage Tank, Ammonia with sparger	B
Storage Tank, Asphalt <= 50,000 gallons	B
Storage Tank, Asphalt > 50,000 gallons	C
Storage Tank, Degassing Unit	D
Storage Tank, Fixed Roof with Internal Floater	C
Storage Tank, Fixed Roof with Vapor Control	C
Storage Tank, Fuel Oil	A
Storage Tank, Lead Compounds	C
Storage Tank, LPG	A
Storage Tank, LPG w/Vaporizing System	C
Storage Tank, Other	A
Storage Tank, Other w/ Control Equipment	B
Storage Tank, with Passive Carbon s.s.	B
Storage Tank, with Passive Carbon m.s.	C
Storage Tank, with Passive Carbon t.s.	C
Storage Tank, Rendered Products	C
Storage Tank, Waste Oil	A
Storage Tank with condenser	B
Storage Tank, with External Floating Roof	C
Stove-Oil Filter/Coalescer Facility	D
Striper, Can	B
Striper, Pavement	B
Stripping, Other	B

**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule	Equipment/Process	Schedule
Sulfonation Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E	Treating, Petroleum Distillates Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D
Sulfuric Acid Plant Including, but not limited to, all or part of the following: Accumulators, Columns, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	F	Vacuum Distillation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Sump, Covered & Controlled	C	Vacuum Machine	C
Sump, Spill Containment	A	Vacuum Metalizing	B
Tablet Coating Pans	A	Vacuum Pumps	C
Tank, Hard Chrome Plating	C	Vegetable Oil Extractor Including, but not limited to, all or part of the following: Bins, Conveyors, Cookers, Presses, Tanks, Kilns	E
Tank/Line, Other Chrome Plating or Chrome Anodizing	C	Warming Device, Electric	A
Tank, Line, Other Process Emitting Hexavalent Chrome	C	Waste Water Treating (< 10,000 gpd) Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Filter Presses, Clarifiers, Settling Tanks, Waste Water Separators, Tanks	B
Tank/Line, Trivalent Chrome Plating	B	Waste Water Treating (< 20,000 gpd) no toxics Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Filter Presses, Clarifiers, Settling Tanks, Waste Water Separators, Tanks	B
Tank/Line, Cadmium or Nickel Plating	C	Waste Water Treating (20,000 - 50,000 gpd) Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Filter Presses, Clarifiers, Settling Tanks, Waste Water Separators, Tanks	D
Tank/Line, Other Process Emitting Nickel or Cadmium	B1	Waste Water Treating (> 50,000 gpd) Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Filter Presses, Clarifiers, Settling Tanks, Waste Water Separators, Tanks	E
Tank/Line, Other Plating	B		
Tank/Line Nitric Acid Process Emitting NOx	C		
Tank/Line, Other Process Using Aqueous Solutions	B		
Tank, Paint Stripping w/Methylene Chloride	C		
Textiles, Recycled, Processing	C		
Thermal Cracking Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E		
Tire Buffer	A		
Treating, Other	B		

**TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT**

Equipment/Process	Schedule
Waste-to-Energy Equipment	H
Wet Gate Printing Equipment using Perchloroethylene	B
Weigh Station	A
Wood Treating Equipment Including, but not limited to, all or part of the following: Coater Operations, Process Tanks	C

TABLE IIA  
SPECIAL PROCESSING FEES  
AIR QUALITY ANALYSIS/HEALTH RISK ASSESSMENT

Schedule	Fee
A	<del>\$1,360.52</del> <u>1,406.78</u>
B	<del>\$1,360.52</del> <u>1,406.78</u>
C	<del>\$1,360.52</del> <u>1,406.78</u>
D	<del>\$4,870.82</del> <u>5,036.43</u> +T&M
E	<del>\$4,870.82</del> <u>5,036.43</u> +T&M
F	<del>\$4,870.82</del> <u>5,036.43</u> +T&M
G	<del>\$4,870.82</del> <u>5,036.43</u> +T&M
H	<del>\$6,495.59</del> <u>6,716.44</u> +T&M

D through G: T&M = Time and Material charged at ~~\$139.31~~144.05 per hour above 35 hours.

H: T&M = Time and Material charged at ~~\$139.31~~144.05 per hour above 47 hours. Time and material charges for work beyond these hourly limits shall be for analysis or assessment required due to modification of the project or supporting analysis submitted for initial review or for multiple analyses or assessments required for a project or other special circumstances and shall be approved by the Executive Officer.

An additional fee of ~~\$2,332.31~~2,411.61 shall be assessed for a project requiring modeling review triggered by the requirements of Regulation XVII – Prevention of Significant Deterioration (PSD). The total combined fee for these reviews shall not exceed ~~\$15,548.72~~16,077.38.

**TABLE IIB  
FEE FOR PUBLIC NOTICE PUBLICATION<sup>(a)</sup>**

County	<del>FY 2017-18 Rule 212(g) Notice</del>	FY 2017-18 Title V Notice	FY 2018-19 Title V Notice	<del>FY 2019-20 and thereafter Title V Notice</del>
Los Angeles	<del>\$1,458.08</del>	\$970.54	\$1,074.10	<del>\$1,188.60</del>
Orange	<del>\$1,328.01</del>	\$719.51	\$796.28	<del>\$881.16</del>
Riverside	<del>\$288.34</del>	\$341.63	\$378.08	<del>\$418.38</del>
San Bernardino	<del>\$1,266.34</del>	\$647.02	\$716.06	<del>\$792.39</del>

<sup>(a)</sup>If Rule 212(g) and Title V notices are combined, pursuant to Rule 212(h), only Rule 212(g) publication fee applies.

**TABLE IIB  
CEMS, FSMS, & ACEMS FEE SCHEDULE**

Certification Review		
CEMS and FSMS Review <sup>1</sup>	Basic Fee <sup>2</sup>	Maximum Fee
Any combination of pollutants, diluent, flow, or other parameter <sup>3</sup> for:		
One to two components	<del>\$3,766.44</del> <u>\$3,894.50</u>	<del>\$6,743.66</del> <u>\$6,972.94</u>
Three to four components	<del>\$4,530.74</del> <u>\$4,684.79</u>	<del>\$12,409.79</del> <u>\$12,831.72</u>
For each additional component beyond four, the following amount is added to the fee for four components	\$0.00	<del>\$3,065.45</del> <u>\$3,169.68</u>
For time-sharing of CEMS, the following amount is added to any fee determined above	\$0.00	<del>\$3,065.45</del> <u>\$3,169.68</u>
ACEMS Review	Basic Fee <sup>4</sup>	Maximum Fee
	<del>\$3,766.44</del> <u>\$3,894.50</u>	<del>\$12,409.79</del> <u>\$12,831.72</u>
<sup>1</sup> The certification fee includes the initial application approval, approval of test protocol, and approval of the performance test results. An application resubmitted after a denial will be treated as a new application and will be subject to a new fee. <sup>2</sup> Covers up to 40 hours evaluation time for the first two components, 60 hours for the first four components, and up to an additional 12 hours for each component beyond four. Excess hours beyond these will be charged at <del>\$166.35</del> <u>\$172.01</u> per hour, to the maximum listed in the table. <sup>3</sup> Additional components, as necessary, to meet monitoring requirements (e.g., moisture monitor). <sup>4</sup> Covers up to 40 hours evaluation time.		

**TABLE III - EMISSION FEES**

Annual Emissions (tons/yr)	Organic Gases* (\$/ton)	Specific Organics** (\$/ton)	Nitrogen Oxides (\$/ton)	Sulfur Oxides (\$/ton)	Carbon Monoxide (\$/ton)	Particulate Matter (\$/tons)
4 – 25	<del>\$604.61</del> <u>625.17</u>	<del>\$108.17</del> <u>111.85</u>	<del>\$353.72</del> <u>365.75</u>	<del>\$419.37</del> <u>433.63</u>	-	<del>\$462.33</del> <u>478.05</u>
>25 – 75	<del>\$981.65</del> <u>1,015.03</u>	<del>\$171.40</del> <u>177.23</u>	<del>\$561.87</del> <u>580.97</u>	<del>\$677.92</del> <u>700.97</u>	-	<del>\$749.15</del> <u>774.62</u>
>75 and <100	<del>\$1,469.41</del> <u>1,519.37</u>	<del>\$257.08</del> <u>265.82</u>	<del>\$846.20</del> <u>874.97</u>	<del>\$1,017.80</del> <u>1,052.41</u>	-	<del>\$1,121.67</del> <u>1,159.81</u>
≥100	<u>\$1,519.37</u> -	<u>\$265.82</u> -	<u>\$874.97</u> -	<u>\$1,052.41</u> -	<u>\$7,247.49</u>	<u>\$1,159.81</u> -

\* Excluding methane, exempt compounds as specified in paragraph (e)(13), and specific organic gases as specified in paragraph defined in subdivision (b) of this rule.

\*\* See specific organic gases as defined in subdivision (b) of this rule.



TABLE IV  
TOXIC AIR CONTAMINANTS AND OZONE DEPLETERS

TOXIC COMPOUNDS	Fee \$/1 lb	Annual Emission Thresholds (lbs)
Ammonia (Reporting Period 07/01/04 and beyond)	\$0.03	200
Asbestos	<del>\$6.34</del> <u>52</u>	0.0001
Benzene	<del>\$2.43</del> <u>20</u>	2.0
Cadmium	<del>\$6.34</del> <u>52</u>	0.01
Carbon tetrachloride	<del>\$2.43</del> <u>20</u>	1.0
Chlorinated dioxins and dibenzofurans (26 species)	<del>\$10.54</del> <u>90</u>	<del>0.00002</del> <u>01</u>
Ethylene dibromide	<del>\$2.43</del> <u>20</u>	0.5
Ethylene dichloride	<del>\$2.43</del> <u>20</u>	2.0
Ethylene oxide	<del>\$2.43</del> <u>20</u>	0.5
Formaldehyde	<del>\$0.47</del> <u>9</u>	5.0
Hexavalent chromium	<del>\$8.42</del> <u>71</u>	0.0001
Methylene chloride	\$0.08	50.0
Nickel	<del>\$4.20</del> <u>34</u>	0.1
Perchloroethylene	<del>\$0.47</del> <u>9</u>	5.0
1,3-Butadiene	<del>\$6.34</del> <u>52</u>	0.1
Inorganic arsenic	<del>\$6.34</del> <u>52</u>	0.01
Beryllium	<del>\$6.34</del> <u>52</u>	0.001
Polynuclear aromatic hydrocarbons (PAHs)	<del>\$6.34</del> <u>52</u>	0.2
Vinyl chloride	<del>\$2.43</del> <u>20</u>	0.5
Lead	<del>\$2.43</del> <u>20</u>	0.5
1,4-Dioxane	<del>\$0.47</del> <u>9</u>	5.0
Trichloroethylene	<del>\$0.16</del> <u>7</u>	20.0
Chlorofluorocarbons (CFCs)	<del>\$0.44</del> <u>2</u>	<del>—</del> <u>1</u>
1,1,1-trichloroethane	\$0.05	<del>—</del> <u>1</u>

**TABLE V  
ANNUAL CLEAN FUELS FEES**

Volatile Organic Compounds (\$/ton)	Nitrogen Oxides (\$/ton)	Sulfur Oxides (\$/ton)	Particulate Matter (\$/ton)
<del>\$47.11</del> <u>48.71</u>	<del>\$26.41</del> <u>27.31</u>	<del>\$32.74</del> <u>33.85</u>	<del>\$26.41</del> <u>27.31</u>

**TABLE VI  
DEMOLITION, ASBESTOS AND LEAD NOTIFICATION FEES**

Demolition and Renovation by Project Size (square feet) <sup>1</sup>					
up to 1,000	> 1,000 to 5,000	5,000 to 10,000	> 10,000 to 50,000	> 50,000 to 100,000	> 100,000
<del>\$60.85</del> <u>62.92</u>	<del>\$186.07</del> <u>192.40</u>	<del>\$435.57</del> <u>450.38</u>	<del>\$682.99</del> <u>706.21</u>	<del>\$989.82</del> <u>1,023.47</u>	<del>\$1,649.70</del> <u>1,705.79</u>

Additional Service Charge Fees				
Revision to Notification	Special Handling Fee <sup>2</sup>	Planned Renovation	Procedure 4 or 5 Plan Evaluation	Expedited Procedure 4 or 5 Fee <sup>3</sup>
<del>\$60.85</del> <u>62.92</u>	<del>\$60.85</del> <u>62.92</u>	<del>\$682.99</del> <u>706.21</u>	<del>\$682.99</del> <u>706.21</u>	<del>\$341.49</del> <u>353.10</u>

<sup>1</sup> For demolition, the fee is based on the building size.  
For refinery or chemical unit demolition, the fee is based on the structure's footprint surface area.

For renovation, the fee is based on the amount of asbestos/lead removed.

<sup>2</sup> For all notifications postmarked less than 14 calendar days prior to project start date.

<sup>3</sup> For all expedited Procedure 4 or 5 plan evaluation requests postmarked less than 14 calendar days prior to project start date.

For each subsequent notification for pre-approved Procedure 5 plan submitted per Rule 1403(d)(1)(D)(i)(V)(2).

TABLE VII  
SUMMARY OF FACILITY PERMIT FEES FOR FACILITIES THAT ARE RECLAIM  
ONLY, TITLE V ONLY, & AND BOTH RECLAIM & TITLE V FEES

Description	Rule section	FY 2017-18	FY 2018-19	FY 2019-20 and thereafter
RECLAIM (1)				
Facility <u>Permit</u> Amendment/Revision Fee <del>with Engineering Evaluation</del>  • <u>RECLAIM only</u>  • <u>Title V Only*</u>  • <u>RECLAIM &amp; Title V*</u>  <u>* Includes administrative, minor, de minimis significant, or significant amendment/revision</u>	(1)( <del>54</del> ) <u>(m)(4)</u>	  <		

Description	Rule section	<del>FY 2017-18</del>	FY 2018-19	FY 2019-20 and thereafter
<b>RECLAIM (I)</b>				
• Application Processing Fee for Each Application		<del>\$633.40</del>	\$658.74 <i>Processing Fees</i> <i>(See Table FEE RATE-C)</i>	\$658.74

Description	Rule section	FY 2017-18	FY 2018-19	FY 2019-20 and thereafter
<b>TITLE V (m)</b>				
<del>Administrative Permit Revision Fee</del>	<del>(m)(6)</del>	<del>\$1,158.42</del>	<del>\$1,282.02</del>	<del>\$1,418.68</del>
<del>Permit Revision Fee</del>	<del>(m)(7)</del>	<del>\$1,158.42</del>	<del>\$1,282.02</del>	<del>\$1,418.68</del>
<ul style="list-style-type: none"> <li><del>Minor permit revision</del></li> <li><del>De minimis significant permit revision</del></li> <li><del>Significant permit revision</del></li> </ul>	<del>(m)(7)</del>	<del>\$1,158.42</del>	<del>\$1,282.02</del>	<del>\$1,418.68</del>
<u>Title V Facility Permit Renewal Fees (Due at Filing)</u> + <u>Plus</u> <u>Hourly Rate for Calculation of Final Fee if for Evaluation Time in excess of 8 hours (Due upon Notification)</u>	(m)(85) ) (m)(9)	\$2,631.19 + \$184.10 per hour	\$2,911.94 <u>3,010.95</u> + <u>Plus</u> \$203.74 <u>210.67</u> per hour	\$3,222.35 <u>3,331.91</u> + <u>Plus</u> \$225.46 <u>233.13</u> per hour
Change of Operator <ul style="list-style-type: none"> <li><del>Administrative Permit Revision Fee</del></li> </ul>	<del>(m)(6)</del>	<del>\$1,158.42</del>	<del>\$1,282.02</del>	<del>\$1,418.68</del>

## ATTACHMENT G2

(Adopted September 2, 1977)(Amended May 5, 1978)(Amended March 5, 1982)  
(Amended August 5, 1983)(Amended October 5, 1984)(Amended January 6, 1989)  
(Amended June 1, 1990)(Amended June 6, 1992)(Amended June 11, 1993)  
(Amended June 10, 1994)(Amended May 12, 1995)(Amended May 10, 1996)  
(Amended May 9, 1997)(Amended May 8, 1998)(Amended May 14, 1999)  
(Amended May 19, 2000)(Amended May 11, 2001)(Amended May 3, 2002)  
(Amended June 6, 2003)(Amended July 9, 2004)(Amended June 3, 2005)  
(Amended June 9, 2006)(Amended May 4, 2007)(Amended May 2, 2008)  
(Amended June 5, 2009)(Amended May 7, 2010)(Updated July 1, 2011)  
(Updated July 1, 2012)(Updated July 1, 2013)(Amended June 6, 2014)  
(Amended May 1, 2015)(Updated July 1, 2016)(Amended June 2, 2017)  
(Proposed Amended Rule May 4, 2018)

**Proposed Effective Date July 1, 2018**

### **PROPOSED AMENDED RULE 303.      HEARING BOARD FEES**

(a)      Filing and Appearance Fees

- (1)      Every applicant or petitioner in a proceeding before the Hearing Board shall pay to the Clerk of the Board, at the time of filing, a filing fee for each petition in accordance with the schedule set forth in Table III.
- (2)      If the hearing runs more than one day, supplemental appearance fees shall be assessed pursuant to Table III for each additional day of the hearing, unless otherwise ordered by the Hearing Board.

(b)      Filing Fee Refunds

- (1)      In the event the Hearing Board reverses in total an appealed decision of the Executive Officer, the filing fee specified in subdivision (a) shall be refunded to the petitioner.
- (2)      In the event that the petition is withdrawn, and the petitioner notifies the Clerk of the Board in writing not less than four (4) days prior to the scheduled appearance, or the hearing is not held for any other reason, the petitioner shall be entitled to a refund of fifty percent (50%) of the filing fees.

(c)      Publication Fees

Every petitioner for relief which requires published notice shall pay to the Clerk of the Board a fee to cover the actual cost of publication of notice(s) of hearing. The fee shall be due and payable within fifteen (15) days of the notification in writing of the amount due.

(d) Excess Emission Fee

- (1) Each applicant or petitioner for a variance from these Rules and Regulations shall pay to the Clerk of the Board, in addition to the filing fees required in subdivision (a) an emission fee in accordance with the schedule set forth in Table I, based on the total emissions discharged during the variance period in excess of that allowed by these rules or permit conditions, other than those described in subdivision (e) below. If the amount of the excess emission fee is less than that specified in subdivision (f), the applicant or petitioner shall pay the higher amount, unless otherwise ordered by the Hearing Board.
- (2) In cases where the Hearing Board determines that calculations or estimations of excess emissions cannot be made, the petitioner shall pay the amount set forth in subdivision (f), unless otherwise ordered by the Hearing Board.
- (3) In the event that more than one rule and/or permit condition limiting the discharge of the same contaminant is violated, the excess emission fee shall be based on the excess emissions resulting from the violation of the most stringent rule or permit condition. For the purposes of this subdivision, opacity rules and particulate mass emissions shall not be considered rules limiting the discharge of the same contaminant.

(e) Excess Visible Emission Fee

Each applicant or petitioner for a variance from Rule 401 and/or Health and Safety Code Section 41701 shall pay to the Clerk of the Board, in addition to the filing fees required in subdivision (a) above, and the excess emission fees required in (d) above (if any), an emission fee based on the difference between the percent opacity allowed by Rule 401 and/or Health and Safety Code Section 41701 and the percent opacity of the emissions allowed under the variance. Such fees shall be calculated in accordance with the schedule set forth in Table II.

(f) Minimum Excess Emission Fees

The excess emission fee remitted, regardless of calculations, shall be no less than ~~\$186.03~~192.36 for each day on which the excess emissions occur or are expected to occur at each facility during the variance period, unless otherwise ordered by the Hearing Board.

- (g) Adjustment of Excess Emission Fees  
The Hearing Board may adjust the excess emission fee required by subdivisions (d), (e), and (f) of this rule, at the request of the petitioner or upon motion of the Hearing Board, based on evidence regarding emissions presented at the time of the hearing.
- (h) Eligibility as a Small Business and Eligibility for Table III Schedule A Fees
  - (1) Petitioners that are individuals or that meet the definition of Small Business as set forth in Rule 102- Small Business or that meet the gross annual receipts criterion for small businesses shall be assessed twenty percent (20%) of the fees required by subdivisions (d), (e), or (f), whichever is applicable.
  - (2) A request for eligibility as a small business, individual, or entity that meets the total annual gross receipts criterion for small businesses in Rule 102 shall be made by the petitioner under penalty of perjury on a declaration form provided by the Executive Officer, which shall be submitted to the Clerk of the Board at the time of filing of a petition for a variance.
- (i) Group Variance Fees
  - (1) Petitioners filing as a group for a variance shall jointly pay the total filing fee specified in Table III. Each petitioner shall individually pay excess emission fees for their facility or product(s), as specified in subdivisions (d), and (e), or (f) whichever is applicable.
  - (2) The Publication Fee required by subdivision (c) shall be totaled and divided equally among the petitioners.
- (j) Adjustment of Fees  
If, after the term of a variance for which emission fees have been paid, petitioner can establish, to the satisfaction of the Executive Officer, that (1) emissions were less than those upon which the fee was based, or (2) excess emission fee calculations are otherwise incorrect, a pro rata refund shall be made. If the amount of the excess emissions fee is less than that specified in subdivision (f), the applicant or petitioner shall pay the higher amount, unless otherwise ordered by the Hearing Board.



(k) Fee Payment/Variance Revocation

- (1) Excess emission fees required by subdivisions (d), (e), and (f) shall be due and payable to the Clerk of the Board within fifteen (15) days of notification in writing that the fees are due, unless otherwise ordered by the Hearing Board.
- (2) Failure to pay any assessed fees within fifteen (15) days of written notification that fees are due may be cause for the Hearing Board to issue further orders as may be appropriate, including but not limited to revocation of a variance. Such notification may be given by personal service or by deposit, postpaid, in the United States mail, and shall be due fifteen (15) days from the date of personal service or mailing. For the purpose of this rule, the fee payment shall be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the fee billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day with the same effect as if it had been postmarked on the expiration date.

(l) Request for Time Extension of Payment Due

Whenever this rule requires fees to be paid by a certain date, the petitioner may, for good cause, request the Executive Officer to grant an extension of time, not to exceed ninety (90) days, within which the fees shall be paid. Any request for extension of time shall be presented in writing, and accompanied by a statement of reasons demonstrating good cause as to why the extension should be granted.

(m) Discretionary Powers

Any person may allege that payment of any of the fees within this rule, excluding publication fees, will cause an unreasonable hardship or is otherwise inequitable. Such petitioner may be excused from payment of such fees or a portion thereof by order of the Hearing Board if the Board, in its discretion, determines after hearing evidence thereon that payment of such fees would cause financial or other unreasonable hardship to the petitioner or is otherwise inequitable. The Hearing Board, on its own motion, may also waive all or any portion of any fee(s) except the Publication Fee.

(n) Transcript Fees

Any person requesting a transcript of the hearing shall pay the cost of such transcript. The parties to hearings and pre-hearing proceedings may be directed by the Hearing Board to pay the cost of transcripts necessary for the Hearing Board's determination of the matter, in such proportion as the Hearing Board may order.

(o) Government Agencies

- (1) This rule shall not apply to petitions filed by the Executive Officer.
- (2) Federal, state or local government agencies or public districts shall pay all fees.

(p) Waiver of Fees

All fees associated with this rule shall be waived for any petition for a variance filed as the direct and proximate result of any event declared to be a "state of emergency" by local, state, or federal authorities.

(q) Service Charge for Returned Check

Any person who submits a check to the District that is returned due to insufficient funds, or for which that person issues instructions to stop payment on the check, absent an overcharge or other legal entitlement to withhold payment, shall be subject to a \$25.00 service charge.

(r) Effective Date of Fee Schedules

Appearance and excess emission fees shall be those in effect at the time of the hearing dates.

**TABLE I**  
**SCHEDULE OF EXCESS EMISSIONS FEES**

<b><u>Air Contaminants</u></b>	<b><u>Dollars Per Ton</u></b>
Organic gases, except methane and those containing sulfur	<del>\$5,873.72</del> <u>6,073.43</u>
Carbon Monoxide	<del>\$57.50</del> <u>59.46</u>
Oxides of nitrogen (expressed as nitrogen dioxide)	<del>\$3,523.77</del> <u>3,643.58</u>
Gaseous sulfur compounds (expressed as sulfur dioxide)	<del>\$4,109.25</del> <u>4,248.96</u>
Particulate matter	<del>\$4,109.25</del> <u>4,248.96</u>
Ammonia	\$0.11
Asbestos	<del>\$25.92</del> <u>26.80</u>
Benzene	<del>\$8.65</del> <u>8.94</u>
Cadmium	<del>\$25.92</del> <u>26.80</u>
Carbon tetrachloride	<del>\$8.65</del> <u>8.94</u>
Chlorinated dioxins and dibenzofurans (26 species)	<del>\$43.15</del> <u>44.62</u>
Ethylene dibromide	<del>\$8.65</del> <u>8.94</u>
Ethylene dichloride	<del>\$8.65</del> <u>8.94</u>
Ethylene oxide	<del>\$8.65</del> <u>8.94</u>
Formaldehyde	<del>\$1.81</del> <u>1.87</u>
Hexavalent chromium	<del>\$34.50</del> <u>35.67</u>
Methylene chloride	<del>\$0.41</del> <u>0.42</u>
Nickel	<del>\$17.15</del> <u>17.73</u>
Perchloroethylene	<del>\$1.81</del> <u>1.87</u>
1,3-Butadiene	<del>\$25.92</del> <u>26.80</u>
Inorganic arsenic	<del>\$25.92</del> <u>26.80</u>
Beryllium	<del>\$25.92</del> <u>26.80</u>
Polynuclear aromatic hydrocarbons (PAHs)	<del>\$25.92</del> <u>26.80</u>
Vinyl chloride	<del>\$8.65</del> <u>8.94</u>
Lead	<del>\$8.65</del> <u>8.94</u>
1,4-Dioxane	<del>\$1.81</del> <u>1.87</u>
Trichloroethylene	<del>\$0.74</del> <u>0.77</u>

**TABLE II**  
**SCHEDULE OF EXCESS VISIBLE EMISSION FEE**

For each source with opacity emissions in excess of twenty percent (20%), the fee is calculated as follows:

$$\text{Fee} = (\text{Opacity* equivalent} - 20) \times \text{number of days on which the violation is expected to occur} \times \$\del{9.72}\underline{10.05}$$

For each source with opacity emissions in excess of forty percent (40%) (where the source is exempt from Rule 401 and in violation of California Health and Safety Code Section 41701), the fee is calculated as follows:

$$\text{Fee} = (\text{Opacity* equivalent} - 40) \times \text{number of days on which the violation is expected to occur} \times \$\del{9.72}\underline{10.05}$$

\* Where "Opacity" equals maximum opacity of emissions in percent (not decimal equivalent) allowed by the variance. Where the emissions are darker than the degree of darkness equivalent to the allowed Ringelmann number, the percentage equivalent of the excess degree of darkness shall be used as "opacity."

**TABLE III - FILING FEE SCHEDULE**

Filing and supplemental fees shall be paid by the petitioner as follows:

Schedule A shall apply to -

- (1) small businesses as defined by Rule 102,
- (2) individual persons, and
- (3) entities that meet the total annual gross receipts criterion for small businesses in Rule 102.

Schedule B - shall apply to - all others.

	Schedule B	Schedule A
<b>VARIANCE (Interim, Short, Regular, Emergency) and Alternate Operating Condition(s)</b>		
<input type="checkbox"/> Interim and Short or Interim and Regular	<del>\$1,522.56</del> <u>1,574.33</u>	<del>\$273.06</del> <u>282.34</u>
<input type="checkbox"/> Short (without interim)	<del>\$1,218.06</del> <u>1,259.47</u>	<del>\$273.06</del> <u>282.34</u>
<input type="checkbox"/> Regular (without interim)	<del>\$1,218.06</del> <u>1,259.47</u>	<del>\$273.06</del> <u>282.34</u>
<input type="checkbox"/> Emergency or Ex Parte Emergency	<del>\$1,218.06</del> <u>1,259.47</u>	<del>\$273.06</del> <u>282.34</u>
<input type="checkbox"/> Variance plus Alternate Operating Condition(s)	<del>\$1,827.07</del> <u>1,889.19</u>	<del>\$273.06</del> <u>282.34</u>
<input type="checkbox"/> Plus, for each hearing day in addition to the first hearing day necessary to dispose of the petition, the additional sum of	<del>\$682.00</del> <u>705.19</u>	<del>\$136.28</del> <u>140.91</u>

<b>PRODUCT VARIANCE</b>		
Filing Fee	<del>\$1,827.07</del> <u>1,889.19</u>	<del>\$273.06</del> <u>282.34</u>
Plus, for each hearing day in addition to the first hearing day necessary to dispose of the petition, the additional sum of	<del>\$682.00</del> <u>705.19</u>	<del>\$136.28</del> <u>140.91</u>

<b>GROUP VARIANCE</b>		
Two	<del>\$1,370.32</del> <u>1,416.91</u>	
Three	<del>\$2,131.59</del> <u>2,204.06</u>	
Four or More	<del>\$3,045.15</del> <u>3,148.69</u>	
Plus, for each hearing day in addition to the first hearing day necessary to dispose of the petition, the additional sum of	<del>\$1,023.06</del> <u>1,057.84</u>	

	Schedule B	Schedule A
<b>MODIFICATION OF EXISTING ORDERS INCLUDING FINAL COMPLIANCE DATE</b>		
<input type="checkbox"/> Modification of a Final Compliance Date and Extension of a Variance	<del>\$1,218.06</del> <u>1,259.47</u>	<del>\$273.06</del> <u>282.34</u>
<input type="checkbox"/> Modification of Order for Abatement (requested by respondent)	<del>\$1,218.06</del> <u>1,259.47</u>	<del>\$273.06</del> <u>282.34</u>
Plus, for each hearing day in addition to the first hearing day necessary to dispose of the petition, the additional of	<del>\$682.00</del> <u>705.19</u>	<del>\$136.28</del> <u>140.91</u>

<b>MODIFICATION OF EXISTING ORDERS EXCLUDING FINAL COMPLIANCE DATE</b>		
<input type="checkbox"/> Modification of Variance (Increments of Progress and Conditions)	<del>\$909.74</del> <u>940.67</u>	<del>\$273.06</del> <u>282.34</u>
<input type="checkbox"/> Interim Authorization (Increments of Progress)	<del>\$909.74</del> <u>940.67</u>	<del>\$273.06</del> <u>282.34</u>
Plus, for each hearing day in addition to the first hearing day necessary to dispose of the petition, the additional sum of	<del>\$293.81</del> <u>303.80</u>	

<b>ADMINISTRATIVE TYPE OF HEARINGS</b>		
<input type="checkbox"/> Administrative Hearings (issuance of subpoenas, waiver of fees, etc.)	<del>\$909.74</del> <u>940.67</u>	<del>\$273.06</del> <u>282.34</u>
Plus, for each hearing day in in addition to the first hearing day necessary to dispose of the petition, the additional sum of	<del>\$304.53</del> <u>314.88</u>	<del>\$136.28</del> <u>140.91</u>

<b>APPEAL</b>		
Filing fee	<del>\$1,827.07</del> <u>1,889.19</u>	<del>\$273.06</del> <u>282.34</u>
Plus, for each hearing day in addition to the first hearing day necessary to dispose of the petition, the additional sum of	<del>\$1,023.06</del> <u>1,057.84</u>	<del>\$200.19</del> <u>207.00</u>

<b>CONSENT CALENDAR</b>		
Filing Fee	<del>\$420.96</del> <u>435.27</u>	<del>\$136.28</del> <u>140.91</u>
Plus, for each hearing day in addition to the first hearing day necessary to dispose of the petition, the additional sum of	<del>\$266.46</del> <u>275.52</u>	<del>\$136.28</del> <u>140.91</u>
<input type="checkbox"/> In the event that the Board determines that there was insufficient documentation to consider the matter on the Consent Calendar, and the matter is scheduled for a hearing before the Board, petitioner shall pay an additional sum of	<del>\$761.29</del> <u>787.17</u>	<del>\$273.06</del> <u>282.34</u>
Plus, for each hearing day in addition to the first hearing day necessary to dispose of the petition, the additional sum of	<del>\$682.00</del> <u>705.19</u>	<del>\$136.28</del> <u>140.91</u>

## ATTACHMENT G3

(Adopted October 7, 1977)(Amended March 5, 1982)(Amended January 14, 1983)  
(Amended September 16, 1983)(Amended April 5, 1985)(Amended May 1, 1987)  
(Amended June 5, 1987)(Amended June 3, 1988)(Amended December 2, 1988)  
(Amended January 6, 1989)(Amended July 6, 1990)(Amended December 6, 1991)  
(Amended June 6, 1992)(Amended October 2, 1992)(Amended June 11, 1993)  
(Amended June 10, 1994)(Amended May 10, 1996)(Amended May 9, 1997)  
(Amended May 8, 1998)(Amended May 14, 1999)(Amended May 19, 2000)  
(Amended May 11, 2001)(Amended May 3, 2002)(Amended June 6, 2003)  
(Amended July 9, 2004)(Amended June 3, 2005)(Amended June 9, 2006)  
(Amended May 4, 2007)(Amended May 2, 2008)(Amended June 5, 2009)  
(Amended May 7, 2010)(Amended May 6, 2011)(Updated July 1, 2012)  
(Updated July 1, 2013)(Amended June 6, 2014)(Amended May 1, 2015)  
(Updated July 1, 2016)(Amended June 2, 2017)  
(Proposed Amended Rule May 4, 2018)

**Proposed Effective Date July 1, 2018**

### **PROPOSED AMENDED RULE 304. EQUIPMENT, MATERIALS, AND AMBIENT AIR ANALYSES**

- (a) Whenever the Executive Officer finds that an analysis of the materials used by, or the emissions from, any source is necessary to determine the extent and amount of pollutants being discharged to the atmosphere, he may order the testing of such sources.
- (b) Whenever the Executive Officer has reasonable cause to believe that air pollutants being discharged into the atmosphere from any source may be contrary to any permit condition or any state or local law, order, rule, or regulation relating to air pollution, or may be endangering the comfort, repose, health, or safety of a considerable number of persons, or the public, he may order the testing of the ambient air which may be affected.
- (c) After the Executive Officer determines that ambient air testing should be conducted and that the source should be assessed fees to pay for such testing, and that the test has begun, he shall within two working days advise the source of the basis upon which the finding of reasonable cause was made, the pollutants being tested for, the duration of testing, and the estimated fees.
- (d) Testing will be accomplished by the collection of samples and the analyses of such samples by qualified personnel of the South Coast Air Quality Management

District, continuous automatic recording ambient monitoring by a District van, device, facility or an independent testing laboratory under contract to the District. Alternatively, the Executive Officer may require (or the owner/operator of the source may, with the approval of the Executive Officer, elect) that testing be performed by an approved independent testing laboratory, that meets the criteria in subdivision (k). Such testing shall be done using procedures and methods and under conditions prescribed by the Executive Officer. Where tests are performed by an approved independent testing laboratory, the Executive Officer may require that sampling and/or testing be witnessed by qualified District personnel at the fee rate of ~~\$131.31~~135.77 per person per hour or prorated portion thereof. The owner/operator of the source shall provide to the Executive Officer a copy of all test reports, including all test data, description of test methods, analyses, and results.

- (e) The owner/operator of a source tested by District personnel or an independent testing laboratory under contract to the District shall not pay a fee for the initial test/analysis which is conducted to determine compliance with a permit condition, or any state or local law, order, rule, or regulation relating to air pollution, unless the result of such testing indicates a violation of any state or local law, order, rule, permit condition or regulation relating to air pollution in which case the fee shall be charged to the owner/operator in accordance with the fee specified in Rule 304.1. If the initial test/analysis indicates that the source is or may be in violation of a permit condition, or any state or local law, order, rule, or regulation relating to air pollution, any subsequent test/analysis conducted in order to verify the compliance status shall also result in a fee charged to the owner/operator in accordance with the fee specified in Rule 304.1. Tests scheduled of one or more permit units to be operated under prearranged conditions, which are canceled due to a change in the permit units' prearranged operating conditions, shall result in a fee charged to the owner/operator in accordance with the fee specified in Rule 304.1. Such a fee shall



not be charged if the owner/operator notifies the District of the cancellation at least 24 hours prior to the scheduled test date and time.

- (f) Fees for any test not listed in Rule 304.1 shall be determined by the Executive Officer.
- (g) Federal, state, or local government agencies or public districts shall pay all fees.
- (h) Should the estimated fees for conducting any ambient air monitoring program as described in subdivision (b) of this Rule exceed ~~\$16,710.48~~\$17,278.64, the affected owner/operator may, within 30 days of notification, request that the program be approved by the District Board at a public hearing.
- (i) After completion of testing, the owner/operator of the source shall be notified by the District accounting office of the fees to be paid. Such fees shall be assessed for all non-compliant samples, as described in subdivision (e), which indicates that if, a source is or may be in violation of a permit condition or of any state or local law, order, rule, or regulation relating to air pollution, or when there may be any endangerment of the comfort, repose, health, or safety of a considerable number of persons or the public then, a subsequent verification is required. Failure to pay any such fees within sixty (60) days after the date shown on the notice of fees due shall constitute grounds for the denial, revocation or suspension of the permits to operate at sources subject to permit requirements and shall constitute a violation of this Rule for any source, whether or not subject to permit requirements.
- (j) A small business shall pay twenty percent (20%) of the fees listed in Rule 304.1. Small business is defined in Rule 102 as "Small Business."
- (k) For the purposes of this Rule, when an independent testing laboratory is used for the purposes of establishing compliance with District rules or to obtain a District permit to operate, it must meet all of the following criteria:
  - (1) The testing laboratory shall have no financial interest in the company or facility being tested, or in the parent company or any subsidiary thereof;
  - (2) The company or facility being tested, or parent company or any subsidiary thereof, shall have no financial interest in the testing laboratory;
  - (3) Any company or facility responsible for the emission of significant quantities of pollutants to the atmosphere, or parent company or any

subsidiary thereof, shall have no financial interest in the testing laboratory;  
and

- (4) The testing laboratory shall not be in partnership with, own or be owned by, in part or in full, the contractor who has provided or installed equipment (basic or control), or monitoring systems, or is providing maintenance for installed equipment or monitoring systems, for the company being tested.

The testing laboratory shall submit a statement certifying that it meets the above criteria with respect to the company or facility being tested.

- (l) Notwithstanding the provisions of subdivision (k), the Executive Officer, by written approval, may allow the operator of a publicly owned treatment works to conduct testing in connection with wastewater treatment or reclamation operation pursuant to this rule, if the Executive Officer determines the following:
- (1) the operator complies with all requirements of this rule, other than subdivision (k);
  - (2) the operator submits a written self-testing plan request to the Executive Officer for certification on a method-by-method basis, in accordance with the requirements of guidelines established by the Executive Officer; and
  - (3) the operator pays a fee for the processing of the self-testing plan request at a rate of ~~\$131.31~~135.77 per person per hour, ~~pursuant to Rule 306(d)~~, so as not to exceed the amount necessary to recover the District costs.
- (m) The District may approve independent testing firms to perform specified analyses and tests required for compliance with District rules, regulations and permit conditions.
- (1) Approval fees (for each method required for approval) will be assessed to cover the costs of processing the laboratory approval application and subsequent District validation of the independent firm's expertise and reliability.
  - (2) For firms located outside District boundaries, reasonable travel charges will be assessed for site visits as required as part of the approval process.
  - (3) An approved facility may renew its status by paying an annual fee per method and by complying with the original approval requirements as well as any additional approval requirements or any additional conditions.

Fees are based on actual costs at the staff hour rate specified in paragraph (d) above and as shown in Table I.

**TABLE I  
LABORATORY APPROVAL PROGRAM  
FEE STRUCTURE  
(per method)**

Application Review	<del>\$175.04</del> <u>180.99</u>
Facility Inspection (if required)	<del>\$131.31</del> <u>135.77</u> / hour up to <del>\$384.87</del> <u>397.96</u> additional
Audit Sample (if required)	<del>\$175.04</del> <u>180.99</u> / hour up to <del>\$513.12</del> <u>530.57</u> additional
Annual Renewal	<del>\$175.04</del> <u>180.99</u>
Method Equivalence	<del>\$175.04</del> <u>180.99</u> / hour up to <del>\$835.45</del> <u>863.86</u> additional

## ATTACHMENT G4

(Adopted May 1, 1987)(Amended June 7, 1991)(Amended June 6, 1992)  
(Amended June 10, 1994)(Amended May 10, 1996)(Amended May 9, 1997)  
(Amended May 8, 1998)(Amended May 14, 1999)(Amended May 19, 2000)  
(Amended May 11, 2001)(Amended May 3, 2002)(Amended June 6, 2003)  
(Amended July 9, 2004)(Amended June 3, 2005)(Amended June 9, 2006)  
(Amended May 4, 2007)(Amended May 2, 2008)(Amended May 7, 2010)  
(Amended May 6, 2011)(Updated July 1, 2012)(Updated July 1, 2013)  
(Amended June 6, 2014)(Amended May 1, 2015)(Updated July 1, 2016)  
(Amended June 2, 2017)  
(Proposed Amended Rule May 4, 2018)

**Proposed Effective Date July 1, 2018**

### **PROPOSED AMENDED RULE 304.1 ANALYSES FEES**

Analyses fees for testing pursuant to Rule 304.

(a) Laboratory Analyses Fees

	Type of Test	Fee
(1)	Particle Analysis	
(A)	Microscopic Identification	<del>\$131.34</del> <u>135.77</u> / hour of analysis
(B)	Micro-Fourier Transform Infrared Spectroscopy	<del>\$194.64</del> <u>201.26</u> / particle
(C)	X-Ray Diffraction	<del>\$194.64</del> <u>201.26</u> / sample
(D)	Particle Size Determination	
(i)	by microscopy	<del>\$131.34</del> <u>135.77</u> / hour of analysis
(ii)	by sieve	<del>\$131.34</del> <u>135.77</u> / sample
(E)	Energy Dispersive X-Ray - microprobe	As charged by outside laboratory (charge pass through)
(2)	Asbestos (Bulk Samples)	
(A)	PLM	<del>\$131.34</del> <u>135.77</u> / sub-sample
(B)	Point Counting	<del>\$131.34</del> <u>135.77</u> / sub-sample
(C)	TEM, Quantitative	As charged by outside laboratory (charge pass through)

	<u>Type of Test</u>	<u>Fee</u>
	(D) TEM, Qualitative	As charged by outside laboratory (charge pass through)
	(E) X-Ray Diffraction	<del>\$290.13</del> <u>299.99</u> / sub-sample and/or layer
(3)	Asbestos (Bulk Samples)	
	(A) TEM - 12-hour turnaround	As charged by outside laboratory (charge pass through)
	(B) TEM - 1-day turnaround	As charged by outside laboratory (charge pass through)
	(C) TEM - 2-day turnaround	As charged by outside laboratory (charge pass through)
(4)	Vapor Pressure Tests	
	(A) Reid Vapor Pressure	<del>\$87.35</del> <u>90.32</u> / sample
	(B) Isoteniscope	As charged by outside laboratory (charge pass through)
	(C) Speciation of Components in each sam- ple	<del>\$367.59</del> <u>380.09</u> for five or fewer com- pounds <del>\$43.61</del> <u>45.09</u> for each additional com- pound
	(D) Calculation	<del>\$256.49</del> <u>265.21</u> / sample
(5)	Fuel Analysis	
	(A) Metals (Pb in gasoline)	<del>\$262.57</del> <u>271.50</u> / sample <del>\$34.67</del> <u>35.85</u> for each additional sample
	(B) Ash	As charged by outside laboratory (charge pass through)
	(C) Water and Sediment	As charged by outside laboratory (charge pass through)
	(D) Density	<del>\$131.34</del> <u>135.77</u> / sample
	(E) Heat Content	As charged by outside laboratory (charge pass through)
	(F) Water	As charged by outside laboratory (charge pass through)

	<u>Type of Test</u>	<u>Fee</u>
(G)	Bromine Number	As charged by outside laboratory (charge pass through)
(H)	Sulfur	
	(i) In Fuel Gas	<del>\$306.46</del> <u>316.88</u> / sample
	(ii) In Fuel Oil (by XRF)	<del>\$104.67</del> <u>108.23</u> / sample
(I)	Engler Distillation	As charged by outside laboratory (charge pass through)
(J)	Initial Boiling Point	As charged by outside laboratory (charge pass through)
(6)	VOC (Regulation XI)	
(A)	Gravimetric Test	<del>\$131.34</del> <u>135.77</u> / sample
(B)	Density of Coating or Distillate	<del>\$131.34</del> <u>135.77</u> / sample
(C)	Gloss Testing	<del>\$131.34</del> <u>135.77</u> / sample
(D)	Gas Chromatograph Analysis	<del>\$367.59</del> <u>380.09</u> for five or fewer com- pounds <del>\$43.61</del> <u>45.09</u> for each additional com- pound
(E)	Photochemical Reactivity -	
	(i) Unknown	<del>\$525.49</del> <u>543.36</u> / sample
	(ii) Known	<del>\$367.59</del> <u>380.09</u> / sample
(F)	Distillation -	
	(i) Normal	<del>\$104.68</del> <u>108.24</u> / sample
	(ii) Heavy Ink	<del>\$148.60</del> <u>153.65</u> / sample
(G)	Water by Karl Fischer Titration	<del>\$175.04</del> <u>180.99</u> / sample
(H)	Emission Spectrograph Analysis	<del>\$131.34</del> <u>135.77</u> / sample
(I)	Gas Chromatograph/Mass Spectrometry	<del>\$350.25</del> <u>362.16</u> for five or fewer com- pounds <del>\$34.63</del> <u>35.81</u> for each additional com- pound

	<u>Type of Test</u>	<u>Fee</u>
(J)	VOC in pipe cements	<del>\$898.17</del> <u>928.71</u> / sample
(K)	VOC in adhesives contain- ing cyanoacrylates	<del>\$256.49</del> <u>265.21</u> / sample

- (7) For Certification Tests and Analyses not listed above, the fee shall be assessed at a rate of ~~\$131.34~~135.77 per person per hour or a prorated portion thereof.
- (8) In addition to the regular analysis fee, all expedite samples which require overtime work by staff shall be charged an additional time and a half fee based on the normal hourly rate of staff performing such work beyond the normal work schedule.
- (9) Time and material fees shall be charged for all samples sent to outside laboratories.

(b) Emissions Testing and Analyses Fees

	<u>Type of Test</u>	<u>Fee</u>
(1)	Accuracy Confirmation Test of Continuous Emission Monitor	<del>\$1,331.44</del> <u>1,376.71</u>
(2)	Continuous Gaseous Emission Testing with Mobile Source Testing Vehicle	<del>\$1,734.78</del> <u>1,793.76</u> plus <del>\$148.89</del> <u>153.95</u> / hour
(3)	Non-Continuous Emission Testing	<del>\$1,629.45</del> <u>1,684.85</u> plus fee listed below:
		<u>Cost Per Sample</u>
		Specific*                      Surcharge**
(A)	Moisture	<del>\$236.27</del> <u>244.30</u> <del>\$175.04</del> <u>180.99</u>
(B)	Particulate Matter	<del>\$910.83</del> <u>941.80</u> <del>\$455.27</del> <u>470.75</u>

\* charge for first sample.

\*\* charge for each additional sample, whether at the same or a different sampling location.

<u>Type of Test</u>		<u>Fee</u>	
(C)	Sulfur Dioxide	<del>\$809.37</del> <u>836.89</u>	<del>\$404.43</del> <u>418.18</u>
(D)	Oxides of Nitrogen	<del>\$402.83</del> <u>416.53</u>	<del>\$122.32</del> <u>126.48</u>
(E)	Carbon Monoxide	<del>\$336.31</del> <u>347.74</u>	<del>\$168.01</del> <u>173.72</u>
(F)	Total Hydrocarbons	<del>\$840.80</del> <u>869.39</u>	<del>\$604.20</del> <u>624.74</u>
		<u>Cost Per Sample</u>	
		<u>Specific*</u>	<u>Surcharge**</u>
(i)	Hydrogen Sulfide	<del>\$809.37</del> <u>836.89</u>	<del>\$404.43</del> <u>418.18</u>
(ii)	Vinyl Chloride	<del>\$350.25</del> <u>362.16</u>	<del>\$257.29</del> <u>266.04</u>
(G)	Gas Chromatograph / Mass Spectrometry for Unknown	<del>\$350.25</del> <u>362.16</u> for five or fewer compounds <del>\$34.63</del> <u>35.81</u> for each additional compound	
(H)	High Volume Sampler (Fugitive Dust)	<del>\$714.79</del> <u>739.09</u>	<del>\$357.32</del> <u>369.47</u>
(I)	Total Reduced Sulfur Compounds***	<del>\$562.49</del> <u>581.61</u>	<del>\$86.42</del> <u>89.36</u>

\* charge for first sample.

\*\* charge for each additional sample, whether at the same or a different sampling location.

\*\*\* The Non-Continuous Emission Testing Fee will only be charged if SCAQMD personnel perform the sampling. In the case where the samples are taken by contractor personnel (for compliance) or facility staff (for information only), only the sample analysis fee is applicable.



	<u>Type of Test</u>	<u>Fee</u>
(J)	Sample Preparation	<del>\$43.61</del> <u>45.09</u> <del>\$25.97</del> <u>26.85</u>

**(c) Ambient Air Analyses Fees****(1) Automatic-Recording Ambient Air or Atmospheric Monitoring at a Fixed Site**

	<u>Type of Test</u>	<u>Fee</u>
(A)	Installation of One (1) Wind-Monitoring System at One (1) Site.	<del>\$875.89</del> <u>905.67</u>
(B)	Installation of Each Additional Wind-Monitoring System at the Same Site as (A).	<del>\$262.58</del> <u>271.51</u>
(C)	Operation of One (1) Wind-Monitoring System At One (1) Site, Including Data Reduction.	<del>\$175.04</del> <u>180.99</u> / day
(D)	Operation of Each Additional Wind-Monitoring System at Same Site as (C), Including Data Reduction.	<del>\$61.23</del> <u>63.31</u> / day

**(2) Continuous Automatic-Recording Ambient Monitoring In Mobile Mode**

(A)	Installation of One (1) Instrument and Wind Monitoring System in Mobile Van.	<del>\$1,226.63</del> <u>1,268.34</u>
(B)	Installation of Additional Instrument in Mobile Van.	<del>\$437.79</del> <u>452.67</u>
(C)	Operation of One (1) Instrument and Wind-Monitoring System in Mobile Mode, 10 Hours Per Day, Weekdays Only.	<del>\$665.75</del> <u>688.39</u> / day
(D)	Operation of One (1) Instrument and Wind-Monitoring System In Mobile Mode, 10 Hours Per Day, Weekends and Holidays.	<del>\$998.70</del> <u>1,032.66</u> / day
(E)	Operation of Each Additional Instrument, Other Than Those Already Installed, in Mobile Van.	<del>\$61.23</del> <u>63.31</u> / day

**(3) Continuous Non-Recording Ambient Sampling With Laboratory Analysis of Sample Collected (Weekdays Only).**

(A)	Installation of One (1) 24-Hour Sampler (Bag- or Sequential-Impinger).	<del>\$875.89</del> <u>905.67</u> plus lab analysis
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(B)	Installation of Each Additional 24-Hour Sampler.	<del>\$700.68</del> <u>724.50</u> plus lab analysis
(C)	Operation of One (1) 24-Hour Sampler and Analysis for One (1) Contaminant Per Sample.	<del>\$306.51</del> <u>316.93</u> / day <del>\$69.72</del> <u>72.09</u> for each additional contaminant
(D)	Operation of Each Additional 24-Hour Sampler and Analysis for Same Contaminant in (C).	<del>\$113.67</del> <u>117.53</u> / day <del>\$52.25</del> <u>54.03</u> for each additional contaminant
(E)	Operation of 24-Hour, Sequential-Impinger Sampler and Spectrophometric Analysis.	<del>\$613.14</del> <u>633.99</u> / day for up to 12 samples <del>\$262.58</del> <u>271.51</u> for each additional set of 12 samples
(F)	Installation of One (1) Non-Sequential Sampler to Collect Less-Than-24-Hour-Samples.	<del>\$1,051.10</del> <u>1,086.84</u>
(G)	Operation of One (1) Non-Sequential Sampler to Collect Less-Than-24-Hour Samples For One Contaminant.	<del>\$525.63</del> <u>543.50</u> / day
(H)	Sample Preparation or Extraction Prior to Analysis.	<del>\$175.04</del> <u>180.99</u> / day for up to 12 samples
(I)	Spectrophometric Analysis of Each Sample Collected in (G) From Any Number of Samplers Operated for Same Project on Same Day.	<del>\$87.35</del> <u>90.32</u> for first sample or contaminant <del>\$34.63</del> <u>35.81</u> for each additional sample or contaminant
<del>(K)</del> <u>J</u>	Analysis of Each Sample Collected in (G) For Particulates.	<del>\$104.67</del> <u>108.23</u> for first sample <del>\$61.13</del> <u>63.21</u> for each additional sample
<del>(L)</del> <u>K</u>	Gas Chromatograph/Mass Spectrometry Identification For Any Sample Collected Above.	<del>\$175.04</del> <u>180.99</u> for five or fewer contaminants <del>\$17.31</del> <u>17.90</u> for each additional contaminant

- |  |   |  |
|--|---|--|
| (ML)<br>)  | Additional Fees for Sample Pick-up and Analysis After Normal Weekday Working Hours.   | \$ <del>87.35</del> <u>90.32</u> additional / hour for each hour exceeding 8-hour normal week day for sample pick-up or collection<br>\$ <del>1,401.68</del> <u>1,449.34</u> additional / day for weekends and holidays requiring sample pick-up and analysis same day<br>\$ <del>1,752.27</del> <u>1,811.85</u> additional / day for weekends and holidays requiring manual sample collection and analysis same day |
| (4) Meteorological Monitoring  |   |  |
| (A)  | Conduct Upper-Air Observation via Radio or Airsonde.  | \$ <del>613.17</del> <u>634.02</u>   |
| (B)  | Conduct Low-Level Air Observation via Tethersonde (8 Hour Program).   | \$ <del>3,507.94</del> <u>3,627.18</u>   |
| (C)  | Conduct Pilot Balloon Observation (Pibal).  | \$ <del>3,507.94</del> <u>3,627.18</u> / release   |
| (5) Landfill Integrated Surface Sampling Program, per Rule 1150.1 Guidelines |   |  |
| (A)  | Conduct Less-Than 24-Hour, Integrated-Surface-Sampling Program Over three (3) 50,000 Square-Foot Grids. Program Includes: Installation and Operation of Wind-Monitoring System; Set-Up of Sample Grid Areas; Conduct of Sampling Sweeps; and Analysis for One (1) Contaminant Per Sample Bag. | \$ <del>2,628.46</del> <u>2,717.83</u> / grid  |
| (B)  | Conduct Less-Than-24-Hour, Integrated-Landfill-Surface-Sampling Program Over Each Additional 50,000 Square-Foot Grid At The Same Site as (A).   | \$ <del>569.22</del> <u>588.57</u>   |

- |     |  |   |
|-----|--|---|
| (6) | SF6 Gas-Tracer Study   |   |
| (A) | Conduct SF6 Gas-Tracer Study With Up to Sixty (60) Samples, Including Installation and Operation of a Wind-Monitoring System and Tethersonde Observations. | <del>\$19,276.60</del> <u>\$19,932.00</u> |
| (B) | Collection and Analysis of Each Additional Sample for (A).   | <del>\$87.35</del> <u>\$90.32</u>         |

## ATTACHMENT G5

(Adopted January 4, 1985)(Amended June 5, 1987)(Amended June 3, 1988)  
(Amended January 6, 1989)(Amended November 3, 1989)(Amended July 6, 1990)  
(Amended June 11, 1993)(Amended June 10, 1994)(Amended May 12, 1995)  
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(Amended May 14, 1999)(Amended May 19, 2000)(Amended May 11, 2001)  
(Amended May 3, 2002)(Amended June 6, 2003)(Amended July 9, 2004)  
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(Amended June 6, 2014)(Amended May 1, 2015)(Amended May 6, 2016)  
(Updated July 1, 2016)(Amended June 2, 2017)  
(Proposed Amended Rule May 4, 2018)

### **Proposed Effective Date July 1, 2018**

### **PROPOSED AMENDED RULE 306. PLAN FEES**

#### **(a) Summary**

California Health and Safety Code Section 40522 provides authority for the South Coast Air Quality Management District to adopt a fee schedule for the approval of plans to cover the costs of review, planning, inspection, and monitoring related to activities conducted pursuant to the plans. An annual fee may also be charged to cover the costs of annual review, inspection, and monitoring related thereto. This rule establishes such a fee schedule, and requires that fees be paid for:

- (1) Filing of plans;
- (2) Evaluation of the above plans;
- (3) Inspections to verify compliance with the plans;
- (4) Duplicate plans;
- (5) Change of condition; and
- (6) Annual review/renewal of plans, if applicable.

#### **(b) Definitions**

For the purpose of this rule, a plan is any data and/or test report (including equipment certification source tests) required by federal or state law, or District Rules and Regulations to be submitted to the District. A plan may be a description of a method to control or measure emissions of air contaminants required by the Rules and Regulations. Plans include, but are not limited to, the following: Demonstration Plan; Application Test Plan; Implementation Plan; Compliance Plan; Management Plan; Control Plan; CEQA Mitigation Monitoring Plan; Acid Rain Repowering Extension Plan and Compliance Plan; Acid Rain Continuous

Emission Monitoring System Plan; Acid Rain Protocol/Report Evaluation; VOC Excavation Mitigation Plans (Site Specific and Various Locations); Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems Plan; Title V Exclusion Requests; ~~Rule 109.1~~; Smoke Management Plans; Burn Management Plans; Emergency Burn Plans; Post Burn Evaluation Reports; Rule 109 Alternative Recordkeeping System Plan; ~~and~~ Solid Waste Air Quality Assessment Test Reports (Health and Safety Code Section 41805.5); Compliance Assurance Monitoring Plan (40CFR64); Maximum Achievable Control Technology MACT Exemption Requests; Equipment Certification Source Test Reports; and MACT Case-by-Case Analysis.

(c) Plan Filing Fee

The filing fee for a plan or change of condition shall be as follows:

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$144.88</del>	<del>\$154.17</del>
FY 2018-19	<del>\$150.68</del> <u>155.80</u>	<del>\$170.62</del> <u>176.42</u>
FY 2019-20 and thereafter	<del>\$150.68</del> <u>155.80</u>	<del>\$188.81</del> <u>195.23</u>

(d) Plan Evaluation Fee

The plan evaluation fee shall be an amount equal to the total actual and reasonable time incurred by ~~the District~~ staff for evaluation of a plan, assessed at the hourly rate ~~per person per hour~~ or prorated portion thereof as follows:

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$144.88</del>	<del>\$154.17</del>
FY 2018-19	<del>\$150.68</del> <u>155.80</u>	<del>\$170.62</del> <u>176.42</u>
FY 2019-20 and thereafter	<del>\$150.68</del> <u>155.80</u>	<del>\$188.81</del> <u>195.23</u>

(e) Duplicate Plan Fee

A request for a duplicate plan shall be made in writing by the applicant. The applicant shall pay the fee as shown in the table below in this subdivision for each plan requested:

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$23.52</del>	<del>\$25.02</del>
FY 2018-19	<del>\$24.46</del> <u>25.29</u>	<del>\$27.69</del> <u>28.63</u>
FY 2019-20 and thereafter	<del>\$24.46</del> <u>25.29</u>	<del>\$30.64</del> <u>31.68</u>

**(f) Inspection Fee**

The inspection fee for plan verification shall be an amount equal to the total actual and reasonable time incurred by the District for inspection and verification of the plan, assessed at the hourly rate per inspection staff or prorated portion thereof as shown in the table below in this subdivision. For inspections conducted outside of regular District working hours, the fee shall be assessed at the rate of 150% of the above hourly rate. This subdivision shall not apply to plans subject to Rule 306(h).

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$115.85</del>	<del>\$123.28</del>
FY 2018-19	<del>\$120.48</del> <u>124.58</u>	<del>\$136.43</del> <u>141.07</u>
FY 2019-20 and thereafter	<del>\$120.48</del> <u>124.58</u>	<del>\$150.97</del> <u>156.10</u>

**(g) Change of Condition Fee**

Any request for a change of condition on a VOC Excavation Mitigation Plan shall be made in writing by the applicant. A request submitted after thirty (30) days of the issuance of the plan shall be subject to additional fees assessed at the hourly rate shown in the table below in this subdivision for time spent evaluating the plan. Such fees shall be imposed at the time the review is completed.

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$144.88</del>	<del>\$154.17</del>
FY 2018-19	<del>\$150.68</del> <u>155.80</u>	<del>\$170.62</del> <u>176.42</u>
FY 2019-20 and thereafter	<del>\$150.68</del> <u>155.80</u>	<del>\$188.81</del> <u>195.23</u>

**(h) Annual Review/Renewal Fee**

An annual review/renewal fee shall be charged for plans listed in the following table in this subdivision. The annual review/renewal fee shall be an amount equal to the Rule 301(d)(2) Schedule A fee. In addition, annual reviews/renewals shall meet all relevant and applicable requirements of Rule 301(d) and 301(g), and be paid on an annual renewal date set by the Executive Officer.

Annual Review/Renewal Plan Fee by Rule Number

Rule/Reference	Plan Type
410	Odor Monitoring
431.1	Sulfur Content of Gaseous Fuels
462	Organic Liquid Loading Continuous Monitoring System (CMS) Plan
463(e)(1)(A)	Organic Liquid Storage - Self-Inspection of Floating Roof Tanks
<u>1105.1</u>	<u>Reduction of PM10 and Ammonia Emissions from Fluid Catalytic Cracking Units</u>
1118	<ul style="list-style-type: none"><li>• Control of Emissions from Refinery Flares - Flare Minimization Plan</li><li>• <u>Control of Emissions from Refinery Flares – Flare Monitoring and Recording Plan</u></li></ul>
<u>1123</u>	<u>Refinery Process Turnarounds</u>
1132	Further Control of VOC Emissions from High-Emitting Spray Booth Facilities
1150	Excavation Management
1150.1.	Active Landfill Control of Gaseous Emissions
1158	Storage, Handling, and Transport of Coke, Coal and Sulfur - Open Pile Control Plan
1166	<ul style="list-style-type: none"><li>• Volatile Organic Compound Emissions from Decontamination of Soil – Fixed Site</li><li>• Volatile Organic Compound Emissions from Decontamination of Soil - Various locations</li></ul>
1173	Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants (h)(2)
1176	VOC Emissions Waste Water System
1407	Non Ferrous Metal Melting



Rule/Reference	Plan Type
1420	Emissions of Lead
1420.1	<ul style="list-style-type: none"> <li>• Rule– Compliance Plan</li> <li>• Continuous Furnace Pressure Monitoring Plan</li> <li>• Compliance Plan for Closure Activities</li> </ul>
1469	Chrome Plating Operations
1469.1	Spray Coating Chromium
1470	Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines
40 CFR 64.7	Compliance Assurance Monitoring Plan

(i) Payment of Fees

(1) Plan Filing and Plan Evaluation or Submittal Fees

In addition to payment of the filing fee pursuant to subdivision (c), the initial payment for plan evaluation fees shall be as shown in the table below in this subparagraph and paid at the time of filing. The adjustment to plan evaluation fees will be determined at the time a plan is approved or rejected and may include additional fees based upon actual review and work time billed at a rate pursuant to subdivision (d). ~~Notification of the amount due or refund will be provided to the applicant, and any additional fees due to the adjustment to plan evaluation fees will be billed following project completion.~~

A – Rule 403; <u>and 461 Plans and Rule 1166 Various Location Plans</u>	Non-Title V	Title V
<del>— FY 2017-18</del>	<del>\$144.88</del>	<del>\$154.17</del>
FY 2018-19	<del>\$150.68</del> <u>155.80</u>	<del>\$170.62</del> <u>176.42</u>
FY 2019-20 and thereafter	<del>\$150.68</del> <u>155.80</u>	<del>\$188.81</del> <u>195.23</u>
B – Rule 444, 1133 and 1415 Plans	See Rule 306 (c)	See Rule 306 (c)
C – All Other Plans, <u>including Rule 1166 Fixed Site Plans</u>	Non-Title V	Title V
<del>— FY 2017-18</del>	<del>\$507.06</del>	<del>\$539.58</del>

FY 2018-19	<del>\$527.34</del> <u>545.27</u>	<del>\$597.15</del> <u>617.45</u>
FY 2019-20 and thereafter	<del>\$527.34</del> <u>545.27</u>	<del>\$660.81</del> <u>683.28</u>

(2) Independent Consultant Fees

In the case that the Executive Officer requires a qualified independent consultant, engaged by the District under a contract, to review the plan, the fees charged by the consultant will be in addition to all other fees required.

(3) Payment Due Date

Payment of all applicable fees, including annual review/renewal fee, shall be due in sixty (60) days from the date of personal service or mailing of the notification of the amount due. Non-payment of the fee within this time period will result in expiration of the plan. For the purpose of this paragraph, the fee payment will be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the business day following the Saturday, Sunday, or the state holiday with the same effect as if it had been postmarked on the expiration date. No further plan applications will be accepted until such time as all overdue fees have been fully paid.

(4) Fee Due Date Exception

Whenever the Executive Officer has reasonable cause to believe that the plan evaluation fee will be less than the fee for one hour's work, the fee need not be paid at the time of filing and notification of amount due, if any, shall be sent at the time the plan is approved or rejected.

(5) Optional Expedited Plan Evaluation Processing Fee

Initial Fees for requested expedited processing of plan evaluation will shall be an additional fifty percent (50%) of the applicable plan filing and initial evaluation fees pursuant to paragraph (i)(1), and shall be submitted at the time that the expedited processing is requested. The adjustment to expedited plan evaluation processing fee will be determined at the time a plan is approved or rejected and may include additional fees based upon actual review and work time billed at a rate for staff overtime which is equal

to one half of staff's hourly rate as specified in subdivision (d). Notification of the amount due or refund will be provided to the applicant and any additional fees due to the adjustment to expedited plan evaluation processing fees will be billed following project completion. A request for expedited plan evaluation work can only be made upon initial work submittal, and approval of such a request is contingent upon the ability of the District to implement the necessary policies and procedures and the availability of qualified staff for overtime work.

(j) Small Business Discount

For small businesses filing plans, the fees assessed shall be fifty percent (50%) of the amounts specified in subdivisions (c), (d), (f), and (g).

(k) Alternative Recordkeeping System Plan Discount

For alternative recordkeeping system plan filed pursuant to Rule 109-4, the fee assessed shall be fifty percent (50%) of the amount specified in subdivisions (d), (f), and (g).

(l) Plan Application Cancellation Fee

The plan application cancellation fee shall be as shown in the table below in this subdivision. The cancellation fee shall not apply when the application was filed based on an erroneous District request.

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	<del>\$193.12</del>	<del>\$205.50</del>
FY 2018-19	<del>\$200.85</del> <u>207.68</u>	<del>\$227.43</del> <u>235.16</u>
FY 2019-20 and thereafter	<del>\$200.85</del> <u>207.68</u>	<del>\$251.67</del> <u>260.23</u>

(m) Protocol/Report/Catalyst Equivalency Evaluation Fees

(1) A minimum fee of \$409.45 shall be charged for the evaluation of source test protocols and reports. ~~consist of a minimum fee, plus an a~~ Additional fees for time spent on the evaluation in excess of 5 hours shall be assessed at ~~an~~ the hourly rate specified in subdivision (d) for non-Title V facilities. The established minimum fee and additional fees for time spent on the evaluation in excess of 5 hours shall be billed after project completion. Fees are due at the time specified in the bill, which will allow a reasonable time for payment. ~~as follows:~~

<del>A—Minimum Fee</del>	<del>Non-Title V</del>	<del>Title V</del>
<del>—FY 2017-18</del>	<del>\$380.76</del>	<del>\$405.18</del>
<del>—FY 2018-19</del>	<del>\$395.99</del>	<del>\$448.41</del>
<del>—FY 2019-20 and thereafter</del>	<del>\$395.99</del>	<del>\$496.21</del>
<del>B—Hourly Rate for Additional Fee</del>	<del>Non-Title V</del>	<del>Non-Title V</del>
<del>—FY 2017-18</del>	<del>\$144.88</del>	<del>\$154.17</del>
<del>—FY 2018-19</del>	<del>\$150.68</del>	<del>\$170.62</del>
<del>—FY 2019-20 and thereafter</del>	<del>\$150.68</del>	<del>\$188.81</del>

- (2) The fee for catalyst equivalency evaluation requests shall be the actual and reasonable evaluation hours assessed at the hourly rate specified in subdivision (d), and billed after project completion. Fees are due at the time specified in the bill, which will allow a reasonable time for payment.
- (n) Exemptions  
Mobile Source Emission Reduction Credit (MSERC) Applications, Compliance Plans required under Regulation XVI and Rule 2449 – Control of Oxides of Nitrogen from Off-Road Diesel Vehicles and Technical Infeasibility Certification Requests as cited in District Fleet Rules under Regulation XI shall be exempt from the provisions of this rule. Fees for Regulation XVI MSERC Applications and Compliance Plans shall be assessed in accordance with District Rule 309.
- (o) Government Agencies  
Federal, state, or local government agencies or public districts shall pay all fees.
- (p) Air Quality Investment Program (AQIP)  
Effective July 1, 1996, all Air Quality Investment Program (AQIP) fees shall be subject to Rule 311 and all other Rule 2202 registration fees shall be subject to Rule 308.
- (q) Optional Expedited Protocol/Report/Catalyst Equivalency Evaluation Processing Fee  
(1) Fees for requested expedited processing of Protocol/Report Evaluations, will be an additional fee based upon actual review and work time billed at

a rate for staff overtime which is equal to one half of staff's hourly rate ~~plus mileage~~ as specified in subdivision (d) for non-Title V facilities. The established "minimum fee" and additional fees for time spent on the evaluation in excess of 5 hours found in Rule 306(m)(1) shall be paid ~~at the time of filing~~ with the additional overtime fee billed following project completion ~~(adjustments to the final bill will be made accordingly for the processing time which is included in the minimum fee)~~. Fees are due at the time specified in the bill which will allow a reasonable time for payment. Request for expedited Protocol/Report Evaluation work can only be made upon initial work submittal, and approval of such a request is contingent upon the ability of the District to implement the necessary policies and procedures and the availability of qualified staff for overtime work.

<del>Hourly Rate in Addition to Rule 301 (m) Fee</del>	<del>Non-Title V</del>	<del>Title V</del>
<del>— FY 2017-18</del>	<del>\$220.03</del>	<del>\$234.14</del>
<del>— FY 2018-19</del>	<del>\$245.42</del>	<del>\$259.12</del>
<del>— FY 2019-20 and thereafter</del>	<del>\$245.42</del>	<del>\$286.74</del>

(2) Fees for requested expedited processing of Catalyst Equivalency Evaluations, will be an additional fee based upon actual review and work time billed at a rate for staff overtime which is equal to one half of staff's hourly rate as specified in subdivision (d). The established fee described in Rule 306(m)(2) shall be paid with the additional overtime fee and will be billed following project completion. Fees are due at the time specified in the bill, which will allow a reasonable time for payment.

(r) Regulation XXVII Fees

(1) Fees for Rule 2701 – SoCal Climate Solutions Exchange

(A) Entities submitting a plan will be assessed a filing fee of ~~\$131.31~~135.77.

(B) The fee for review and verification of Certified Greenhouse Gas Emission Reductions by SCAQMD staff shall be assessed at ~~\$135.90~~140.52 per hour or a prorated portion thereof.

(2) Fees for Rule 2702 – Greenhouse Gas Reduction Program

- (A) Upon submitting a completed Greenhouse Gas Reduction Program Request to the Executive Officer for certified emission reductions an entity shall pay a fee of ~~\$131.34~~\$135.77.
- (B) Individuals or households wishing to participate are exempt from the plan fees for reductions used to offset personal, household or event GHG emissions.

## ATTACHMENT G6

(Adopted May 10, 1996)(Amended May 14, 1999)(Amended May 19, 2000)  
(Amended May 11, 2001)(Amended May 3, 2002) (Amended June 6, 2003)  
(Amended July 9, 2004)(Amended June 3, 2005)(Amended June 9, 2006)  
(Amended May 4, 2007)(Amended May 2, 2008)(Amended June 5, 2009)  
(Amended May 7, 2010)(Updated July 1, 2011)(Updated July 1, 2012)  
(Updated July 1, 2013)(Amended June 6, 2014)(Amended May 1, 2015)  
(Updated July 1, 2016)(Amended October 7, 2016)(Amended June 2, 2017)  
(Proposed Amended Rule May 4, 2018)

**Proposed Effective Date July 1, 2018**

### **PROPOSED AMENDED RULE 307.1      ALTERNATIVE FEES FOR AIR TOXICS EMISSIONS INVENTORY**

(a) Purpose

California Health and Safety Code Section 44300 et seq. provides authority for the District to adopt a fee schedule to recover the cost of implementing and administering the Air Toxics “Hot Spots” Information and Assessment Act of 1987. The District will annually collect from the owner/operator of each facility meeting the criteria set forth in paragraph (b)(1), (b)(2), and (b)(3), and each owner/operator shall pay, fees which shall provide for the following:

- (1) Recovery of anticipated costs to be incurred by the California Air Resources Board (CARB) and Office of Environmental Health Hazard Assessment (OEHHA) to implement and administer the Act, and any costs incurred by OEHHA or its independent contractor for review of facility risk assessments submitted to the State after March 31, 1995 under Health and Safety Code Section 44361(c).
- (2) Recovery of anticipated costs to be incurred by the District to implement and administer the Act, including but not limited to the cost incurred to review emission inventory plans, emission inventory data, air toxics inventory reports, risk assessments, to verify plans and data, and to administer this rule, Rule 1402 – Control of Toxic Air Contaminants from Existing Sources, and the Air Toxics “Hot Spots” program.

(b) Applicability

Except for facilities exempted by Health and Safety Code Sections 44324, 44344.4(a), or 44380.1, this rule applies to any facility that operates in any portion of the fiscal year for which the fee is assessed and which:

- (1) Manufactures, formulates, uses, or releases any of the substances listed by the State Board pursuant to Health and Safety Code Section 44321 and contained in Appendix A of the Guidelines Report, or any other substance which reacts to form a substance so listed, and releases ten (10) tons per year or greater of any criteria pollutant;
- (2) Manufactures, formulates, uses or releases any listed substance or any other substance which reacts to form any listed substance, and which releases less than ten (10) tons per year of any criteria pollutant and falls in any class listed in Appendix E of the Guidelines Report;
- (3) Is reinstated under Health and Safety Code Section 44344.7; or
- (4) Is subject to Rule 1402.

(c) Definitions

For the purpose of this rule, the following definitions shall apply:

- (1) COMPLEX FACILITY means a facility that has more than five (5) processes as determined by six-digit Source Classification Codes (SCC).
- (2) CRITERIA POLLUTANT means total organic gases, particulate matter, nitrogen oxides, or sulfur oxides.
- (3) DIESEL ENGINE means an internal combustion engine with operating characteristics similar to the theoretical diesel combustion cycle. The regulation of power by controlling fuel supply in lieu of a throttle is indicative of a diesel (or compression ignition) engine.
- (4) DIESEL ENGINE FACILITY means any facility which has a diesel engine and is not subject to any other Rule 307.1 fees.
- (5) DIESEL-FUELED as defined in Rule 1470 – Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines (Rule 1470).
- (6) Diesel Particulate Matter (PM) as Defined In Rule 1470.
- (7) DISTRICT means South Coast Air Quality Management District.
- (8) DISTRICT TRACKING FACILITY means a facility:
  - (A) That has been prioritized by the District in accordance with Health and Safety Code Section 44360(a) using procedures that have undergone public review and that are consistent with the procedures presented in the most current version of the SCAQMD “Facility Prioritization Procedures For AB 2588 Program”, which is incorporated by reference herein;



- (B) That is required by the District to submit a quadrennial emissions inventory update pursuant to Health and Safety Code Section 44344 during the applicable fiscal year; and
  - (C) Whose prioritization scores for cancer and non-cancer health effects are both greater than 1.0 and equal to or less than 10.0.
- (9) FACILITY has the same meaning as defined in Section 44304 of the Health and Safety Code.
- (10) FACILITY PROGRAM CATEGORY means a grouping of facilities, meeting the definitions in paragraphs (c)(1), (c)(4), (c)(8), (c)(12), (c)(13), ~~(c)(14)~~, (c)(18~~7~~), ~~—(c)(19)~~, (c)(20), (c)(21), (c)(22), (c)(24), (c)(279), (c)(30~~2~~), or (c)(34~~3~~) of this rule.
- (11) GUIDELINES REPORT (Air Toxics Hot Spots Emission Inventory Criteria and Guidelines Report) is the report incorporated by reference under Section 93300.5 of this title that contains regulatory requirements for the Air Toxics Hot Spots Emission Inventory Program.
- (12) HRA TRACKING FACILITY means a facility that has been prioritized by the District in accordance with Health and Safety Code Section 44360(a) using procedures that have undergone public review and that are consistent with the procedures presented in the most current version of the SCAQMD “Facility Prioritization Procedures For AB 2588 Program”, which is incorporated by reference herein, and the greater of the facility’s prioritization scores for cancer and non-cancer health effects is greater than 10.0, and meets either one of the following criteria:
  - (A) The facility has had its health risk assessment approved by the District in accordance with Health and Safety Code Section 44362 and the risk assessment results show a total potential cancer risk, summed across all pathways of exposure and all compounds, of equal to or greater than 1.0 and less than ten (10) cases per million persons and a total hazard index for each toxicological endpoint, both acute and chronic, of less than or equal to 1.0; or
  - (B) The facility has had its health risk assessment approved by the District in accordance with Health and Safety Code Section 44362 and the risk assessment results show a total hazard index for each toxicological endpoint, either acute or chronic, of greater than or equal to 0.1, but less than or equal to 1.0, and a total potential cancer

risk, summed across all pathways of exposure and all compounds, of less than ten (10) cases per million persons.

- ~~(13) INDUSTRY WIDE FACILITY means a facility that qualifies to be included in an industry wide emission inventory prepared by the District pursuant to Health and Safety Code Section 44232, or an individual facility which emits less than ten (10) tons per year of each criteria pollutant, falls within a class composed of primarily small businesses, and whose emissions inventory report was prepared by the District.~~
- (143) MEDIUM FACILITY means a facility that has three (3) to five (5) processes as determined by six-digit SCCs.
- (154) NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS) CODE is the standard used to classify business establishments developed under the auspices of the United States Office of Management and Budget, which is herein incorporated by reference.
- (165) OEHHA means the Office of Environmental Health Hazard Assessment, California Environmental Protection Agency.
- (176) OPERATOR means the person who owns or operates a facility or part of a facility.
- (17) POTENTIALLY HIGH RISK LEVEL FACILITY means a facility designated by the Executive Officer pursuant to the definition in Rule 1402.
- (18) POTENTIALLY HIGH RISK LEVEL FACILITY FEE means the fee charged to facilities upon designation as a Potentially High Risk Level Facility under Rule 1402. The fee will be assessed on a Time and Materials (T&M) basis to cover the District's costs in determining Rule 1402 compliance. This includes, but is not limited to, evaluation of findings pursuant to Rule 1402(g).
- (189) PRIORITIZATION SCORE GREATER THAN TEN (10.0) FACILITY means a facility that does not have an approved health risk assessment and has been prioritized by the District in accordance with Health and Safety Code Section 44360(a) using procedures that have undergone public review and that are consistent with the procedures presented in the most current version of the SCAQMD "Facility Prioritization Procedures For AB 2588 Program", which is incorporated by reference herein, and the greater of the facility's prioritization scores for cancer and non-cancer effects is greater than 10.0.

- (1920) RISK OF 10.0 TO LESS THAN 50.0 PER MILLION FACILITY means a facility that has had its health risk assessment approved by the District in accordance with Health and Safety Code Section 44362 and whose risk assessment results meet either of the following criteria:
- (A) A total potential cancer risk, summed across all pathways of exposure and all compounds, of greater than or equal to 10.0, but less than 50.0 cases per million persons; or
  - (B) A total hazard index for each toxicological endpoint, either acute or chronic, of greater than 1.0 and a total potential cancer risk, summed across all pathways of exposure and all compounds, of less than 50.0.
- (201) RISK OF 50.0 TO LESS THAN 100.0 PER MILLION FACILITY means a facility that has had its health risk assessment approved by the District in accordance with Health and Safety Code Section 44362 and whose risk assessment results show a total potential cancer risk, summed across all pathways of exposure and all compounds, of greater than or equal to 50.0, but less than 100.0 cases per million persons.
- (242) RISK OF 100.0 PER MILLION OR GREATER FACILITY means a facility that has had its health risk assessment approved by the District in accordance with Health and Safety Code Section 44362 and whose risk assessment results show a total potential cancer risk, summed across all pathways of exposure and all compounds, of greater than or equal to 100.0 cases per million persons.
- (23) SIGNIFICANT RISK LEVEL is a maximum individual cancer risk of at least one hundred per million ( $100 \times 10^{-6}$ ) or a total acute or chronic hazard index of at least five (5) for any target organ system at any receptor location.
- (224) SIMPLE FACILITY means a facility that has one (1) or two (2) processes as determined by six-digit SCC.
- (235) SMALL BUSINESS for the purpose of this rule, means a facility which is independently owned and operated and has met all of the following criteria in the preceding year:
- (A) The facility has ten (10) or fewer (annual full-time equivalence) employees;
  - (B) The facility's total annual gross receipts are less than \$1,000,000; and

- (C) The total annual gross receipts of the facility's California operations are less than \$5,000,000.
- (246) SOURCE CLASSIFICATION CODES (SCC) means number codes created by the United States Environmental Protection Agency used to identify processes associated with point sources that contribute emissions to the atmosphere.
- (257) ~~SPECIAL RISK ASSESSMENT~~REVIEW FEE means the fee charged to facilities to cover the cost of the qualified District personnel or a qualified consultant, as determined by the Executive Officer (EO), engaged by the District under contract, in the event that the EO determines that an ~~existing~~ air toxics inventory report or health risk assessment should be revised and the owner/operator cannot perform this task without errors or delays.
- (268) STATE COSTS means the reasonable anticipated cost which will be incurred by the CARB and OEHHA to implement and administer the Act, as shown in the District staff report.
- (279) STATE INDUSTRY-WIDE FACILITY means a facility that (1) qualifies to be included in an industry-wide emission inventory prepared by the District pursuant to Health and Safety Code Section 44323, (2) releases, or has the potential to release, less than ten tons per year of each criteria pollutant, and (3) is either of the following:
  - (A) A facility in one of the following four classes of facilities: autobody shops, as described by NAICS Codes 441110\_or 811121; gasoline stations, as described by NAICS Codes 447110 and 447190; dry cleaners, as described by NAICS Code 812320; and printing and publishing, as described by NAICS Codes 323111 through 323117 or 511110 through 511199; or
  - (B) A facility that has not prepared an Individual Plan and Report in accordance with sections 44340, 44341, and 44344 of the Health and Safety Code and for which the District submits documentation for approval by the Executive Officer of the CARB, verifying that the facility meets the requirements of Health and Safety Code Section 44323(a)-(d).
- (2830) SUPPLEMENTAL FEE means the fee charged, pursuant to Section 44380.5 of the Health and Safety Code, to cover the costs of the District to review a health risk assessment containing supplemental information which

was prepared in accordance with the provisions of Section 44360(b)(3) of the Health and Safety Code.

- (~~293~~1) TOTAL ORGANIC GASES (TOG) means all gases containing carbon, except carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, and ammonium carbonate.
- (30~~2~~) UNPRIORITIZED FACILITY means a facility that has not been prioritized by the District in accordance with Health and Safety Code Section 44360(a) using procedures that have undergone public review and that are consistent with the procedures presented in the most current version of the SCAQMD “Facility Prioritization Procedures For AB 2588 Program”, which is incorporated by reference herein.
- (34~~3~~) VOLUNTARY RISK REDUCTION FACILITY means a facility that elected to participate in the Voluntary Risk Reduction Program pursuant to Rule 1402.

(d) Fees

All sources subject to this rule shall be assessed an annual fee pursuant to Table I of this rule.

(1) Calculation of Fees

- (A) The District will establish the fee applicable to each facility for the recovery of State and District costs. The District will use State costs and District costs to calculate fees, and will take into account and allow for the unanticipated closing of businesses, nonpayment of fees, and other circumstances which would result in a shortfall in anticipated revenue; and
- (B) The District will calculate fees on the basis of the Facility Program Category as set forth by July 1 of the applicable fiscal year, except for facilities excluded under subparagraph (d)(~~79~~) of this rule.

(2) Flat Fees

- (A) A facility in the State Industry-Wide Facility Program Category, as defined in this rule, shall be assessed the fee specified in Table I.
- (B) A facility in the District Tracking Program Category, as defined in this rule, will be assessed the annual fee specified in Table I to cover the cost to the District to review the facility's quadrennial emission inventory update.

- (C) A facility in the Diesel Engine Facility Program Category, as defined in this rule, shall be assessed the annual Flat Fee specified in Table I.
- (D) The maximum fee that a small business as defined in this rule shall pay is ~~\$377.22~~300.00.
- (E) The supplemental fee as defined in this rule, which may be assessed upon the operator of a facility, shall be no higher than ~~\$3,004.54~~3,106.66.
- (3) Special ~~Risk Assessment~~Review Fees  
When a facility's air toxics inventory report or health risk assessment submitted pursuant to Rule 1402 ~~was~~ prepared or revised by District personnel or a contractor engaged by the District, the owner/operator of the facility for which an air toxics inventory report or health risk assessment is performed shall pay the fees equal to the total actual and reasonable time incurred by District, including actual contractor costs as invoiced and District staff time, assessed at the hourly rate of ~~\$131.31~~150.62 ~~per person per hour or prorated portion thereof~~. When the air toxics inventory report or health risk assessment is conducted or is evaluated and verified by a consultant engaged by the District or District personnel, the fees charged will be in addition to all other fees required.
- (4) Voluntary Risk Reduction Facility Fees  
A Voluntary Risk Reduction Facility, as defined in this rule, shall be assessed the fee specified in Table I until approval of the Final Implementation Report under Rule 1402 paragraph (j)(2). Once the Final Implementation Report is approved by the Executive Officer, the Voluntary Risk Reduction Fee shall be assessed the HRA Tracking Facility Program Category specified in Table I.
- (5) Potentially High Risk Level Facility Fees  
When a facility is designated as a Potentially High Risk Level Facility, as defined under Rule 1402, the owner/operator of the facility shall pay a fee for staff time at the rate of \$172.88 per hour to offset the District's costs to determine Rule 1402 compliance. The Potentially High Risk Level Facility Fees are billed annually and are due at the time of the AB 2588 annual billing which allows a reasonable time for payment. The Potentially High Risk Level Facility Fees will not exceed \$100,000 per year per facility.
- (56) Public Notifications and Meetings

When public notification is required pursuant to Rule 1402 subdivision (q), the facility owner/operator shall either directly pay or reimburse the District for costs of Public Meetings, including venue rental, audio visual rental equipment and personnel, mailing, translation services, parking, security, and equipment rental.

**(67)** Fee Payment and Collection; Effect of Failure to Pay

(A) The District will notify and assess the operator of each facility subject to this rule in writing of the fee due. The operator shall remit the fee to the District within sixty (60) days after the receipt of the fee assessment notice or the fee will be considered past due. For the purpose of this rule, the fee payment will be considered received by the District if it is postmarked by the United States Postal Service on or before the due date stated on the billing notice. If the due date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or state holiday with the same effect as if it had been postmarked on the due date.

(B) If an operator fails to pay the fee within sixty (60) days of this notice pursuant to subparagraph (d)(~~67~~)(A) of this rule, the District may assess a surcharge of not more than one hundred percent (100%) of the assessed fee, but in an amount sufficient, in the District's determination, to pay the District's additional expenses incurred by the operator's non-compliance. If an operator fails to pay the fee within 120 days after receipt of this notice, the District may initiate permit revocation proceedings. If any permit is revoked it shall be reinstated only upon full payment of the overdue fees plus any surcharge as specified in this subparagraph.

**(78)** Payment to the State

The District will collect the fees assessed by or required to be assessed by this rule. After deducting the costs to the District to implement and administer the program, the District will transmit to the State Board the amount the District is required to collect for recovery of state costs as specified in Table I.

**(89)** Exemptions

A facility shall be exempt from paying fees if, by July 1 of the applicable Fiscal Year, any one or more of the following criteria are met:

- (A) The facility has been prioritized by the District in accordance with Health and Safety Code Section 44360(a) using procedures that have undergone public review, and the facility's prioritization score is less than or equal to 1.0 for both cancer and non-cancer health effects. The procedure for estimating priority of facilities were developed based on the most current approved version of SCAQMD "Facility Prioritization Procedures For AB 2588 Program", which is incorporated by reference herein.
- (B) The facility had its health risk assessment approved by the District in accordance with Health and Safety Code Section 44362 and the risk assessment results show a total potential cancer risk, summed across all pathways of exposure and all compounds, of less than one case per one million persons and a total hazard index for each toxicological endpoint, both acute and chronic, of less than 0.1. Some appropriate procedures for determining potential cancer risk and total hazard index are presented in the most current approved version of the OEHHA "Air Toxics Hot Spots Program Guidance Manual for Preparation of Health Risk Assessments" and SCAQMD "Supplemental Guidelines for Preparation of Health Risk Assessments for the Air Toxics "Hot Spots" Information and Assessment Act", which are incorporated by reference herein.
- (C) The facility primarily performs printing as described by NAICS Codes 323111 through 323117 or 511110 through 511199, and the facility uses an annualized average of two (2) gallons per day or less [or seventeen (17) pounds per day or less] of all graphic arts materials (deducting the amount of any water or acetone) unless the District required a health risk assessment and results show the facility would not qualify under subparagraph (d)(89)(A) of this rule.
- (D) The facility is a wastewater treatment plant as described by NAICS Code 221320, the facility does not have a sludge incinerator and the maximum throughput at the facility does not exceed 10,000,000 gallons per day of effluent unless the District required a health risk assessment and results show the facility would not qualify under subparagraph (d)(89)(A) of this rule.



- (E) The facility is a crematorium for humans, animals, or pets as described by NAICS Codes 812210, 812220, or any NAICS Code that describes a facility using an incinerator to burn biomedical waste (animal), the facility uses propane or natural gas as fuel, and the facility annually cremates no more than 300 cases (human) or 43,200 pounds (human or animal) unless the District required a health risk assessment and results show the facility would not qualify under subparagraph (d)(89)(A) of this rule. Facilities using incinerators that burn biomedical waste other than cremating animals do not qualify for this exemption.
- (F) The facility is primarily a boat building and repair facility or primarily a ship building and repair facility as described by NAICS Codes 336611, 3366122, 488390 or 811490, and the facility uses twenty (20) gallons per year or less of coatings or is a coating operation using hand held non-refillable aerosol cans only unless the District required a health risk assessment and results show the facility would not qualify under subparagraph (d)(89)(A) of this rule.
- (G) The facility is a hospital or veterinary clinic building that is in compliance with the control requirements specified in the Ethylene Oxide Control Measure for Sterilizes and Aerators, section 93108 of this title and has an annual usage of ethylene oxide of less than 100 pounds per year if it is housed in a single story building, or has an annual usage of ethylene oxide of less than 600 pounds per year if it is housed in a multi-story building unless the District required a health risk assessment and results show the facility would not qualify under subparagraph (d)(89)(A) of this rule.
- (H) The facility was not required to conduct a risk assessment under Health and Safety Code Section 44360(b), and the District, or the facility with the concurrence of the District, has conducted a worst-case, health conservative risk assessment using screening air dispersion modeling criteria set forth in Appendix F of the Guidelines Report and has demonstrated to the satisfaction of the District that the facility's screening risk levels meet the criteria set forth in subparagraph (d)(89)(A) of this rule.

**TABLE I**  
**FACILITY FEES BY PROGRAM CATEGORY**

FACILITY PROGRAM CATEGORY	COMPLEXITY	DISTRICT FEE	STATE FEE	TOTAL FACILITY FEE
<i>HRA Tracking<sup>*1</sup></i>	Simple Facility	\$ <del>426.66</del> <u>441.17</u>	\$67	\$ <del>493.66</del> <u>508.17</u>
	Medium Facility	\$ <del>616.33</del> <u>637.29</u>	\$100	\$ <del>716.33</del> <u>737.29</u>
	Complex Facility	\$ <del>806.01</del> <u>833.41</u>	\$134	\$ <del>940.01</del> <u>967.41</u>
<i>Unprioritized</i>	Simple Facility	\$ <del>634.10</del> <u>655.66</u>	\$402	\$ <del>1,036.10</del> <u>1,057.66</u>
	Medium Facility	\$ <del>3,474.82</del> <u>3,592.96</u>	\$603	\$ <del>4,077.82</del> <u>4,195.96</u>
	Complex Facility	\$ <del>4,617.53</del> <u>4,774.53</u>	\$804	\$ <del>5,421.53</del> <u>5,578.53</u>
<i>PS&gt;10, No HRA</i>	Simple Facility	\$ <del>5,380.44</del> <u>5,563.37</u>	\$1,674	\$ <del>7,054.44</del> <u>7,237.37</u>
	Medium Facility	\$ <del>5,762.76</del> <u>5,958.69</u>	\$2,009	\$ <del>7,771.76</del> <u>7,967.69</u>
	Complex Facility	\$ <del>6,142.12</del> <u>6,350.95</u>	\$2,344	\$ <del>8,486.12</del> <u>8,694.95</u>
<i>Risk ≥10 &lt;50 in a million or HI&gt;1</i>	Simple Facility	\$ <del>6,524.41</del> <u>6,746.24</u>	\$3,014	\$ <del>9,538.41</del> <u>9,760.24</u>
	Medium Facility	\$ <del>6,905.23</del> <u>7,140.01</u>	\$3,349	\$ <del>10,254.23</del> <u>10,489.01</u>
	Complex Facility	\$ <del>7,286.09</del> <u>7,533.82</u>	\$3,684	\$ <del>10,970.09</del> <u>11,217.82</u>
<i>Risk ≥50 &lt;100 in a million</i>	Simple Facility	\$ <del>7,668.39</del> <u>7,929.12</u>	\$4,353	\$ <del>12,021.39</del> <u>12,282.12</u>
	Medium Facility	\$ <del>8,047.74</del> <u>8,321.36</u>	\$4,688	\$ <del>12,735.74</del> <u>13,009.36</u>
	Complex Facility	\$ <del>8,430.03</del> <u>8,716.65</u>	\$5,023	\$ <del>13,453.03</del> <u>13,739.65</u>
<i>Risk ≥100 in a million</i>	Simple Facility	\$ <del>8,812.38</del> <u>9,112.00</u>	\$5,693	\$ <del>14,505.38</del> <u>14,805.00</u>
	Medium Facility	\$ <del>9,191.72</del> <u>9,504.24</u>	\$6,028	\$ <del>15,219.72</del> <u>15,532.24</u>
	Complex Facility	\$ <del>9,577.79</del> <u>9,903.43</u>	\$6,363	\$ <del>15,940.79</del> <u>16,266.43</u>
<i>Potentially High Risk Level</i>	Simple Facility	<u>T &amp; M<sup>2</sup></u>	<u>\$5,693<sup>3</sup></u>	<u>\$ (T&amp;M<sup>2</sup> + 5,693<sup>3</sup>)</u>
	Medium Facility	<u>T &amp; M<sup>2</sup></u>	<u>\$6,028<sup>3</sup></u>	<u>\$ (T&amp;M<sup>2</sup> + 6,028<sup>3</sup>)</u>
	Complex Facility	<u>T &amp; M<sup>2</sup></u>	<u>\$6,363<sup>3</sup></u>	<u>\$ (T&amp;M<sup>2</sup> + 6,363<sup>3</sup>)</u>

<b>FACILITY PROGRAM CATEGORY</b>	<b>COMPLEXITY</b>	<b>DISTRICT FEE</b>	<b>STATE FEE</b>	<b>TOTAL FACILITY FEE</b>
<b><i>Voluntary Risk Reduction</i></b>	Simple Facility	\$ <del>5,380.44</del> <u>5,563.37</u>	\$1,674	\$ <del>7,054.44</del> <u>7,237.37</u>
	Medium Facility	\$ <del>5,762.76</del> <u>5,958.69</u>	\$2,009	\$ <del>7,771.76</del> <u>7,967.69</u>
	Complex Facility	\$ <del>6,142.12</del> <u>6,350.95</u>	\$2,344	\$ <del>8,486.12</del> <u>8,694.95</u>
<b><i>District Tracking<sup>1,2,4</sup></i></b>		\$ <del>235.86</del> <u>243.88</u>		\$ <del>235.86</del> <u>243.88</u>
<b><i>State Industry-wide</i></b>		\$ <del>171.76</del> <u>177.60</u>	\$35	\$ <del>206.76</del> <u>212.60</u>
<b><i>Diesel Engine Facility</i></b>	-	\$ <del>128.61</del> <u>132.98</u>	-	\$ <del>128.61</del> <u>132.98</u>

<sup>1\*</sup> HRA Tracking --- (PS > 10 with HRA) Risk ≥ 1, <10 in a million, or HI ≥ 0.1, ≤ 1

<sup>2</sup> T & M --- Annual District fee will be capped at \$100,000 per year per facility.

<sup>3</sup> For facilities with Risk > 100 in a million, the state fee is equivalent to that of the “Risk ≥ 100 in a million” category. For facilities with HI > 5.0, the state fee is equivalent to the “Risk ≥ 10 < 50 in a million or HI > 1” category.

<sup>4\*\*</sup> District Tracking --- PS > 1, ≤ 10

HRA --- Health Risk Assessment

HI --- Hazard Index, Acute or Chronic

PS --- Priority Score

## ATTACHMENT G7

(Adopted November 3, 1989)(Amended June 6, 1992)(Amended June 11, 1993)  
(Amended June 10, 1994)(Amended May 12, 1995)(Amended May 10, 1996)  
(Amended May 9, 1997)(Amended May 8, 1998)(Amended May 14, 1999)  
(Amended May 19, 2000)(Amended May 11, 2001)(Amended May 3, 2002)  
(Amended June 6, 2003)(July 9, 2004)(Amended June 3, 2005)(Amended June 9, 2006)  
(Amended May 4, 2007)(Amended May 2, 2008)(Amended June 5, 2009)  
(Amended May 7, 2010)(Amended May 6, 2011)(Updated July 1, 2012)  
(Updated July 1, 2013)(Amended June 6, 2014)(Amended May 1, 2015)  
(Updated July 1, 2016)(Amended June 2, 2017)  
(Proposed Amended Rule May 4, 2018)

### **Proposed Effective July 1, 2018**

#### **PROPOSED AMENDED RULE 308.      ON-ROAD MOTOR VEHICLE MITIGATION OPTIONS FEES**

(a)    Applicability

Provisions of this rule shall apply to fees assessed for worksite registrations and filings pursuant to Rule 2202 On-Road Motor Vehicle Mitigation Options. Fees shall be paid for the submission or resubmission of Annual Registrations, Employee Commute Reduction Programs (ECRP), Annual Programs, strategy amendments, extension requests, Average Vehicle Ridership (AVR)/Creditable Commute Vehicle Reduction (CCVR) Certification, Software Certification, emission reduction project review, and transfer of emission reduction credits.

(b)    Definitions

- (1)    AMENDMENTS are changes to Rule 2202 registrations, and/or ECRP strategies which materially affect the implementation of the program or the addition or deletion of a worksite to a multi-site program.
- (2)    ANNUAL PROGRAM is a program submitted to the District that contains AVR results and a plan to achieve the performance requirements for the worksite.
- (3)    EVALUATION is the District's evaluation of a program resulting in approval or disapproval of that program.
- (4)    PROGRAM is any data and/or report required by Rule 2202 On-Road Motor Vehicle Mitigation Options to be submitted to the District.
- (5)    RESUBMITTAL is any revised program or revised Annual Program submitted to the District to correct a disapproved program.

- (6) SUBMITTAL is any program provided to the District in accordance with Rule 2202 On-Road Motor Vehicle Mitigation Options.

(c) Program Fees

(1) Rule 2202 Registration Fees

All persons submitting a Rule 2202 registration to implement any compliance option in the rule, except for an ECRP or an AQIP, shall pay annually, the following fees at the time of registration.

(A) Single Site Registrations

Single site programs are subject to a ~~\$569.22~~588.57 per worksite annual registration fee.

(B) Multiple Site Registrations

Multiple site programs are subject to a fifteen percent (15%) discount of the fee established in subparagraph (c)(1)(A) per worksite annual registration fee.

(C) Resubmittals and Amendments

Resubmitted and amended registrations shall be subject to fifty percent (50%) of the fee established in subparagraph (c)(1)(A) and (c)(1)(B).

(2) Employee Commute Reduction Program (ECRP) Fees

All persons electing to submit an ECRP shall pay the following fees at the time of submittal. The Annual Program and ECRP Offset fees will become effective on June 7, 2004.

(A) Single Site Submittals

<u>Per Worksite</u>	<u>Annual Program</u>	<u>ECRP Offset</u>
500 or more employees	<del>\$1,083.84</del> <u>1,120.69</u>	<del>\$700.68</del> <u>724.50</u>
250 to 499 employees	<del>\$840.50</del> <u>838.06</u>	<del>\$525.49</del> <u>543.36</u>

(B) Multisite Program Submittals

Triennial program fees for multiple site program submittals are subject to a fifteen percent (15%) discount of the fee established in subparagraph (c)(2)(A).

- (C) Resubmittals and Amendments  
The single site resubmittal and amendment fee, excluding program strategy amendments fee shall be fifty percent (50%) of the single site submittal fee established in subparagraph (c)(2)(A). The multisite resubmittal fee shall be fifty percent (50%) of the multisite program submittal fee established in subparagraph (c)(2)(B).
- (D) Electronic Media Submittals  
Persons submitting an ECRP using District-certified electronic media shall pay the appropriate fee established in paragraphs (c)(2)(A) and (B), less ~~\$105.49~~109.08 per submittal.
- (E) Sites achieving (AVR) Targets  
Any employer who achieves their Average Vehicle Ridership (AVR) target and chooses to file a High AVR No-Fault Inspection, pursuant to Rule 2202 ECRP guidelines, in lieu of an Annual Program, shall submit the fee established in subparagraph (c)(1)(A) and (c)(1)(B).
- (F) Program Strategy Amendments  
A person submitting an amendment to program strategies consisting of the deletion or the replacement of any existing program strategies shall pay a fee of ~~\$170.82~~176.63 for each submittal per worksite. This fee shall not apply when the amendment consists solely of additional or enhanced strategies to the program or when the strategy amendment is submitted at the same time as part of the Annual Program submittal. Furthermore, any employer adding or deleting a worksite to a multi-site or geographic program shall pay a fee of ~~\$170.82~~176.63 per worksite being added or deleted, unless the worksite being deleted is no longer subject to Rule 2202.
- (G) AVR/CCVR Certification Fees  
Any person requesting District certification of AVR/CCVR verification methods (including but not limited to random sampling, record-keeping or restructuring of the AVR survey form) pursuant to Rule 2202 ECRP guidelines, shall pay a fee of ~~\$437.79~~452.67. No additional fee will be due after a first disapproval and resubmittal. A second fee of ~~\$437.79~~452.67 shall be paid with a second resubmittal after a second disapproval.

(3) Late Submittal and Resubmittal Fees

A fifty percent (50%) increase in the applicable registration, or ECRP fee established in paragraph (c)(1), or subparagraphs (c)(2)(A), (c)(2)(B) or (c)(2)(C) shall be paid as a surcharge where an applicable fee is not received in full on or before the due date for the registration, or ECRP.

(d) Determination of Applicability of Late Fees

The fee payment will be considered to be received by the District if it is postmarked by the United States Postal Service on or before the registration/ECRP due date and received in full. If the registration/ECRP due date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the business day following the Saturday, Sunday, or the state holiday with the same effect as if it had been postmarked on the registration/ECRP due date. No further program applications for a particular worksite will be accepted or approved until such time as all overdue fees have been fully paid.

(e) Government Agencies

Federal, state, or local government agencies or public districts shall pay all fees.

(f) Software Certification Fees

The District may certify independent computer software capable of reproducing registration/ECRP forms, thereby allowing employers to file registration/ECRP using electronic media.

(1) Fees for certification will be assessed to cover the costs of processing the certification application and for the testing and validation of the software's reliability and ability to meet District's software specifications and program requirements.

(2) Fees shall be paid at the time that the software is submitted for certification as follows:

(A)	Initial Certification Fee	<del>\$875.89</del> <u>905.67</u>
(B)	Recertification Fee	<del>\$437.79</del> <u>452.67</u>

(g) The District will certify ECRP training programs pursuant to Rule 2202 ECRP guidelines. Fees for certification will be assessed to cover the costs of processing

the certification application, reviewing the proposed curriculum, and assessing the training provider's qualifications.

- (1) Fees shall be paid at the time that the qualifications and/or the curriculum is submitted for certification as follows:

	Provider Firm	Certification	Recertification
(A)	Instructor	<del>\$437.79</del> <u>452.67</u>	<del>\$218.67</del> <u>226.10</u>
(B)	Curriculum	<del>\$875.89</del> <u>905.67</u>	<del>\$437.79</del> <u>452.67</u>

- (2) Fee for the District's initial training program for new Employee Transportation Coordinators shall be ~~\$177.29~~183.32 per person.
- (3) A fee in the amount of ~~\$108.13~~111.81 shall be assessed to cover the cost of staff time to process each replacement Employee Transportation Coordinator Certificate of training.

- (h) An employer who has declared bankruptcy, for the official business or governmental operations of its organization or company, through a judicial court filing and confirmation process, may request the Executive Officer to grant a temporary waiver from complying with the requirements of Rule 2202 and Rule 308. Upon demonstration of the filing and confirmation of bankruptcy, the Executive Officer will grant an exemption for the duration of bankruptcy, not to exceed two (2) years from the date of the waiver.

- (i) Service Charge for Returned Check

Any person who submits a check to the District on insufficient funds or on instructions to stop payment on the check, absent an overcharge or other legal entitlement to withhold payment, shall be subject to a \$25.00 service charge.

- (j) Extensions to Surrender MSERC's

Any person requesting an extension to surrender MSERC's to the District shall pay a fee of ~~\$86.42~~89.36 per worksite.

- (k) Emission Reductions Project Review

Any person requesting the approval of a project resulting in emission reductions, pursuant to the provisions of Rule 2202(f)(6), shall be assessed an evaluation fee of ~~\$431.85~~446.53 at the time of submittal. This fee will become effective on June 7, 2004. Additional evaluation fees may be assessed in accordance with Rule 309(c)(3) if necessary.



(l) Transfer of Emission Reduction Credits

Any person requesting a transfer of emission reduction credits shall pay a fee of ~~\$85.61~~88.52 per transaction. Credit transactions shall be jointly registered with the District by the credit transferor and transferee. The transferee shall be assessed the transaction fee per transaction at the time the transaction is registered with the District, unless the transferee is surrendering credits to meet the registration requirements for the current compliance year.

(m) Failure to Notify Surcharge

Any employer who became subject to Rule 2202 (as defined in Rule 2202 (b) – Applicability) and failed to notify the District within 30 days when they became subject to the rule, shall pay a surcharge of ~~\$1,257.39~~1,300.14 for every worksite.

If the employer notifies the District more than 30 calendar days from the date when they became subject to Rule 2202, the surcharge shall be reduced by 30% of the applicable fee, as follows: ~~\$880.18~~910.11 for every worksite.

(n) Rule 2202 Registration Time Extension

Any person requesting a time extension to submit a Rule 2202 registration shall refer to Rule 313.

## ATTACHMENT G8

(Adopted June 10, 1994)(Amended May 10, 1996)(Amended May 9, 1997)  
(Amended May 8, 1998)(Amended May 14, 1999)(Amended May 19, 2000)  
(Amended May 11, 2001)(Amended May 3, 2002)(Amended June 6, 2003)  
(Amended July 9, 2004)(Amended June 3, 2005)(Amended June 9, 2006)  
(Amended May 4, 2007)(Amended May 2, 2008)(Amended May 7, 2010)  
(Updated July 1, 2011)(Updated July 1, 2012)(Updated July 1, 2013)  
(Amended June 6, 2014)(Amended May 1, 2015)(Updated July 1, 2016)  
(Amended June 2, 2017)  
(Proposed Amended Rule May 4, 2018)

**Proposed Effective Date July 1, 2018**

### **PROPOSED AMENDED RULE 309.      FEES FOR REGULATION XVI AND REGULATION XXV**

(a)    Applicability

Provisions of this rule shall apply to fees assessed for plans required by Regulation XVI and Regulation XXV, and for the transfer and acquisition of Mobile Source Emission Reduction Credits (MSERCs) generated pursuant to Regulation XVI and Regulation XXV rules. Fees shall be paid for:

- (1)    Rule 1610 Scrapping Plans
- (2)    Regulation XVI and Regulation XXV Mobile Source Emission Reduction Credit (MSERC) Applications and Compliance Plans
- (3)    MSERC Transaction Registration

(b)    Definitions

For the purpose of this rule the following definitions shall apply:

- (1)    MSERC TRANSACTION is the trade or transfer of MSERC ownership between entities, or between MSERC accounts of the same entity. MSERCs shall be denominated in terms of one pound of MSERC pollutant.
- (2)    PLAN is any data and/or test report required by federal or state law, or District rules and regulations to be submitted to the District. Plans include, but are not limited to, the following: Rule 1610 Scrapping Plans, Regulation XVI and Regulation XXV MSERC Applications, and Regulation XVI and Regulation XXV Compliance Plans.
- (3)    SMALL BUSINESS is as defined in Rule 102.

(c) Fee Assessments

- (1) Rule 1610 Scrapping Plans shall be assessed a filing and evaluation fee of ~~\$1,800.68~~~~1,861.90 for FY 2017-18 and~~ ~~\$1,872.71~~~~1,936.38 for FY 2018-19 and thereafter~~. The fee shall be paid at the time of plan submittal.
- (2) Regulation XVI and Regulation XXV Plans as defined in paragraph (b)(2), except Scrapping Plans, shall be assessed a filing fee of ~~\$136.57~~~~141.21 for FY 2017-18 and~~ ~~\$142.03~~~~146.86 for FY 2018-19 and thereafter~~ and an evaluation fee of ~~\$455.30~~~~470.78 for FY 2017-18 and~~ ~~\$473.51~~~~489.61 for FY 2018-19 and thereafter~~ at the time of submittal.
- (3) Additional evaluation fees for plans shall be assessed at the rate of ~~\$133.21~~~~137.74 for FY 2017-18 and~~ ~~\$138.54~~~~143.25 for FY 2018-19 and thereafter~~ per person per hour if necessary. Evaluation fees shall also be assessed at this rate for any amendments to Plans and Applications.
- (4) For small businesses filing scrapping plans, MSERC applications, and compliance plans, the fees assessed shall be fifty percent (50%) of the amounts specified in paragraphs (c)(1), (c)(2), and (c)(3).
- (5) MSERC transactions shall be jointly registered with the District by the MSERC transferor and transferee. The transferee shall be assessed a Transaction Registration Fee of ~~\$89.03~~~~92.06 for FY 2017-18 and~~ ~~\$92.59~~~~95.74 for FY 2018-19 and thereafter~~, per transaction at the time the transaction is registered with the District.

(d) Inspection Fee

The inspection fee for Rule 1610 Scrapping Plan verification shall be an amount equal to the total actual and reasonable time incurred by the District for inspection and verification of the plan, assessed at the hourly rate of ~~\$109.19~~~~112.90 for FY 2017-18 and~~ ~~\$113.56~~~~117.42 for FY 2018-19 and thereafter~~ per inspection staff or prorated portion thereof. For inspections conducted outside of regular District working hours, the fee shall be assessed at a rate of 150% of the above hourly rate.

(e) Payment of Fees

- (1) Payment of all applicable fees, including annual review/renewal fee, shall be due in thirty (30) days from the date of personal service or mailing of the notification of the amount due. Non-payment of the fee within this time period will result in expiration of the plan. For the purpose of this paragraph, the fee payment will be considered to be received by the District

if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the business day following the Saturday, Sunday, or the state holiday with the same effect as if it had been postmarked on the expiration date. No further plan applications will be accepted until such time as all overdue fees have been fully paid.

- (2) Whenever the Executive Officer has reasonable cause to believe that the plan evaluation fee will be less than the fee for one hour's work, the fee need not be paid at the time of filing and notification of amount due, if any, shall be sent at the time the plan is approved or rejected.

(f) Refunds

- (1) If a plan or an application as defined in paragraph (b)(2) is canceled, plan filing and evaluation fees, less the plan cancellation fee, will be refunded:
  - (A) If it is determined that the plan was not required pursuant to District rules; or
  - (B) The plan evaluation procedure has not been initiated by District staff.
- (2) The plan cancellation fee will be ~~\$182.03~~188.22 ~~for FY 2017-18 and~~  
~~\$189.31~~195.75 ~~for FY 2018-19 and thereafter.~~
- (3) Claims for refund of any fee required by this rule shall be submitted in writing within one (1) year after the fee was paid.
- (4) The cancellation fee shall not apply when the plan was filed based on an erroneous District request.

(g) Government Agencies

Federal, state, or local government agencies or public districts shall pay all fees.

## ATTACHMENT G9

(Adopted May 10, 1996)(Amended May 9, 1997)(Amended May 8, 1998)  
(Amended May 14, 1999)(Amended May 19, 2000)(Amended May 11, 2001)  
(Amended May 3, 2002)(Amended June 6, 2003)(Amended July 9, 2004)  
(Amended June 3, 2005)(Amended June 9, 2006)(Amended May 4, 2007)  
(Amended May 2, 2008)(Amended May 7, 2010)(Amended May 6, 2011)  
(Updated July 1, 2012)(Updated July 1, 2013)(Amended June 6, 2014)  
(Amended May 1, 2015)(Updated July 1, 2016)(Amended June 2, 2017)  
(Proposed Amended Rule May 4, 2018)

**Proposed Effective Date July 1, 2018**

### **PROPOSED AMENDED RULE 311. AIR QUALITY INVESTMENT PROGRAM (AQIP) FEES**

(a) Applicability

This rule shall apply to all employers who participate in the Air Quality Investment Program (AQIP) option provided under Rule 2202. The Air Quality Investment Fees established in this rule shall be adjusted periodically to reflect market conditions.

(b) Registration Fees

Any employer registering with the District to participate in the AQIP shall pay annually a registration fee of ~~\$131.34~~\$135.77 per worksite.

(c) AQIP Investment Fees

(1) Annual Compliance Option

At the time of registration any employer electing to participate in the annual AQIP compliance option shall annually invest in the restricted District fund \$46.73 for each employee reporting to work in the peak window; or,

(2) Triennial Compliance Option

At the time of registration any employer electing to participate in the triennial AQIP compliance option shall invest in the restricted District fund \$129.79 for each employee reporting to work in the peak window. Any increase in the number of employees in the window shall be accounted for during the second and third year registrations by investing \$46.73 per each additional employee for the remaining years in the triennial compliance option.

(d) Late fees

If the registration fee is not received by the established due date, the original amount of the registration fee shall be increased by fifty percent (50%).

## **ATTACHMENT G10**

(Adopted June 9, 2006)(Amended May 4, 2007)(Amended May 2, 2008)  
(Amended June 5, 2009)(Amended May 7, 2010)(Updated July 1, 2011)  
(Updated July 1, 2012)(Updated July 1, 2013)(Amended June 6, 2014)  
(Amended May 1, 2015)(Updated July 1, 2016)(Amended July 2, 2017)  
(Proposed Amended Rule May 4, 2018)

**Proposed Effective Date July 1, 2018**

### **PROPOSED AMENDED RULE 313.      AUTHORITY TO ADJUST FEES AND DUE DATES**

(a)      **Summary**

This rule provides limited discretion to the Executive Officer to adjust fees or reinstate permits where there has been an administrative error by the District, to extend the due date for payment of certain fees for good cause, and to waive or refund fees under circumstances set forth in this rule. The Executive Officer may delegate all or some of the discretion granted under this rule to a Fee Review Committee comprised of the Chief Financial Officer, the Deputy Executive Officer for Engineering and Permitting, the Public Advisor, and the District Counsel, or their designees. This rule does not provide the Executive Officer authority to alter the substantive requirements contained in SCAQMD rules and regulations.

(b)      **Process**

Any owner/operator seeking relief under this Rule shall obtain the appropriate fee review request form(s) from the Office of Public Affairs. Upon completion, the form(s), along with any supporting background documentation, must be filed within the appropriate time limits set forth in this rule. Where the Executive Officer has delegated authority under this rule to the Fee Review Committee, an owner/operator seeking relief may request a personal meeting with the Fee Review Committee. The Fee Review Committee will meet on a monthly basis, as necessary, to consider requests under this rule.

(c)      **Decisions**

The Executive Officer shall seek to make a decision on any request for relief under this Rule in writing within 90 days unless the applicant is notified that additional time is needed to investigate the circumstances underlying the request. Where the decision is made by the Fee Review Committee, the applicant may seek reconsideration from the Fee Review Committee within 30 days where there is

substantial new information available. All decisions of the Fee Review Committee are final, except that they may be reviewed by the Executive Officer in his sole discretion to ensure compliance with this Rule. Decisions of the Executive Officer are final.

(d) Reinstatement of Permits, Applications, Plans, Registrations, and Other District Approvals

- (1) The Executive Officer may reinstate a permit, application, registration, plan, or any other District issued approval upon finding of administrative error by District staff regarding the calculation, imposition, noticing, handling, invoicing, and/or collection of any fee set forth in this Regulation.
- (2) The Executive Officer may reinstate any permit, application, registration, plan, variance (issued by the hearing board), or any other District issued approval that was determined by the Executive Officer to have been inadvertently canceled by the District.

(e) Adjustment of Fees

- (1) The Executive Officer may, upon finding of administrative error by District staff regarding the calculation, imposition, noticing, handling, invoicing, and/or collection of any fee set forth in this Regulation, rescind, reduce, increase or modify such fee. In no case may the Executive Officer reduce the amount of the excess emission fee below that specified in Rule 303~~6~~(f), unless otherwise ordered by the Hearing Board.
- (2) Any request for relief under paragraph (e)(1) must be received within 3 years of the administrative error or from the time the applicant should have reasonably known that the error was made, as determined by the Executive Officer.

(f) Time Extension of Payment Due Dates

- (1) Whenever this Regulation requires a fee to be paid by a certain date, the Executive Officer may, for good cause, grant an extension of time, not to exceed one hundred eighty days (180), within which the fee payment shall be made. The Executive Officer may require partial fee payments to be made on set dates during the extension period.
- (2) Where an extension of time is requested due to a financial hardship, such request must be accompanied by sufficient background documentation to allow the Executive Officer to determine the applicant's financial ability to



pay the fee. Examples of such documentation include not less than three (3) months of financial data, written statement from a certified accountant, or a written statement from a bank representative.

- (3) Any request for relief under paragraph (f)(1) must be received before the final due date of the fee.
- (4) Any person requesting a due date extension, or a change in the permanent due date, for any fee under Rule 308 shall pay a surcharge of ~~\$86.42~~\$89.36 per worksite.
- (5) The provisions of this subdivision shall not apply to any fee incurred under Rules 307 or 307.1.

(g) **Specific Fee Waivers and Reductions**

- (1) On or after January 1, 1996, the Executive Officer shall, from the date the first application is received, waive annual operating permit renewal fees required under Rule 301(d) for the first two annual renewals of a new manufacturing facility that locates within the South Coast Air Basin and creates five hundred (500) or more new full-time jobs with total facility NO<sub>x</sub>, SO<sub>x</sub>, VOC, or PM<sub>10</sub> emissions per full-time employee equal to or less than one-half (1/2) of any emission per employee target ratio for the industry class for the Year 2010 stated in the Air Quality Management Plan. After the first two annual renewal fee waiver time periods, the owner/operator shall be liable for all applicable fees set forth in subdivision (d) of Rule 301.
- (2) The Executive Officer may, for good cause waive the permit processing fee when there is an event declared to be a “state of emergency,” as defined in Rule 118, for any application filed to replace currently permitted equipment destroyed, or for the relocation of currently permitted equipment residing within a condemned building.
- (3) If it can be established to the satisfaction of the Executive Officer that a facility is operating pursuant to a license issued by the Department of Rehabilitation under the State of California’s Business Enterprise Program, the owner/operator, upon request, shall be granted an annual waiver of any fee under this Regulation in accordance with California Welfare & Institutions Code Section 19633. Such owner/operator is entitled to this waiver of fees so long as an annual request is made in writing and the applicant demonstrates that an agreement is maintained to operate the

facility under the supervision of the State of California Department of Rehabilitation.

- (4) A request for any waiver or fee reduction under paragraphs (g)(1) or (2) must be received before the final due date of the fee in question, and must be in the manner prescribed on forms provided under this rule. The Executive Officer may request any supporting documentation needed to evaluate the request.
- (5) Except for fee waivers granted under paragraph (g)(3), if the owner/operator, at any time during the applicable fee waiver or reduction time period, does not operate the facility or equipment in a manner consistent with all applicable District rules, the Executive Officer may rescind the fee waiver or reduction.

**(h) Refunds**

- (1) If an application for a permit to construct is canceled, permit processing fees, less the application cancellation fee, will be refunded if the permit evaluation has not been initiated by the District. The application cancellation fee will be ~~\$209.03~~216.14, or the permit fee set forth in the Summary Permit Fee Rates tables in Rule 301, whichever is less.
- (2) Any fee paid to the District pursuant to process a permit application, equipment registration, or plan shall be refunded upon finding by the Executive Officer that the District erroneously requested filing of the application, registration, or plan. The cancellation fee required in paragraph (h)(1) shall not apply when the application for a permit to construct was filed based on an erroneous District request.
- (3) If a facility or equipment is operated in violation of District Rules or Regulations during any portion of the time period for which the fee was assessed, there shall be no refund.
- (4) Applications filed for a Permit to Operate for equipment which has been operating without a required District permit will not receive a refund.

**(i) Service Charge for Returned Checks.**

Unless waived for good cause by the Executive Officer, any person who submits a check to the District on insufficient funds or on instructions to stop payment, absent an overcharge or other legal entitlement to withhold payment, shall be subject to a \$25.00 service charge.

## ATTACHMENT G11

(Adopted June 6, 2008)(Amended January 9, 2009)(Amended May 7, 2010)  
(Updated July 1, 2011)(Updated July 1, 2012)(Updated July 1, 2013)  
(Amended September 6, 2013)(Amended June 6, 2014)(Amended May 1, 2015)  
(Updated July 1, 2016)(Amended June 2, 2017)  
(Proposed Amended Rule May 4, 2018)

**Proposed Effective Date July 1, 2018**

### **PROPOSED AMENDED RULE 314. FEES FOR ARCHITECTURAL COATINGS**

(a) Purpose

The purpose of this rule is to recover the District's cost of implementing the architectural coatings program and programs related to architectural coatings, and the revenues shall only be used for such purposes. California Health and Safety Code Section 40522.5 provides authority for the District to adopt a fee schedule on areawide or indirect sources of emissions which are regulated, but for which permits are not issued by the District, to recover the costs of programs related to these sources.

(b) Applicability

This rule applies to architectural coatings manufacturers who distribute or sell their manufactured architectural coatings into or within the District for use in the District and are subject to Rule 1113 - Architectural Coatings. This rule also applies to private labelers and big box retailers who distribute or sell architectural coatings into or within the District for use in the District and are subject to Rule 1113 – Architectural Coatings. This includes products sold through big box retailers with distribution centers located within or outside the District. This rule does not apply to architectural coatings sold in this District for shipment and application outside of this District or to aerosol coating products.

(c) Definitions

For the purpose of this rule, the following definitions shall apply:

- (1) AEROSOL COATING PRODUCT means a pressurized coating product containing pigments, resins, and/or other coatings solids that dispenses product ingredients by means of a propellant, and is packaged in a disposable aerosol container for hand-held application, or for use in specialized equipment for ground marking and traffic marking applications.

- (2) ANNUAL QUANTITY AND EMISSIONS REPORT includes the quantity of each architectural coating distributed or sold into or within the District for use in the District during each calendar year, reported as gallons and their associated VOC content, as supplied, reported in grams per liter, for each product in all container sizes.
- (3) APPURTENANCES are accessories to a stationary structure, including, but not limited to: hand railings, cabinets, bathroom and kitchen fixtures, fences, rain-gutters and down-spouts, window screens, lamp-posts, heating and air conditioning equipment, other mechanical equipment, large fixed stationary tools, signs, motion picture and television production sets, and concrete forms.
- (4) ARCHITECTURAL COATINGS are any coatings applied to stationary structures or their appurtenances, or to fields or lawns.
- (5) ARCHITECTURAL COATINGS MANUFACTURER is any person, company, firm, or establishment who imports, blends, assembles, produces, packages, repackages, or re-labels an architectural coating, excluding retail outlets where labels or stickers may be affixed to containers or where colorant is added at the point of sales. For the purpose of this rule, a private labeler is an architectural coatings manufacturer.
- (6) AUTHORIZED REPRESENTATIVE is the person authorized by the Responsible Party to prepare and submit the Annual Quantity and Emissions Report on behalf of an architectural coatings manufacturer.
- (7) BIG BOX RETAILER is a physically large-chain retail outlet that is classified by the U.S. Department of Labor under Standard Industrial Classification code 5211: Lumber and Other Building Materials Dealers, and listed by the Executive Officer as such prior to end of each calendar year.
- (8) COATING is a material which is applied to a surface in order to beautify, protect, or provide a barrier to such surface.
- (9) CONCENTRATES are coatings supplied in a form that must be diluted with water or an exempt compound, prior to application, according to the architectural coatings manufacturer's application instructions in order to yield the desired coating properties.
- (10) EXEMPT COMPOUNDS are as defined in Rule 102 - Definition of Terms.
- (11) FORMULATION DATA is the actual product recipe which itemizes all the ingredients contained in a product including VOCs and the quantities

thereof used by the architectural coatings manufacturer to create the product. Material Safety Data Sheets (MSDS) are not considered formulation data.

- (12) GRAMS OF VOC PER LITER OF COATING, LESS WATER AND LESS EXEMPT COMPOUNDS, is the weight of VOC per combined volume of VOC and coating solids and can be calculated by the following equation:

$$\text{Grams of VOC per Liter of Coating, Less Water and Less Exempt Compounds} = \frac{W_s - W_w - W_{es}}{V_m - V_w - V_{es}}$$

Where:     $W_s$     = weight of volatile compounds in grams  
               $W_w$     = weight of water in grams  
               $W_{es}$     = weight of exempt compounds in grams  
               $V_m$     = volume of material in liters  
               $V_w$     = volume of water in liters  
               $V_{es}$     = volume of exempt compounds in liters

For coatings that contain reactive diluents, the Grams of VOC per Liter of Coating, Less Water and Less Exempt Compounds, shall be calculated by the following equation:

$$\text{Grams of VOC per Liter of Coating, Less Water and Less Exempt Compounds} = \frac{W_s - W_w - W_{es}}{V_m - V_w - V_{es}}$$

Where:     $W_s$     = weight of volatile compounds emitted during curing, in grams  
               $W_w$     = weight of water emitted during curing, in grams  
               $W_{es}$     = weight of exempt compounds emitted during curing, in grams  
               $V_m$     = volume of the material prior to reaction, in liters  
               $V_w$     = volume of water emitted during curing, in liters  
               $V_{es}$     = volume of exempt compounds emitted during curing, in liters

- (13) GRAMS OF VOC PER LITER OF MATERIAL is the weight of VOC per volume of material and can be calculated by the following equation:

$$\text{Grams of VOC per Liter of Material} = \frac{W_s - W_w - W_{es}}{V_m}$$

Where:     $W_s$     = weight of volatile compounds in grams  
              $W_w$     = weight of water in grams  
              $W_{es}$     = weight of exempt compounds in grams  
              $V_m$     = volume of the material in liters

- (14) MULTI-COMPONENT COATINGS are reactive coatings requiring the addition of a separate catalyst or hardener before application to form an acceptable dry film.
- (15) POST-CONSUMER COATINGS are finished coatings that would have been disposed of in a landfill, having completed their usefulness to a consumer, and does not include manufacturing wastes.
- (16) PRODUCT is an architectural coating which is identified by means of a unique product code and product name or product line (if applicable), as written on the container label and that is subject to one of the coating category VOC limits specified in Rule 1113 paragraphs (c)(1) or (c)(2) Table of Standards.
- (17) PRIVATE LABELER is the person, company, firm, or establishment (other than the toll manufacturer) identified on the label of an architectural coating product.
- (18) RECYCLED COATINGS are coatings manufactured by a certified recycled paint manufacturer and formulated such that 50 percent or more of the total weight consists of secondary and post-consumer coatings and 10 percent or more of the total weight consists of post-consumer coatings.
- (19) RESPONSIBLE PARTY for a corporation is a corporate officer. A responsible party for a partnership or sole proprietorship is the general partner or proprietor, respectively.
- (20) SECONDARY (REWORK) COATINGS are fragments of finished coatings or finished coatings from a manufacturing process that has converted resources into a commodity of real economic value, but does not include excess virgin resources of the manufacturing process.

- (21) STATIONARY STRUCTURES include but are not limited to, homes, office buildings, factories, mobile homes, pavements, curbs, roadways, racetracks, and bridges.
  - (22) TOLL MANUFACTURER is an architectural coatings manufacturer who produces coatings for a private labeler.
  - (23) VOLATILE ORGANIC COMPOUND (VOC) is as defined in Rule 1113 – Architectural Coatings.
- (d) Requirement to Obtain a Manufacturer Identification (ID) Number
- (1) An architectural coatings manufacturer subject to this rule at any time during the calendar year 2008 shall apply to the District for a manufacturer ID number on or before December 31, 2008. An architectural coatings manufacturer that becomes subject to this rule in any year subsequent to calendar year 2008 shall apply to the District for a manufacturer ID number on or before December 31 of that year.
  - (2) Change or Acquisition of an Architectural Coatings Manufacturer
    - (A) When there is a change or acquisition of an architectural coatings manufacturer with a District issued manufacturer ID number, the successor architectural coatings manufacturer shall apply for a manufacturer ID number on or before December 31 of the calendar year of the change or acquisition, unless the successor architectural coatings manufacturer already has a District issued manufacturer ID number. The successor architectural coatings manufacturer shall include the previous manufacturer ID number in their Annual Quantity and Emissions Report for the first year after the change or acquisition.
    - (B) Acquisition of an architectural coatings manufacturer shall not be considered a change in ownership for the purposes of this rule if the architectural coatings manufacturer who is acquired continues to file Annual Quantity and Emissions Reports and pay fees under its District issued ID number.
  - (3) Delegation or Change of Responsible Party and/or Authorized Representative

Application for a manufacturer ID number pursuant to (d)(1), as submitted by the Responsible Party for an architectural coatings manufacturer, shall designate the Authorized Representative. The designating Responsible

Party is responsible for and may act in lieu of the Authorized Representative. A change to either the designating Responsible Party or Authorized Representative shall be made in writing using the same application form.

- (e) Requirement to Submit an Annual Quantity and Emissions Report
  - (1) For each calendar year (January 1 through December 31) beginning with 2008 and continuing with each subsequent calendar year, an architectural coatings manufacturer shall, in a format determined by the Executive Officer, submit to the District by April 1 of the following calendar year (the official reporting due date) an Annual Quantity and Emissions Report electronically submitted by the Authorized Representative certifying that all information submitted (including electronic submittal) is true and correct. Information included in the Annual Quantity and Emission Report that was obtained from a company not owned or controlled by the reporting architectural coatings manufacturer shall be certified as true and correct to the best knowledge of the Authorized Representative submitting the report. The Annual Quantity and Emissions Report shall include, but not be limited to, the following:
    - (A) Architectural coatings manufacturer information including the manufacturer ID number issued by the District;
    - (B) Each architectural coating brand name, product code and product name;
    - (C) Whether the coatings are waterborne or solvent-based;
    - (D) Whether the coatings are for interior, exterior, or dual use;
    - (E) The applicable coating category listed in the Table of Standards in Rule 1113 – Architectural Coatings;
    - (F) The grams of VOC per liter of coating, less water and less exempt compounds, and excluding any colorant added to the tint base for each product as follows:
      - (i) For coatings packaged in a single container, as supplied;
      - (ii) For multi-component coatings, after mixing the components, as recommended for use by the architectural coatings manufacturer;
      - (iii) For concentrates, at the minimum dilution recommended for use by the architectural coatings manufacturer;



- (G) The grams of VOC per liter of material for each product as follows:
    - (i) For coatings packaged in a single container, as supplied;
    - (ii) For multi-component coatings, after mixing the components, as recommended for use by the architectural coatings manufacturer;
    - (iii) For concentrates, at the minimum dilution recommended for use by the architectural coatings manufacturer;
  - (H) In addition to (e)(1)(F) and (G), for solvent-based coatings, grams of VOC per liter of material for each product including the maximum thinning as recommended by the architectural coatings manufacturer;
  - (I) Total annual quantity of each product distributed or sold into or within the District for use in the District, as supplied or for a concentrate, at the minimal dilution recommended for use by the architectural coatings manufacturer, and reported in gallons for all container sizes. The annual quantity of each product shall include products sold through big box retailers with distribution centers located within or outside the District. Architectural coatings manufacturers shall use the list of big box retailers maintained by the Executive Officer as of the end of the calendar year for purposes of reporting quantities of products distributed or sold in the District through big box retailers; and
  - (J) For any product with VOC content higher than the applicable limit in Rule 1113, an indication of whether the product has been sold under any of the following provisions of Rule 1113 – Architectural Coatings:
    - (i) Sell-through provisions
    - (ii) Averaging Compliance Option
    - (iii) Small container exemption
    - (iv) Low Solids
    - (v) Stains or Lacquers sold above 4,000 feet.
- (2) If the architectural coatings manufacturer had no distribution or sales for the prior calendar year, the Authorized Representative must either certify that fact in a letter, on company letterhead, or indicate that fact in the online reporting program. If an architectural coatings manufacturer does not intend to sell coatings into or within the District in future years, the

Authorized Representative should indicate that intention in writing, so as to be removed from future outreach efforts.

- (3) An architectural coatings manufacturer that acquires another architectural coatings manufacturer shall provide the information specified in subparagraph (e)(1)(A) through (e)(1)(J) for the acquired architectural coatings manufacturer for the entire calendar year.
- (4) By January 30, 2009, and every year thereafter, a big box retailer shall report to the District and the architectural coatings manufacturer of that product the total annual quantity of each coating product distributed through its distribution centers for sale or sold in the District for the previous calendar year (January 1 through December 31), as supplied, in a format determined by the Executive Officer. The big box retailer shall also include a list of the store, address, city and ZIP code where the products contained in the report were sold. Big box retailers shall use the list maintained by the Executive Officer as of the end of the calendar year of big box retailers for purposes of reporting to the appropriate architectural coatings manufacturer the quantities of products distributed or sold in the District. The report submitted to the District and to each architectural coatings manufacturer shall be electronically submitted by a corporate officer certifying that all information reported is true and correct. The report shall also be submitted to each architectural coatings manufacturer in an electronic spreadsheet format.

(f) Recordkeeping

Architectural Coatings Manufacturers shall:

- (1) Maintain a copy of the signed application form submitted to the District to obtain the manufacturers ID number, and the written response from the District issuing a manufacturer ID number. The copies shall be maintained for five (5) years beyond the date on each document, and made available upon request by the Executive Officer.
- (2) Maintain records to verify data used to prepare the Annual Quantity and Emissions Report from architectural coatings distributed or sold into or within the District for use in the District and compliance with applicable rules and regulations. The records shall be maintained for five (5) years and made available upon request by the Executive Officer. Such records shall include but not be limited to:

- (A) Product formulation records (including both grams of VOC per liter of coating and grams of VOC per liter of material):
    - (i) Laboratory reports [including percent weight of non-volatiles, water, and exempts (if applicable); density of the coating; and raw laboratory data] of test methods conducted as specified in paragraph (m) or
    - (ii) Product formulation data or physical properties analyses, as applicable, with a VOC calculation demonstration; and
  - (B) Production records including, if applicable, batch tickets with the date of manufacture, batch weight and volume; and
  - (C) Distribution records:
    - (i) Customer lists or store distribution lists or both (as applicable) and
    - (ii) Shipping manifests or bills of lading or both (as applicable); and
  - (D) Sales records consisting of point of sale receipts or invoices to distributors or both, as applicable.
- (g) Fees
- (1) Manufacturer ID Number Fee

An architectural coatings manufacturer applying for a manufacturer ID number with the District as specified in paragraphs (d)(1) and (d)(2) shall pay a non-refundable application fee of ~~\$197.17~~203.87 at the time of submitting the application.
  - (2) Annual Quantity and Emissions Fees
    - (A) An architectural coatings manufacturer shall pay fees at the rates specified below (for the Annual Quantity Fee in clause (i) below, the actual final fee based on the total number of gallons of paint shall be rounded to nearest whole cent), on or before April 1<sup>st</sup> (the official due date). Fees are based on the annual quantity and emissions of architectural coatings distributed or sold into or within the District for use in the District for the previous calendar year. The fee rate to be applied shall be the fee rate in effect for the year in which the sales and emissions are actually reported, and not the fee rate in effect for the year the sales actually occurred.

**Fee Rate**

- (i) Annual Quantity Fee: \$0.041 per gallon of paint.
  - (ii) Annual Emission Fee: ~~\$281.73~~291.31 per ton of VOC emissions.
- (B) If an architectural coatings manufacturer submits the Annual Quantity and Emissions Report in such a manner that District staff has to manually enter the data into the District database, then the architectural coatings manufacturer shall pay at the time of submittal a non-refundable fee of ~~\$322.96~~333.94 for the first two hours of District time. The architectural coatings manufacturer shall be assessed additional fees at the rate of ~~\$161.49~~166.98 per hour for any additional time beyond the first two hours.
- (h) Request to Amend the Annual Quantity and Emissions Report and Refund Request of Emission Fees
  - (1) An architectural coatings manufacturer shall submit a written request (referred to as an “Amendment Request”) for any proposed revisions to previously submitted Annual Quantity and Emissions Reports. Amendment requests submitted after one (1) year from the official due date of the subject Annual Quantity and Emissions Report shall include a non-refundable standard evaluation fee of ~~\$322.96~~333.94. In addition, evaluation time beyond two hours shall be assessed at the rate of ~~\$161.49~~166.98 per hour not to exceed 10 hours. Amendment requests received within one year (1) from the official due date of a previously submitted Annual Quantity and Emissions Report shall not incur any such evaluation fees. The Amendment Request shall include all supporting documentation and revised applicable reports.
  - (2) An architectural coatings manufacturer shall submit a written request (referred to as a “Refund Request”) to correct the previously submitted Annual Quantity and Emissions Report and request a refund of overpaid fees. Refund Requests must be submitted within one (1) year from the official due date of the subject Annual Quantity and Emissions Report to be considered valid. The Refund Request shall include a revised Annual Quantity and Emissions Report and all applicable supporting documentation. If the Refund Request submitted results in a refund, then the architectural coatings manufacturer shall incur no evaluation fee. If the refund request results in no refund, then the architectural coatings

manufacturer shall pay the standard evaluation fee and the hourly evaluation fees, as appropriate, specified in paragraph (h)(1).

(i) Fee Payments and Late Surcharge

- (1) Fee payments are the responsibility of the architectural coatings manufacturer.
- (2) If both the fee payments and the Annual Quantity and Emissions Report for the previous calendar year are not received by May 30, they shall be considered late; and a surcharge for late payment shall be imposed for fees past due as set forth in paragraph (i)(3). Architectural coatings manufacturers subject to paragraph (d)(2) on or after July 1 of the reporting year shall have an additional 6 months, or any additional time approved by the Executive Officer, to submit the fee payments and the Annual Quantity and Emissions Report for the acquired architectural coatings manufacturer. For the purpose of this paragraph, the fee payments and the Annual Quantity and Emissions Report shall be considered to be timely received by the District if it is postmarked on or before May 30. If May 30 falls on a Saturday, Sunday, or a state holiday, the fee payments and Annual Quantity and Emissions Report may be postmarked on the next business day following the Saturday, Sunday, or the state holiday with the same effect as if they had been postmarked on May 30.
- (3) If fee payments for the Annual Quantity and Emissions Report (including any unreported quantity and emissions) are not received within the time prescribed by paragraph (i)(2), a late payment surcharge shall be assessed on the fees past due and added to the fee rate in subparagraph (g)(2)(A), according to the following schedule:

Less than 30 days	5% of past due amount
30 to 90 days	15% of past due amount
91 days to one year	25% of past due amount
More than one year	50% of past due amount

(4) Fee Payment Subject to Validation

Acceptance of a fee payment does not constitute validation of the emission data.

- (j) Service Charge for Returned Checks  
Any person who submits a check to the District on insufficient funds or on instructions to stop payment, absent an overcharge or other legal entitlement to withhold payment, shall be subject to a \$25.00 service charge.
- (k) Confidentiality of Information  
Subject to the provisions of the California Public Records Act (Govt. Code § 6250-6276.48) information submitted to the Executive Officer may be designated as confidential. The designation must be clearly indicated on the reporting form, identifying exactly which information is deemed confidential. District guidelines require a detailed and complete basis for such claim in the event of a public records request.
- (l) Violation  
It shall be a violation of this rule for any architectural coatings manufacturer to distribute or sell their manufactured architectural coatings into or within the District for use in the District, without having a manufacturer ID number issued by the District, within the time specified in subdivision (d).
- (m) Test Methods  
For the purpose of this rule, test methods are as specified in Rule 1113.
- (n) Severability  
If any provision of this rule is held by judicial order to be invalid, or inapplicable to any person or circumstance, such order shall not affect the validity of the remainder of this rule, or the validity or applicability of such provision to other persons or circumstances. In the event any of the exceptions to this rule are held by judicial order to be invalid, the persons or circumstances covered by the exception shall instead be required to comply with the remainder of this rule.
- (o) Distributor(s) List  
On or before January 31<sup>st</sup>, all architectural coatings manufacturers subject to this rule shall provide to the District a list of all U.S. distributors to whom they supply architectural coatings. The list shall be in a format determined by the Executive Officer and shall include the distributors name, address, contact person and phone number.

- (1) Once the initial list of all U.S. distributors has been submitted, the architectural coatings manufacturer shall provide any changes to that list for subsequent reporting years.
  - (2) If there are no changes to the list of all U.S. distributor(s), the architectural coatings manufacturer in subsequent reporting years shall report no changes.
- (p) Exemption
  - (1) Fees pursuant to paragraph (g)(2) shall not be assessed on coatings with 5 or less grams of VOC per liter of material provided the Annual Quantity and Emissions Report is received within the time prescribed by subparagraph (i)(2).
  - (2) Fees pursuant to paragraph (g)(2) shall not be assessed on recycled coatings distributed or sold into or within the District by a certified recycled paint manufacturer provided the Annual Quantity and Emissions Report is received within the time prescribed by paragraph (i)(2).
  - (3) Fees pursuant to paragraph (g)(2) shall not be assessed on any architectural coatings manufacturer whose distribution or sale of coatings into or within the District for use in the District are less than 1,000 gallons and have potential annual VOC emissions of 0.5 tons or less in a calendar year, provided the Annual Quantity and Emissions Report is received within the time prescribed by paragraph (i)(2).
  - (4) Architectural coatings offered for sale as a dry mix, containing no polymer, that are only mixed with water prior to use, including, but not limited to, stucco, clays, and plasters.

## ATTACHMENT G12

(Adopted May 7, 2010)(Amended May 6, 2011)(Updated July 1, 2011)  
(Updated July 1, 2012)(Updated July 1, 2013)(Amended June 6, 2014)  
(Amended May 1, 2015)(Updated July 1, 2016)(Amended June 2, 2017)  
(Proposed Amended Rule May 4, 2018)

**Proposed Effective July 1, 2018**

### **PROPOSED AMENDED RULE 315.**      **FEES FOR TRAINING CLASSES AND LICENSE RENEWAL**

(a) Fees for Rule Training Classes

SCAQMD Training Class	Fee
Rules 403 & 403.1	No Cost
Rule 461 Daily Self-Inspection Class	<del>\$157.04</del> <u>162.38</u>
Rule 461 Annual Periodic Inspection Class	<del>\$171.87</del> <u>177.71</u>
Rule 461 Tester Orientation Class	<del>\$163.40</del> <u>168.96</u>
Rule(s) 463/1178	<del>\$79.43</del> <u>82.13</u>
Rule(s) 1110.2/1146/1146.1	No Cost
Rule 1176	<del>\$61.38</del> <u>63.47</u>
Rule 1403	<del>\$85.47</del> <u>88.38</u>
Rule 1469	<del>\$33.94</del> <u>35.09</u>

(b) Certified Permitting Professional (CPP) License Fees

- (1) The fee for the CPP exam administered by SCAQMD is ~~\$162.20~~167.71. This fee also covers the first year license fee for those who pass the exam.
- (2) The annual renewal fee for the CPP license fee is ~~\$162.20~~167.71. The license shall expire if the license renewal fee is not received by the District or postmarked within 30 days after the mailing of invoices or June 30<sup>th</sup>, whichever is later.



- (3) A CPP license that has expired due to nonpayment of the annual renewal fee may be reinstated by submitting a request for reinstatement and payment in full of the amount due at the time the license expired. A reinstatement surcharge shall also be paid equivalent to fifty percent (50%) of the amount due. Such request and payment shall be made within six (6) months of the license expiration. A license shall not be reinstatable after December 31<sup>st</sup> of the year it has expired.

## ATTACHMENT H

### SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

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#### **Final Staff Report** **Proposed Amended Regulation III – Fees**

##### **Including:**

Proposed Amended Rule 301 – Permitting and Associated Fees  
Proposed Amended Rule 303 – Hearing Board Fees  
Proposed Amended Rule 304 – Equipment, Materials, and Ambient Air Analyses  
Proposed Amended Rule 304.1 – Analyses Fees  
Proposed Amended Rule 306 – Plan Fees  
Proposed Amended Rule 307.1 – Alternative Fees for Air Toxics Emissions Inventory  
Proposed Amended Rule 308 – On-Road Motor Vehicle Mitigation Options Fees  
Proposed Amended Rule 309 – Fees for Regulation XVI and Regulation XXV  
Proposed Amended Rule 311 – Air Quality Investment Program (AQIP) Fees  
Proposed Amended Rule 313 – Authority to Adjust Fees and Due Dates  
Proposed Amended Rule 314 – Fees for Architectural Coatings  
Proposed Amended Rule 315 – Fees for Training Classes and License Renewal

**May 2018**

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**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
GOVERNING BOARD**

Chairman: DR. WILLIAM A. BURKE  
Speaker of the Assembly Appointee

Vice Chairman: DR. CLARK E. PARKER, SR.  
Senate Rules Committee Appointee

**MEMBERS:**

MARION ASHLEY  
Supervisor, Fifth District  
County of Riverside

BEN BENOIT  
Mayor, Wildomar  
Cities of Riverside County

JOE BUSCAINO  
Council Member, 15<sup>th</sup> District  
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MICHAEL A. CACCIOTTI  
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LARRY MCCALLON  
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**EXECUTIVE OFFICER:**

WAYNE NASTRI

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## EXECUTIVE SUMMARY

Regulation III - Fees establishes the fee rates and schedules to recover SCAQMD's reasonable costs of regulating and providing services to the regulated community, primarily permitted sources. The Permitted Source Program is principally supported by three types of fees, namely permit processing fees for both facility permits and equipment-based permits, annual permit renewal fees, and emission-based annual operating fees, all of which are contained in Rule 301. Also included in the Permitted Source Program are Rule 222 registration fees and plan fees, since these are similar to permits for the sources to which they apply. Regulation III also establishes fees and rates for other fee programs, unrelated to the Permitted Source Program, including but not limited to Transportation Programs fees and Area Source fees (architectural coatings).

Last year, the SCAQMD Governing Board adopted a phased-in fee increase applicable to both Title V and non-Title V facilities. With respect to Title V facilities, the Governing Board approved an increase of 10.67% in each of Fiscal Years (FY) 2017-18 and 2018-19, and 10.66% in FY 2019-20. With respect to non-Title V facilities, the Governing Board approved an increase of 4% in each of FY 2017-18 and 2018-19. These fee increases were necessary because SCAQMD was not collecting fees sufficient to cover the reasonable costs of its regulatory programs. In addition, the increases for the Title V facilities were a necessary response to a U.S. EPA review of SCAQMD's Title V program. That review also found that SCAQMD was not recovering sufficient revenues to support the costs of that program. Deficits for the Permitted Source Program, including the Title V program, had been routinely covered through use of reserves which have been primarily funded with one-time penalty revenue.

With this proposal, SCAQMD's cost recovery efforts continue. Staff is proposing the following amendments to Regulation III:

- Pursuant to Rule 320, an automatic increase of most fees by 3.4% consistent with the increase in California Consumer Price Index from December 2016 to December 2017.
- Ten targeted proposals for new or increased fees ~~and one proposal for increased fees~~, all of which are necessary to either meet the requirements of recently adopted rules and state mandates or to provide more specific cost recovery for other regulatory actions taken by the agency. Each of these proposed new or increased fees is equitably apportioned among all affected facilities. These proposals include:
  - 1) New fees to recover costs associated with operating and maintenance of refinery-related community air monitoring systems pursuant to Rule 1180 and California Health and Safety Code Section 42705.6;
  - 2) New fees to recover notification costs pursuant to Rule 1466;
  - 3) New fees for RECLAIM permit processing during and after transition out of the NOx RECLAIM program;
  - 4) New fees to recover costs for periodic assessment of non-RECLAIM CEMS, FSMS, or ACEMS;
  - 5) Increased fees to recover costs associated with voluntary certification programs of Clean Air Solvent and Clean Air Choices Cleaner;
  - 6) New fees to recover costs associated with annual renewal of Rule 1105.1, Rule 1118, and Rule 1123 compliance plans;

- 7) Potentially increased fees by billing actual cost invoiced to SCAQMD for public notice publication;
  - 8) New fees to recover costs associated with optional catalyst equivalency evaluation;
  - 9) New fees to recover costs associated with AB 2588 work for Potentially High Risk Level Facilities;
  - 10) New fees to recover costs associated with AB 2588 work on Rule 1402 related special reviews.
- One targeted proposal to amend Rule 301 subdivision (z), which has no fee impact, but which specifies the non-monetary consequence of non-payment of a “No Show” fee.
  - Twenty-two proposed administrative changes to Regulation III, which have no fee impact, but which include clarifications, deletions, or corrections to existing rule language.

SCAQMD continues to be fiscally prudent by seeking out cost-containment opportunities and by maintaining reserves in an effort to address challenges expected in future years. These challenges include, but are not limited to: changes in federal grant funding levels, increased retirement costs due to actuarial and investment adjustments, variations in one-time penalties, and uncertainty associated with external factors affecting the economy.

## **I. BACKGROUND**

### **A. LEGAL AUTHORITY, DESCRIPTION OF SCAQMD’S PERMITTED SOURCE PROGRAM AND OTHER FEES, AND RELATIONSHIP OF FEES TO SCAQMD’S BUDGET**

The California Health and Safety Code (H&SC) provides SCAQMD with the authority to adopt various fees to recover the costs of its programs. Section 40510(b) authorizes SCAQMD to adopt “a fee schedule for the issuance of variances and permits to cover the reasonable cost of permitting, planning, enforcement, and monitoring related thereto.” Thus, virtually every cost related to regulating permitted sources may be recovered under this type of fee (see H&SC Section 40506). Entities regulated through the Permitted Source Program receive two types of permits: facility permits and equipment-based permits. These permits apply to each permitted facility or each piece of permitted equipment. RECLAIM<sup>1</sup> and Title V facilities receive a facility permit, in addition to equipment-based permits; whereas other sources receive equipment-based permits.

The fee for equipment-based permits to construct or operate are based on the type of equipment involved, with higher fees for equipment with higher emissions and/or more complex relationships between operation and emissions, which require a higher level of staff effort to review and evaluate the associated permit applications for compliance with applicable rules and regulations. Each type of basic equipment and control equipment is assigned a fee schedule, A through H, as set forth in Rule 301, Tables IA and IB. For some equipment, a permit to construct is issued prior to issuing a permit to operate. For other equipment or application types, a permit to operate is issued directly.

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<sup>1</sup> RECLAIM stands for Regional CLean Air Incentives Market, a cap-and-trade program that regulates the emissions of NOx and SOx in the South Coast Air Basin.



The fees for renewal of permits to operate are further divided into two components: an equipment-based permit renewal fee, and an emissions-based annual operating fee. The equipment-based permit renewal fee is based on the same equipment schedules used for the permit to construct/operate fee, i.e., the categories A through H, but some of the schedules are grouped together, resulting in only four fee rates for the equipment-based annual permit renewal fees. Each equipment fee schedule is assigned to one of the four annual permit renewal fee rates, based on the complexity of inspection and compliance activities and the emissions potential.

The emissions-based annual operating fee includes a flat fee paid by each facility, and a tiered fee for sources emitting four or more tons per year of criteria pollutants (e.g., volatile organic compounds (VOC), nitrogen oxides (NO<sub>x</sub>), sulfur oxides (SO<sub>x</sub>), and particulate matter (PM)) and lesser amounts for emissions of specified air toxics. State law authorizes the use of emissions-based fees (see H&SC Section 40510(c)(1)). RECLAIM and Title V facilities pay additional annual permit-related renewal fees to recover the additional costs associated with these types of facilities. SCAQMD uses schedules based on equipment type to ensure that permit to construct/operate fees and the equipment-based annual permit renewal fees reflect the costs required for permit processing and ongoing enforcement-related activities. For sources with fee schedules F, G, and H, the potential variability in time required for permit processing of large/complex sources is addressed through the use of a minimum permit processing fee, with an option for billing hours above a specified baseline, up to a maximum total fee. For other types of equipment, permit processing fees are flat fees. Certain minimum and maximum fees have been set in recognition of certain fixed costs and the practical limits to recovering regulatory costs that exist based on source size. The emissions-based annual operating fee is used to cover indirect regulatory costs such as planning, rulemaking, outreach, and air monitoring, which are also necessary to regulate the permitted source.<sup>2</sup>

SCAQMD has further subdivided certain permit-related activities and imposed fees to at least partially recover their costs on an individual basis, such as Source Testing Review, CEQA analysis, and newspaper noticing, rather than grouping these costs into the basic permit processing or operating fees. This enables SCAQMD to more closely allocate the costs of specific permit-related activities to the payor responsible for the costs. While there are many sub-types of fees within the basic structure, such as special processing fees for CEQA analysis or Health Risk Assessments (HRA), the three permit-related fees (permit processing, equipment-based annual permit renewal, and emissions-based annual operating fee) comprise the basic fee structure.

Also included in the Permitted Source Program are Rule 222 registration fees and plan fees, since these are similar to permits for the sources to which they apply (see H&SC Sections 40510(b), 40522; SCAQMD Rules (Rule) 301(u) and 306).

Additional fees also have been authorized by the legislature and are included in SCAQMD's existing fee regulation. These fees include: variance and other Hearing Board fees (see H&SC 52510(b); Rule 303); fees for the costs of programs related to indirect sources and areawide sources (see H&SC Section 40522.5; Rules 2202 and 314); fees to recover the costs to the air district and

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<sup>2</sup> California courts have upheld the use of emissions-based fees to cover these types of costs, holding that such an allocation method is reasonably related to an air district's costs of regulating a permit holder's air pollution. (*San Diego Gas & Electric Co. v. San Diego County APCD* (1988) 203 Cal. App. 3d 1132, 1148).

State agencies of implementing and administering the Air Toxics Hot Spots Program (AB 2588) (see H&SC Section 44380 et seq; 17 California Code of Regulations Section 90700; Rule 307.1); and fees for notices and copying documents (see H&SC Section 40510.7; Rule 301(f)).<sup>3</sup>

The above-referenced fees comprise approximately 64% of SCAQMD's ~~budget~~ revenue. Other sources of revenue for SCAQMD include revenue from mobile sources, including the Clean Fuels Fee, Carl Moyer and Proposition 1B funds. These are special revenue funds outside of the General Fund budget which pay for specific technology advancement or emission reduction projects approved by the SCAQMD Governing Board and are consistent with the specific limits on the use of those funds. Periodically, funds to reimburse SCAQMD for its administrative costs in carrying out these projects are transferred by SCAQMD Governing Board action into SCAQMD's General Fund budget. A second type of mobile source revenue is provided by AB 2766 from the 1992 legislative session, which provides SCAQMD with 30% of a four-dollar fee assessed on each motor vehicle registered within SCAQMD's jurisdiction. These funds must be used for the reduction of pollution from motor vehicles, and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of the California Clean Air Act (see H&SC Section 44223). Specific mobile-source related programs are funded with this revenue source, as well as a proportionate share of activities such as ambient air quality monitoring and regional modeling which are not specifically related to stationary or mobile sources individually. These motor vehicle fees are currently set at the statutory maximum. AB 2766 fees have not been increased in over 20 years. Thus, based on CPI, the real value of AB 2766 fees has declined by about 59%. The remainder of the AB 2766 revenues provided to SCAQMD is divided between a share that is subvented to cities and counties for mobile source emission reduction programs and a share that is used to fund mobile source emission reduction projects recommended by the Mobile Source Air Pollution Reduction Review Committee (MSRC) and approved by the SCAQMD Governing Board.

The Legislature also has imposed certain limits on SCAQMD's fee authority. If SCAQMD proposes to increase existing permit fees by more than the change in the CPI, the increase must be phased in over a period of at least two years (see H&SC Section 40510.5(b)). Also, if a fee increase greater than CPI is adopted, the SCAQMD Governing Board must make a finding, based on relevant information in the rulemaking record, that the increase is necessary and will result in an apportionment of fees that is equitable. This finding shall include an explanation of why the fee increase meets these requirements (see H&SC Sections 40510(a)(4) and 40510.5(a)). These findings will be included in the SCAQMD Governing Board Resolution presented for the Public Hearing on Proposed Amended Regulation III.

Moreover, the total amount of fees collected by SCAQMD shall not be more than the total amount collected in the 1993-1994 fiscal year, except that this total may be adjusted by the change in the CPI from year to year (see H&SC Section 40523). Also, this limitation does not apply to fees adopted pursuant to a new state or federal mandate imposed on and after January 1, 1994 (see H&SC Section 40523). SCAQMD has consistently complied with this limit. Total fees (other than mobile source fees) collected in FY 1993-94 were approximately \$69.6 million; adjusted by

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<sup>3</sup> The rule references are intended to provide examples of the different types of statutorily authorized fees. They are not intended to be a comprehensive listing of all applicable rule provisions.

CPI since that time the cap would be approximately \$125.4 million.<sup>4</sup> Total projected fees (except mobile source fees) for FY 2018-19 are approximately \$104 million,<sup>5</sup> which remains below the CPI adjusted cap and includes the projected revenue impacts associated with the proposed rule amendments discussed below.

The FY 2018-19 projected fees include the phased-in fee increase applicable to both Title V and non-Title V facilities, adopted by the SCAQMD Governing Board in June 2017. With respect to Title V facilities, the SCAQMD Governing Board approved an increase of 10.67% in each of FYs 2017-18 and 2018-19, and 10.66% in FY 2019-20. With respect to non-Title V facilities, the SCAQMD Governing Board approved an increase of 4% in each of FY 2017-18 and 2018-19. These fee increases were necessary because SCAQMD was not collecting funds sufficient to cover the reasonable costs of its regulatory program. In addition, the increases for the Title V facilities were a necessary response to a U.S. EPA review of SCAQMD's Title V program. That review also found that SCAQMD was not recovering sufficient revenues to support the costs of that program. Deficits for the Permitted Source Program, including the Title V program, had been routinely covered through use of reserves which have been primarily funded with one-time penalty revenue.

## **B. PROPOSITION 26 COMPLIANCE**

On November 2, 2010, the voters of California enacted Proposition 26, which was intended to limit certain types of fees adopted by state and local governments. Proposition 26 broadly defines a tax to mean any charge imposed by a local government that does not fall within seven enumerated exceptions for valid fees. If a charge does not fall within an enumerated fee exception, it is considered a tax, and must be adopted by vote of the people. SCAQMD does not have authority under state law to adopt a tax, so it may only impose a charge that is a valid fee under Proposition 26.

Proposition 26 requires that the local government prove by a preponderance of the evidence that the amount of the fee “[1] is no more than necessary to cover the reasonable costs of the governmental activity, and that [2] the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.” (Cal. Const. art. XIII C §1). In this report, staff has provided a detailed explanation of the Permitted Source Program and the method of allocating program costs to the fee payors to satisfy this requirement.

Proposition 26 also provides that an agency must establish by a preponderance of the evidence that the fee fits within one of the fee exceptions. (Cal. Const., art. XIII C, §1). In addition to the

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<sup>4</sup> H&SC Section 40523 specifies that the limit for the total amount of fees collected by SCAQMD “may be adjusted annually in the 1994-95 fiscal year and subsequent fiscal years to reflect any increase in the California Consumer Price Index for the preceding calendar year, from January 1 of the prior year to January 1 of the current year, as determined by the Department of Industrial Relations.” However, the California CPI is compiled bi-monthly and no data is available for the month of January. Therefore, the adjustment has been made using the December CPI's, similar to the CPI-based adjustment pursuant to Rule 320.

<sup>5</sup> Draft estimate as of April 2018, subject to revisions in future versions of Staff Report. Note that this estimate is inclusive of fees adopted pursuant to new state or federal mandates imposed on and after January 1, 1994. Even so, it still remains below the CPI adjusted cap.

enumerated exceptions found in Proposition 26, courts have found that the proposition does not apply to fees adopted before its effective date. (*Brooktrails Township County. Servs. Dist. v. Bd. of Supervisors of Mendocino County* (2013) 218 Cal. App. 4<sup>th</sup> 195, 206).

All of the proposed fee increases discussed in this report fall within a recognized exception. In addition, all of the proposed increases bear a fair and reasonable relationship to a payor's burdens on, or benefits received from SCAQMD's activities.

## II. RULE 320 AUTOMATIC ADJUSTMENT BASED ON CPI FOR REGULATION III

Rule 320 – Automatic Adjustment Based on Consumer Price Index for Regulation III-Fees, was adopted by the SCAQMD Governing Board on October 29, 2010. The rule establishes that in order to continue recovering agency costs, fees must keep pace at a minimum with inflation as measured using the CPI, unless otherwise directed by the SCAQMD Governing Board. Rule 320 provides for the automatic adjustment in fees annually commensurate with the rate of inflation.

Pursuant to Rule 320, most fees as set forth in Regulation III “[...] shall be automatically adjusted by the change in the California Consumer Price Index for the preceding calendar year, as defined in H&SC Section 40500.1(a)” (Appendix A). Therefore, staff is planning, where applicable, to update fees in Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315 on July 1, 2018, to correspond with the increase in the Calendar Year 2017 CPI of 3.4%.

Appendix B – Summary of Proposed Amended Rules lists specific fees in Regulation III that would be adjusted based on the CPI increase. Table 1 lists the fees in Regulation III that are specifically excluded from CPI-based fee rate increase and the reason for exclusion.

**Table 1: Fees Excluded from CPI-Based Fee Rate Adjustment**

Fee	Reason for exclusion from CPI-based fee rate increase
Returned check service fee in various rules	Currently set by state law at \$25 (California Civil Code § 1719(a)(1))
Rule 301(w) – Enforcement Inspection Fees for Statewide Portable Equipment Registration Program (PERP) fees	Fee rates set by the state (California Code of Regulations title 13, §2450 et. seq.)
Rule 307.1(d)(2)(D) – Maximum fee for a small business as defined in Rule 307.1	Currently set by state law at \$300 (California Code of Regulations title 17, §90704(h)(2))
Rule 307.1 Table I – Facility Fees By Program Category; “State Fee” column figures only	Fee rates set by the state (H&SC Section 44380 et. seq.)
Rule 311(c) Air Quality Investment Program Fees	These fees pay for programs to reduce emissions under Rule 2202 – On Road Vehicle Mitigation Options and do not support SCAQMD's Budget.

With respect to the proposed CPI adjustment, this increase is not subject to Proposition 26 because it is imposed by Rule 320, which was adopted prior to the effective date of Proposition 26. Rule 320 provides for an automatic adjustment of all SCAQMD fees by the change in the CPI from the previous year. By design, the CPI increase is reasonable because it recovers only the increase in SCAQMD's costs as a result of inflation and the manner in which those increased costs are allocated bears a fair and reasonable relationship to the burdens on SCAQMD's activities as established by the underlying fee schedule.

### III. PROPOSED RULE AMENDMENTS WITH FEE IMPACTS

In addition to the Rule 320 CPI-based fee rate increase, staff is proposing to amend Rule 301 to include new fees which are necessary to meet the requirements of recently adopted Rules 1180 and 1466 and the recently enacted H&SC Section 42705.6 following the adoption of AB 1647 – Petroleum Refineries: Air Monitoring Systems. Staff is also proposing to amend Rules 301, 306, and 307.1 to include new fees which are necessary to provide more specific cost recovery for other regulatory actions taken by SCAQMD. Each of these proposed rule amendments is discussed in detail below.

#### 1. New fees to recover costs associated with operating and maintenance of refinery-related community air monitoring system pursuant to Rule 1180 and H&SC Section 42705.6

**Description of Proposed Amendment:** In order to recover costs incurred by SCAQMD, staff is proposing to add subdivision (aa) to Rule 301. This new subdivision would require affected petroleum refineries to pay an annual fee to SCAQMD for operating and maintaining statutorily-required refinery-related community air monitoring system(s) in communities near these refineries. The new operating and maintenance (O&M) fee is based on an estimated cost of \$435,543 per monitoring station/per year and the number of monitoring stations that are estimated to be necessary to ensure adequate air monitoring coverage.

**Proposed Amended Rule(s):** Rule 301(aa) Refinery Related Community Air Monitoring System Annual Operating and Maintenance Fees

- (1) The owner or operator of a petroleum refinery subject to Rule 1180 shall pay an annual operating and maintenance fee for a refinery-related community air monitoring system designed, developed, installed, operated, and maintained by SCAQMD in accordance with California Health and Safety Code Section 42705.6.
- (2) The annual operating and maintenance fee per facility required by paragraph (aa)(1) shall be as follows:

<u>Facility Name* and Location</u>	<u>Annual Operating and Maintenance Fee</u>
<u>Andeavor Corporation (Carson)</u>	<u>\$871,086.00</u>
<u>Andeavor Corporation (Wilmington)</u>	<u>\$435,543.00</u>
<u>Chevron U.S.A, Inc. (El Segundo)</u>	<u>\$871,086.00</u>
<u>Delek U.S. Holdings, Inc. (Paramount)</u>	<u>\$217,771.50</u>
<u>Phillips 66 Company (Carson)</u>	<u>\$435,543.00</u>
<u>Phillips 66 Company (Wilmington)</u>	<u>\$435,543.00</u>
<u>PBF Energy, Torrance Refining Company (Torrance)</u>	<u>\$871,086.00</u>
<u>Valero Energy (Wilmington)</u>	<u>\$435,543.00</u>

\*Based on the current facility names. Any subsequent owner(s) or operator(s) of the above listed facilities shall be subject to this rule.

- (3) The annual operating and maintenance fee required by this subdivision shall be billed with the annual operating permit renewal fee required by subdivision (d) beginning in calendar year 2020. If the annual operating and maintenance fee required by this subdivision is not paid in full within sixty (60) calendar days of its due date, a ten-percent (10%) penalty shall be imposed every sixty (60) calendar days from the due date.
- (4) No later than January 1, 2022 and every three years thereafter, the Executive Officer shall reassess the annual operating and maintenance fee required by this subdivision to ensure that the fee is consistent with the requirements of the California Health and Safety Code Section 42705.6 (f)(1) and (f)(2).

**Justification/  
Necessity/  
Equity:**

In 2017, the Legislature passed and the Governor signed AB 1647, adding Section 42705.6 to the H&SC. In addition to fenceline air monitoring requirements for refineries, H&SC Section 42705.6 also requires air districts to design, develop, install, operate and maintain refinery-related community air monitoring systems to monitor concentrations of air pollutants emitted into the ambient air by the refineries. H&SC Section 42705.6 also requires that the owner or operator of a petroleum refinery shall be responsible for the costs associated with implementing these provisions.

In response to this legislation, on December 1, 2017, the SCAQMD Governing Board adopted Rule 1180 – Refinery Fenceline and Community Air

Monitoring. To implement the statutory requirement for refineries to pay associated costs, Rule 1180 includes cost recovery provisions for refinery-related community air monitoring systems. Specifically, subdivision (j) and Table 2 of Rule 1180 identify and allocates the initial installation costs to the affected refineries for community air monitoring systems.<sup>6</sup> Further, paragraph (j)(4) of Rule 1180 requires the affected petroleum refineries to pay annual O&M fees for community air monitoring systems pursuant to Rule 301. This proposed amendment to Rule 301 is necessary to specify these annual O&M fees.

The proposed amendment establishes the annual O&M fee required for community air monitoring systems based on the estimated costs associated with each refinery. Beginning in calendar year 2020 the proposed O&M fee would be billed to the refineries with the annual operating and permit renewal fee required by subdivision (d) of Rule 301. The proposed amendment also specifies a monetary penalty in case of non-payment of the O&M fee.

The O&M fee is based on the estimated costs to annually operate and maintain a community air monitoring system that provides adequate air monitoring coverage for each refinery. For adequate air monitoring coverage, staff considered a number of factors, such as facility size, location (e.g., its proximity to nearby communities and other refineries), relevant pollutants, and meteorological conditions. For the purposes of the O&M cost estimates, a community air monitoring station is defined as a permanent fixed monitoring location that measures all or most of the relevant pollutants. The per-station cost breakdown is provided in Table 2 below. These costs may be applied toward partial deployments (i.e., less than a complete set of measurements at more than one site) or for distributed monitoring (i.e., several location pollutant monitoring). Also, a refinery could be responsible for the cost associated with a portion of a station (if downwind of more than one refinery or if full equipment is not required), a single station, or multiple stations based on the need for adequate monitoring coverage. For details regarding the future implementation of refinery-related community air monitoring, SCAQMD staff is committed to developing a community air monitoring plan with public input.

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<sup>6</sup> Staff incorporates by reference the final rulemaking documents associated with the adoption of SCAQMD Rule 1180. See <http://www.aqmd.gov/docs/default-source/Agendas/Governing-Board/2017/2017-dec1-031.pdf>.

**Table 2: Annual O&M Cost Estimates Per Monitoring Station**

Routine costs associated with site maintenance <sup>1</sup>	\$29,950
Electricity	\$7,200
Utilities	\$5,470
Land/Site Lease	\$14,400
Lavatory Rental	\$2,880
Data validation, analysis, and mapping <sup>2</sup>	\$54,016
Routine costs associated monitoring equipment maintenance <sup>1</sup>	\$16,100
Calibration Gases	\$6,100
Maintenance Parts	\$10,000
Technical and laboratory labor <sup>3</sup>	\$335,477
One Air Quality Specialist at ½ effort, one Air Quality Instrument Specialist, one Air Quality Chemist at ⅓ effort, and one Program Supervisor at ⅓ effort	
<b>Total O&amp;M Cost<sup>4</sup></b>	<b>\$435,543</b>

<sup>1</sup> Based on the 2012 station cost estimates for the Anaheim monitoring station.

<sup>2</sup> Based on the previous SCAQMD contracts for data visualization and mapping.

<sup>3</sup> Based on the FY 2017-18 Schedule of Burdened Rates (burdened hourly rate of \$121.17 for Program Supervisor, \$105.69 for Air Quality Specialist, \$101.55 for Air Quality Chemist, and \$86.17 for Air Quality Instrument Specialist). Includes salaries, benefits, overheads (e.g., share of utilities, insurance, payroll, systems, etc.). Annual staff labor cost at full effort is calculated with a 40-hour work week and 52 weeks per year.

<sup>4</sup> It should be noted that the proposed O&M fees aggregated across the eight affected refineries (approximately \$4.6 million per year) are higher than the previous O&M cost estimates developed during the rule-making process of Rule 1180 (approximately \$3.5 million per year<sup>7</sup>). The previous cost estimates were based on one community air monitoring station for each refinery, or 8 monitoring stations in total. However, considering facility size, topography, and locations of communities impacted by refinery emissions, staff has revised the original estimate and determined that an adequate regional community monitoring network would require a total of 10.5 monitoring stations.

The estimated cost was based on SCAQMD's existing monitoring operations, as well as from information provided in recent studies similar to Rule 1180 measurements. However, the cost of a Rule 1180 community air monitoring network is expected to be higher than the cost of deploying and operating other monitoring networks, such as those used to support MATES-V. In contrast to MATES-V monitoring, Rule 1180 community air monitoring networks will involve a higher sampling frequency, a larger volume of monitoring data to be

<sup>7</sup> See Final Staff Report for Rule 1180, released in December 2017.



processed, a longer list of pollutants to be measured, implementation of new monitoring stations, data visualization and website development and, for certain pollutants, the need to develop or adopt newly-developed measurement methods that have not been implemented by SCAQMD previously.

Overall, the O&M fees for a refinery-related community air monitoring system will be shared in a reasonably equitable manner based on the burdens imposed (costs to operate and maintain the community air monitoring station) and benefits received by the refineries (measurement of the emitted pollutants during operation) and the costs are limited to the amounts necessary for compliance with H&SC Section 42705.6. Staff has estimated the proposed fees based on the expectation that they will recover actual costs incurred. Neither overages nor deficits are anticipated at this time. Actual costs for implementation of the refinery-related community air monitoring pursuant to Rule 1180 and H&SC Section 42705.6 will be carefully tracked, and the fees will be reassessed triennially as required by PAR 301(aa)(4) to further ensure ongoing compliance with California Health and Safety Code Section 42705.6. The proposed fees in this amendment, based on initial estimates, may require adjustments in future Regulation III amendments to reflect actual ongoing costs. During the triennial fee reassessments, SCAQMD staff will use historical operating and maintenance costs associated with refinery-related community air monitoring to determine the appropriate fees and will take into consideration the existence of any historical differences between collected fees and program expenditures.

## **2. New fees to recover notification costs pursuant to Rule 1466**

**Description of Proposed Amendment:** In order to recover costs incurred by SCAQMD to process required notifications, staff is proposing to amend Rule 301(x) for the purpose of adding a new fee for Rule 1466 notifications. The proposed fee for the Rule 1466 notification would be \$62.92 per notification.

**Proposed Amended Rule(s):** ***Rule 301(x)*** Rule 1149, ~~and Rule 1166,~~ and Rule 1466 Notification Fees

(1) Any person who is required by the District to submit a written notice pursuant to Rule 1149, Rule 1166, Rule 1466, or for soil vapor extraction projects shall pay a notification fee of \$~~60.85~~62.92 per notification.

(2) Notifications pursuant to Rule 1466 paragraph (f)(2) shall be exempt from this subdivision.

**Justification/ Necessity/ Equity:** Rule 1466 is a new rule which was adopted on July 7, 2017 and amended on December 1, 2017. The purpose of Rule 1466 is to minimize off-site fugitive dust emissions containing toxic air contaminants. Rule 1466 requires a facility to provide notifications to SCAQMD prior to beginning earth-moving

activities and when ambient PM10 dust concentration limits are exceeded at Rule 1466 sites.

This new fee is necessary to recover the reasonable regulatory costs related to the notification requirements of Rule 1466. The fee is identical to the amount charged for Rule 1149 and Rule 1166 notifications. Moreover, the amount to be charged reflects cost recovery currently contained in Rule 301. Table 3 provides cost estimates for Rule 1466 notification requirements. Based on staff estimates, it will take an Office Assistant approximately 25-30 minutes to receive the notification, enter the information, and file the notification, and 15-20 minutes for a Staff Specialist to review the notification. Therefore, the recovery cost is calculated to be between \$53.53 and \$67.76 at the FY 2017-18 hourly burdened rates. This range of cost estimates is consistent with the current fee rate of \$60.85, as well as the CPI-adjusted notification fee rate of \$62.92 for Rule 1149 and Rule 1166. The proposed Rule 1466 notification fee is set at \$62.92, the same fee rate as Rule 1149 and Rule 1166 notification fees for similar notification requirements. Thus, the proposed Rule 1466 notification fee does not exceed the estimated cost of processing required notifications and is apportioned equitably based on the burden imposed by each notification.

**Table 3: Cost Estimates for Rule 1466 Notification Requirements**

<b>Staff Position</b>	<b>Range of Processing Time (in Hours)*</b>		<b>×</b>	<b>FY 2017-18 Hourly Burdened Rate</b>	<b>=</b>	<b>Range of Cost*</b>	
Office Assistant	0.42	0.50		\$65.06		\$27.11	\$32.53
Staff Specialist	0.25	0.33		\$105.69		\$26.42	\$35.23
<b>Total Cost</b>						<b>\$53.53</b>	<b>\$67.76</b>

\* Rounded to the second decimal place.

Rule 1466 additionally requires notifications to be updated if there is a change in start date or exemption status, but those notifications are proposed to be exempt from the notification fee requirement because minimal staff time would be required to update changes in start date or exemption status.

### 3. New fees for RECLAIM permit processing during and after transition out of the NOx RECLAIM program

**Description of Proposed Amendment:** In order to recover costs incurred by SCAQMD, staff is proposing to add a new fee for work performed to transition facilities that will be exiting the NOx RECLAIM program in accordance with Regulation XX and Regulation XI. Currently, RECLAIM facilities, including both Title V and non-Title V facilities, are subject to an SCAQMD-issued facility permit. The facility permit identifies conditions associated with compliance with the RECLAIM program. In many cases, extensive changes will have to be made to the device conditions, device emissions and requirements, RECLAIM monitoring, reporting and recordkeeping requirements, and any other applicable sections of existing RECLAIM facility permits as part of the transition process.

In addition, staff is proposing a new fee to recover costs related to work performed following transition from the NOx RECLAIM program for any facility that voluntarily elects to convert a transitioned facility permit to conventional command and control equipment-based permits.

**Proposed Amended Rule(s):**

**Rule 301(l)(16) Facility Permit Reissuance Fee for Facilities Exiting RECLAIM**

A facility exiting the NOx RECLAIM program pursuant to Rule 2002 (f)(7) shall be assessed a Facility Permit Reissuance Fee for the conversion of its RECLAIM Facility Permit to a Command-and-Control Facility Permit. The conversion consists of removal of non-applicable RECLAIM provisions and addition of requirements for applicable command-and-control rules. The Facility Permit Reissuance Fee includes an initial flat fee, plus an additional time and materials (T&M) charge where applicable. Both the initial flat fee and T&M charge are tiered based on the number of permitted RECLAIM NOx sources at the facility. Both the initial flat fee and T&M charge are also differentiated based on a facility's Title V status.

The initial flat fee to transition from NOx RECLAIM Facility Permit to Command-and-Control Facility Permit per Rule 2002(f)(7) shall be paid at the time of filing and assessed according to the following fee schedule.

<u>Number of Permitted RECLAIM NOx Sources</u>	<u>Non-Title V</u>	<u>Title V</u>
<u>Less than 10</u>	<u>\$2,232</u>	<u>\$3,160</u>
<u>Greater than or equal to 10 and less than 20</u>	<u>\$4,651</u>	<u>\$6,320</u>
<u>20 or more</u>	<u><del>\$13,023</del>9,302</u>	<u><del>\$21,067</del>12,640</u>

An additional T&M charge shall be assessed for time spent on the permit conversion in excess of the number of hours and at the hourly rate specified in the following fee schedule and billed following permit reissuance.

	<u>Non-Title V</u>		<u>Title V</u>	
<u>Number of Permitted RECLAIM NOx Sources</u>	<u>Begin Charging Hourly Rate After (hrs)</u>	<u>T&amp;M Rate (\$/hr)</u>	<u>Begin Charging Hourly Rate After (hrs)</u>	<u>T&amp;M Rate (\$/hr)</u>
<u>Less than 10</u>	<u>12</u>	<u>\$186.04</u>	<u>15</u>	<u>\$210.67</u>
<u>Greater than or equal to 10 and less than 20</u>	<u>25</u>	<u>\$186.04</u>	<u>30</u>	<u>\$210.67</u>
<u>20 or more</u>	<u><del>70</del>50</u>	<u>\$186.04</u>	<u><del>100</del>60</u>	<u>\$210.67</u>

**Rule 301(l)(17) Optional Conversion of Transitioned RECLAIM Facility Permit**

A Facility that has transitioned out of the RECLAIM program in accordance with paragraph (l)(16) and that elects to convert all permitted equipment described on the RECLAIM Facility Permit to equipment/process based Permits to Operate (pursuant to Regulation II) shall pay a fee equal to the Change of Condition fee specified in Table FEE RATE-A, in accordance with the Schedule identified in Table IA or IB, for each equipment/process converted.

**Justification/  
Necessity/  
Equity:**

The proposed amendment is necessary to recover costs incurred by SCAQMD for revising the Facility Permit to remove permit conditions and emission limits that are no longer applicable for RECLAIM facilities exiting the NOx RECLAIM program. These evaluations will ensure that appropriate monitoring, recordkeeping, and reporting requirements, as well as justifiable emission limits are imposed in facility permits for facilities that exit the NOx RECLAIM program.

Equipment at RECLAIM facilities have been exempt from NOx emission requirements of rules such as Rules 476, 1109, and 1146 (also see Table 1 of Rule 2001(j)) under the RECLAIM program structure. In addition, RECLAIM

facilities are subject to Rule 2005 - New Source Review for RECLAIM rather than Rule 1303 - New Source Review Requirements. The process of exiting the NOx RECLAIM program involves a case-by-case analysis of each device (piece of equipment), various processes associated with that equipment, as well as an overall evaluation of existing permit and regulatory limits and requirements and appropriate removal or justification (pursuant to other applicable rules) of existing Regulation XX monitoring, recordkeeping and reporting requirements, emission factors, and emission limits.

The proposed fees are based on estimated evaluation hours spent by an Air Quality Engineer II for the smaller, lower emitting facilities that have been identified as potentially eligible to exit the NOx RECLAIM program. The proposed initial flat fees have been tiered based on number of RECLAIM devices. The number of devices are surrogates for whether a facility is characterized as simple, medium, or complex. Those facilities with less than 10 devices will require less work because they have fewer devices and the complexity of the overall evaluation is simpler. Generally, there are fewer monitoring, recordkeeping and reporting requirements at these facilities. Likewise, the range of emission factors and emission limits that need to be examined is more limited. The initial flat fee covers the estimated minimum or baseline number of hours needed to evaluate those smaller, simpler facilities. As the number of devices increase at a facility, the evaluation needed becomes more complex and more time consuming, and the case-by-case analysis of equipment-specific requirements is anticipated to require higher levels of effort for facilities with a higher RECLAIM device count. Thus, the baseline number of hours and the initial fees have been increased at each tier to reflect that increased complexity.

Initial fees shall be paid at the time of filing. Additional fees for evaluation hours beyond the baseline amount will be assessed at T&M rates consistent with existing rates in the RECLAIM section of the rule, specifically paragraphs (l)(12) and (l)(15). It is anticipated that the majority of evaluations will involve some T&M billing because the baseline hours have been set for each tier based on the minimum number of RECLAIM devices and the minimum level of effort.<sup>8</sup> Any billing of T&M rates will be based on actual evaluation hours

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<sup>8</sup> Since the release of the draft PAR 301 on April 4, 2018, PAR 301(l)(16) fee schedules have been revised to include a lower initial flat fee based on a lower baseline number of evaluation hours for facilities with 20 or more permitted RECLAIM NOx sources. The revisions were made to take into account the possibility that the overall evaluation efforts, and thus the associated costs, may be lower than staff's previous estimates if a facility has multiple pieces of equipment that are similar and subject to the same "landing rules" (i.e., command-and-control rules applicable to NOx source equipment in a former NOx RECLAIM facility). Based on staff's evaluation, this is more likely the case among facilities with a large number of permitted RECLAIM NOx sources. The T&M charge applicable to the additional evaluation hours beyond the baseline will continue to ensure the recovery of reasonable costs incurred by SCAQMD.

spent by an Air Quality Engineer II beyond the baseline hours and will be billed after permit reissuance.

For each hour of engineer evaluation time, it is estimated that a minimum of 0.25 to 0.35 hours of senior engineer time, and 0.16 to 0.20 hours (each) of supervisor, manager, and senior office assistant time will be spent supervising, editing, reviewing, and documenting the evaluation, as well as modifying and producing the amended facility permit. To take into account any hours beyond the baseline number of hours, a minimum range of costs between \$185.98 and \$210.29 are derived per hour of evaluation by Air Quality Engineer II, based on the FY 2017-18 hourly burdened rates and as shown in Table 4. Average actual costs are expected to be slightly higher due to additional time by staff per hour of evaluation by Air Quality Engineer II.

The range of hourly costs reflects the differing complexity levels associated with evaluating the requirements of non-Title V versus Title V facilities. The Title V program imposes additional requirements such as inclusion of exempt equipment, rule tagging, and public and U.S. EPA noticing requirements. Thus, Title V facilities require a level of effort beyond that of non-Title V facilities and may require additional senior staff time. Accordingly, every hour by an Air Quality Engineer II requires additional time by other staff for Title V facilities compared to Non-Title V facilities. This range of the hourly cost estimates are comparable to the CPI-adjusted hourly rate of \$186.04 for non-Title V facilities and \$210.67 for Title V facilities in Rule 301 paragraphs (l)(12) and (l)(15). Therefore, the proposed amendment would set the initial tiered flat rates using these CPI-adjusted hourly rates multiplied by the baseline hours for each tier, and the T&M cost would be assessed at these same CPI-adjusted hourly rates. Using the CPI-adjusted hourly rates will also reduce the complexity of Regulation III fees.

**Table 4: Per Hour Cost Estimates for Transitioning RECLAIM Facility Permits**

Staff Position	Range of Staff Time Per Hour of Evaluation By Air Quality Engineer II			FY 2017-18 Hourly Burdened Rate		Range of Staff Cost Per Hour of Evaluation By Air Quality Engineer II*	
Air Quality Engineer II	100%	100%	x	\$105.69	=	\$105.69	\$105.69
Senior Engineer	25.0%	35.0%	x	\$113.07	=	\$28.27	\$39.57
Supervising Engineer	16.0%	20.0%	x	\$121.17	=	\$19.39	\$24.23
Senior Engineering Manager	16.0%	20.0%	x	\$135.15	=	\$21.62	\$27.03
Senior Office Assistant	16.0%	20.0%	x	\$68.83	=	\$11.01	\$13.77
<b>Total Cost</b>						<b>\$185.98</b>	<b>\$210.29</b>

\* Rounded to the second decimal place.

Therefore, staff proposes to set the hourly rates for Transitioning RECLAIM Facility Permits to be consistent with those established for RECLAIM-related permit processing. This is a one-time fee for the transition process associated with exiting the RECLAIM program.

Staff further proposes to allow for the use of the change of condition fee rates in lieu of the permit modification fee rates for facilities that may elect to convert a transitioned RECLAIM facility permit to equipment based permits. This is an option that a facility may choose and the fee rate is commensurate with the level of effort established for processing equivalent change of condition applications for equipment-specific permits.

Accordingly, the new fees are no more than necessary to cover the reasonable costs to the SCAQMD to reissue and transition permits for facilities exiting the RECLAIM program. The fees are equitable because the costs are allocated to facilities based on the burdens those facilities place on SCAQMD's activities to reissue or transition the permits in terms of estimated and actual staff time.

#### **4. New fees to recover costs for periodic assessment of non-RECLAIM CEMS, FSMS, or ACEMS**

**Description of Proposed Amendment:** In order to recover costs incurred by SCAQMD, staff is proposing to add a new fee associated with SCAQMD periodic assessments of non-RECLAIM Continuous Emissions Monitoring Systems (CEMS), Fuel Sulfur Monitoring Systems (FSMS), and Alternative Continuous Emissions Monitoring Systems

(ACEMS). The proposed fee for the periodic assessment would be \$907.51, plus an additional fee of \$172.01 per hour for time spent on the evaluation in excess of 10 hours up to a maximum total fee of \$5,738.49. These fees are consistent with the CPI-adjusted fees charged for comparable assessments and evaluations for RECLAIM devices. The proposed amendment would also remove a redundant and erroneous reference to Rule 301(i)(5)(A) for clarification purposes.

**Proposed  
Amended  
Rule(s):**

**Rule 301(j)(5)(D)** Periodic Assessment of an Existing ~~RECLAIM~~-CEMS, FSMS, or ACEMS

An existing ~~RECLAIM~~-CEMS, FSMS, or ACEMS, ~~which undergoes certification as in (i)(5)(A),~~ must be retested on a quarterly, semi-annual, or annual basis to remain in compliance with District Regulations ~~XX~~. The applicant shall pay a minimum processing fee of ~~\$877.67~~\$907.51 for this evaluation, if required. Additional fees will be assessed at a rate of ~~\$166.35~~\$172.01 per hour for time spent on the evaluation in excess of 10 hours up to a maximum total fee of ~~\$5,549.80~~\$5,738.49.

**Justification/  
Necessity/  
Equity:**

The proposed new fee is necessary to recover costs incurred by SCAQMD for periodic assessment of an existing non-RECLAIM CEMS, FSMS, or ACEMS as required by applicable rules. Currently, pursuant to other subparagraphs of Rule 301(j)(5), facilities pay a fee for SCAQMD review of RECLAIM and non-RECLAIM CEMS, FSMS, and ACEMS when initially installed (Rule 301(j)(5)(A)), when modified (Rule 301(j)(5)(B) and (C)), and when there is a change of ownership (Rule 301(j)(5)(E)). In addition, under Rule 301(j)(5)(D) -- the subparagraph made the focus of this proposal -- facilities are required to pay a fee for required periodic assessments of RECLAIM CEMS, FSMS, and ACEMS. Even though non-RECLAIM CEMS, FSMS, and ACEMS must also be reassessed periodically if they are to be relied upon for demonstrating compliance with other applicable SCAQMD regulations, the existing subparagraph does not specifically identify a fee to be assessed in this circumstance. Non-RECLAIM devices appear to have been inadvertently omitted from the subparagraph. Thus, this new fee is necessary in order for SCAQMD to recover the costs associated with that work.

The proposed new fee for the periodic assessment of non-RECLAIM devices is consistent with the fee charged for other evaluations and assessments of these devices under the current Rule 301(j)(5) as adjusted by CPI. The amount of time that is required to complete an assessment is the same regardless of whether the device is required by RECLAIM or other SCAQMD regulations. Therefore, the fee apportionment is equitable and would ensure that the same level of periodic assessment effort will be billed at consistent fee rates.

A periodic assessment of CEMS, FSMS, or ACEMS typically requires five to ten hours of evaluation time by an Air Quality Engineer II. For example, based on staff's review of CEMS assessments conducted for both RECLAIM and non-RECLAIM CEMS reports at a permitted facility from 2006 to 2014, the



average amount of evaluation time was 7.76 hours by an Air Quality Engineer II. The CEMS assessments were further reviewed by senior and supervising engineers. The average time for the secondary review consists of 1.94 hours for a senior engineer (approximately 25 percent of an Air Quality Engineer II's evaluation hours) and 0.93 hours for the supervising engineer (approximately 12 percent of an Air Quality Engineer II's evaluation hours). This secondary review includes a review of the technical work, a critique of the evaluator's conclusions and recommendations, approval of the paperwork in the report folder, and handling any fee related questions by the facility. There is also time spent by an office assistant to create the evaluation folders, enter data into the Source Testing database, and scan the reports and/or store in file cabinets. These tasks would take an average of 2.13 hours (approximately 27.5 percent of an Air Quality Engineer II's evaluation hours).

Note that the current fee for a periodic assessment of CEMS, FSMS, or ACEMS is based solely on the evaluation hours spent by the evaluating engineer at the Air Quality Engineer II level. To take into account the unbilled hours for secondary review by supervising and senior engineers and for administrative work performed by the clerical staff, a cost of \$166.39 is derived per hour of evaluation by an Air Quality Engineer II, based on the FY 2017-18 hourly burdened rates and as reflected in Table 5. This is comparable to the current hourly rate of \$166.35 for time spent on the evaluation of RECLAIM CEMS, FSMS, or ACEMS in excess of 10 hours.

**Table 5: Per Hour Cost Estimates for Periodic Assessment of CEMS, FSMS, or ACEMS**

<b>Staff Position</b>	<b>FY 2017-18 Hourly Burdened Rate</b>		<b>Staff Time Per Hour of Evaluation By Air Quality Engineer II*</b>		<b>Staff Cost Per Hour of Evaluation By Air Quality Engineer II</b>
Air Quality Engineer II	\$105.69	×	100.0%	=	\$105.69
Senior Engineer	\$113.07	×	25.0%	=	\$28.27
Supervising Engineer	\$121.17	×	12.0%	=	\$14.54
Office Assistant	\$65.06	×	27.5%	=	\$17.89
<b>Total Staff Cost Per Hour of Evaluation By Air Quality Engineer II</b>					<b>\$166.39</b>

\* Based on staff's review of CEMS assessments conducted for both RECLAIM and non-RECLAIM CEMS reports at a permitted facility from 2006 to 2014.

Therefore, staff proposes to utilize the existing CPI-adjusted minimum processing fee (\$907.51) and the existing CPI-adjusted hourly rate (\$172.01) set by Rule 301(j)(5) for comparable evaluations and assessments. Those fees

and rates will not exceed the costs of SCAQMD's assessment activities and are equitably allocated to the fee payor based on the costs to assess each device. The CPI-adjusted minimum processing fee of \$907.51 corresponds to approximately 5.28 hours of evaluation hours by an Air Quality Engineer II which is at the low end of the average amount of time necessary to complete these types of evaluation. Further, while the CPI-adjusted hourly rate is slightly higher than the calculated total staff cost per hour, the hourly rate will actually be covering costs for the first ten hours of work that were not fully recovered by the minimum fee. The CPI-adjusted maximum total fee of \$5,738.49 limits the payor's liability and is reasonable because it will be based on actual time spent by SCAQMD staff. The maximum total fee corresponds to approximately 33.36 hours of evaluation hours by the same staff position and is anticipated to be sufficient to recover SCAQMD costs in the more complex evaluations. These fees are necessary to recovery the reasonable costs of regulatory services provided.

An additional amendment is also necessary to further clarify the rule's intent by removing a redundant and erroneous reference to Rule 301(i)(5)(A).

**5. Increased fees to recover costs associated with voluntary certification programs of Clean Air Solvent and Clean Air Choices Cleaner**

**Description of Proposed Amendment:** In order to recover costs incurred by SCAQMD, staff is proposing to increase the initial flat fee charged for the Clean Air Solvent (CAS) and Clean Air Choices Cleaner (CACC) certification programs administered by SCAQMD. The CAS certification fee will be increased from \$835.46 to \$1,503.77. Additional fees for time spent on the analysis/certification process, in excess of 12 hours, continue to be billed at the current, CPI-adjusted hourly rate of \$135.77 per hour for time spent on the analysis/certification process in excess of 12 hours. The initial flat fee charged for CACC certification fee will be increased from \$880.18 to \$1,503.77, plus an additional fee of \$300 for quantification of total nitrogen, total phosphorous, and trace metals by a contracting laboratory. As with the CAS fees, additional fees for time spent on the analysis/certification process in excess of 12 hours will be assessed at the current CPI-adjusted hourly rate of \$135.77 per hour.

**Proposed Amended Rule(s):**

***Rule 301(r)*** Fees for Certification of Clean Air Solvents

~~Persons applying for Clean Air Solvent certification shall pay the following fee for each product to be certified:~~

Gas Chromatograph/Mass Spectrometry Analysis	\$373.24 for five or fewer compounds \$34.63 for each additional compound
Density measurement	\$139.97
Time and material	\$131.31 per person per hour or prorated portion thereof
Clean Air Solvent Certificate	\$190.96

At the time of filing for a Clean Air Solvent certificate, the applicant shall submit a fee of ~~\$835.46~~1,503.77 for each product to be tested. Additional fees will be assessed at the rate of \$135.77 per hour for time spent on the analysis/certification process in excess of 12 hours. [...]<sup>9</sup>

**Rule 301(s) Fees for Certification of Consumer Cleaning Products Used at Institutional and Commercial Facilities**

~~Persons applying for certification of Consumer Cleaning Products Used at Institutional and Commercial Facilities shall pay the following fee for each product to be certified:~~

Gas Chromatograph/Mass Spectrometry Analysis	<del>\$373.24 for five or fewer compounds \$34.63 for each additional compound</del>
Time and material	<del>\$131.31 per person per hour or prorated portion thereof</del>
Clean Air Choices Cleaner Certificate	<del>\$190.96</del>

At the time of filing for certification of any Consumer Cleaning Products Used at Institutional and Commercial Facilities, the applicant shall submit a fee of ~~\$880.18~~1,503.77 for each product to be tested, plus an additional fee of \$300 for quantification of total nitrogen, total phosphorous, and trace metals by a contracting laboratory. Additional fees will be assessed at the rate of \$135.77 per hour for time spent on the analysis/certification process in excess of 12 hours. [...]

**Justification/  
Necessity/  
Equity:**

The proposed amendment is necessary to recover costs incurred by SCAQMD for providing certification services via its CAS and CACC programs. CAS and CACC certification programs are part of SCAQMD's ozone reduction

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<sup>9</sup> For purposes of brevity, the entirety of paragraphs affected by proposed changes have not been included in this report. Instead, staff has only included excerpts of portions of rule language most impacted by the proposed changes.

strategy and are intended to facilitate use of low VOC products by providing 5 year certifications of products which meet certain standards. The SCAQMD does not consider these fees to be subject to Proposition 26 because these fees are not being imposed on any payor. Participation in these programs is voluntary and is not a result of any SCAQMD rule requirements. These fees are not part of SCAQMD's Permitted Source Program. Certification is available through SCAQMD's laboratory, as well as a limited number of private laboratories.

Even though these fees are not being imposed on any payor, the proposed fees sought through this amendment reflect the reasonable costs of services provided. In particular, the costs of SCAQMD's services have increased primarily because of a U.S. EPA requirement that all components be analyzed by the gas chromatograph test method (M313) and be calibrated prior to quantitative speciation analysis. Moreover, for CACC certification of consumer cleaning products used at institutional and commercial facilities, the proposed amendment includes an additional fee of \$300, which represents the amount typically invoiced to SCAQMD by a contracting laboratory, for quantification of total nitrogen, total phosphorous, and trace metals in a submitted sample.

The proposed amendment is also necessary to help further clarify the applicability of time and material costs, by specifying that the existing hourly rate of \$135.77 which reflects the CPI adjustment to the existing rate in the current rule would only apply when staff time spent on the analysis/certification process is in excess of 12 hours, the typical amount of time needed for SCAQMD staff to complete the necessary analyses prior to certifying a product (refer to the analysis below). The current version of the rule does not state when this hourly fee applies. Moreover, to provide further clarification and avoid potential confusion over the billable fees, the proposed amendment removes the itemized fee tables in Rule 301 subdivisions (r) and (s). This is because the gas chromatograph/mass spectrometry analysis and certificate costs do not represent additionally charged fees but are included in the calculation of the initial fees submitted at the time of filing for certification, and may be also included in the additional hourly fees if the total analysis/certification time takes more than 12 hours. Analyses such as gravimetric test to analyze solids and Karl-Fischer method to analyze water content have been historically performed on certification samples. However, due to the U.S. EPA test method and calibration requirement (which were not in place at the inception of CAS and CACC programs), all the components of interest in a submitted sample must now be screened on the same instrument prior to performing a final analysis. Once components are detected and identified, their concentrations are estimated, and in most cases, those components are then calibrated if they have not already been calibrated in the recent past. Once the calibrations are reviewed, the sample is then analyzed quantitatively and with quality control. These analyses are conducted to determine the VOC content and to validate the final result, and the associated

SCAQMD staff and other related costs are estimated to be \$1,503.77 per submitted sample/application.

Several staff persons are involved in the sample receiving, analysis, data review, and reporting of results in this certification process. An office assistant in the laboratory receives and logs the samples into the Laboratory Information Management Server (LIMS), which takes 15 minutes, or 0.25 hours, per sample. An Air Quality Chemist receives the sample through LIMS and spends about two hours analyzing the sample's density, solids, and water content through the testing procedures published by the American Society for Testing and Materials (ASTM). Based on those results, the sample is then analyzed on a gas chromatograph mass spectrometer to identify chemical constituents which requires preparation and screening of the sample and calibration of the instrumentation. The analysis procedures require an additional four hours of work by other Air Quality Chemists conducting each of these steps. Reported results then are reviewed by another chemist for three hours, a senior chemist for two hours, and then reported to the principal chemist for one hour of final review. Overall, the analysis and review work performed by several chemists at different levels require a total of 12 hours of staff time. Once the data is validated, a final report and certification recommendation is submitted to the laboratory manager for certification, which takes approximately 12 minutes or 0.2 hours.

There are additional costs associated with sample neutralization prior to its disposal and frequent replacement of gas chromatograph columns, both of which are necessary due to high pH levels of the submitted samples. There is also an extended cost for the instrumentation and consumable cost associated with the required analysis. Table 6 provides a summary of per sample/application cost breakdown based on the FY 2017-18 hourly burdened rates.

**Table 6: Per Sample Cost Estimates for CAS/CACC Certification\***

<b>Staff Position</b>	<b>FY 2017-18 Hourly Burdened Rate</b>		<b>Staff Time Per Sample/ Certification Application (Hours)</b>		<b>Cost Per Sample/ Certification Application</b>
Office Assistant	\$65.06	×	0.25	=	\$16.27
Air Quality Chemists	\$101.55	×	(2 + 4 + 3)	=	\$913.95
Senior Chemist	\$107.54	×	2	=	\$215.08
Principal Chemist	\$121.17	×	1	=	\$121.17
Lab Manager	\$135.15	×	0.2	=	\$27.03
Sample Disposal and Other Miscellaneous Duties					\$121.43
Extended Solvent Cost					\$88.84
<b>Total Cost Per CAS Sample/Certification Application</b>					<b>\$1,503.77</b>
Invoiced Cost for Quantification of Total Nitrogen, Total Phosphorous, and Trace Metals for CACC Certification					\$300.00
<b>Total Cost Per CACC Sample/Certification Application</b>					<b>\$1,803.77</b>

\* Excludes costs for quantification of total nitrogen, total phosphorous, and trace metals under the CACC analysis requirements.

Based on the foregoing, staff proposes to raise the initial certification fees, submitted at the time of filing for certification, to \$1,503.77 per sample/certification application. Moreover, under the requirements of the CACC analysis, the current pricing does not include the analysis contracted out to an external laboratory for quantification of total nitrogen, total phosphorous, and trace metals, for which SCAQMD is invoiced for approximately \$300 per sample. To recover this cost, a new fee of \$300 is proposed to be added for the CACC certification only.

Those increased fees are not more than necessary to cover the reasonable costs to SCAQMD for providing certification services and the manner in which those fees are allocated to a fee payor bear a fair and reasonable relationship to the estimated costs of the burdens on and benefits received from certification by SCAQMD. They are necessary to recover the reasonable costs of providing these services.

**6. New fees to recover costs associated with annual renewal of Rule 1105.1, Rule 1118, and Rule 1123 compliance plans**

**Description of Proposed Amendment:** In order to recover costs incurred by SCAQMD for compliance activities, staff is proposing new fees based on the addition of three types of compliance plans to Rule 306(h). The compliance plans being added to the rule include: Rule 1105.1 (Reduction of PM10 and Ammonia Emissions from Fluid Catalytic Cracking Units), Rule 1123 (Refinery Process Turnarounds), and Rule 1118 (Flare Monitoring and Recording Plan). The fees charged are consistent with the fees charged for other plan reviews in Rule 306(h). Thus, non-Title V facilities with these newly added plans will have to pay an annual fee of \$406.79; Title V facilities with these newly added plans would have to pay an annual fee of \$460.64 for FY 2018-19 and \$509.74 for FY 2019-20 and thereafter.

**Proposed Amended Rule(s):**

***Rule 306(h)* Annual Review/Renewal Fee**

An annual review/renewal fee shall be charged for plans listed in the following table in this subdivision. The annual review/renewal fee shall be an amount equal to the Rule 301(d)(2) Schedule A fee. In addition, annual reviews/renewals shall meet all relevant and applicable requirements of Rule 301(d) and 301(g), and be paid on an annual renewal date set by the Executive Officer.

Annual Review/Renewal Plan Fee by Rule Number

Rule/Reference	Plan Type
[...]	[...]
463(e)(1)(A)	Organic Liquid Storage - Self-Inspection of Floating Roof Tanks
<u>1105.1</u>	<u>Reduction of PM10 and Ammonia Emissions from Fluid Catalytic Cracking Units</u>
1118	<ul style="list-style-type: none"> <li>Control of Emissions from Refinery Flares - Flare Minimization Plan</li> <li><u>Control of Emissions from Refinery Flares – Flare Monitoring and Recording Plan</u></li> </ul>
<u>1123</u>	<u>Refinery Process Turnarounds</u>
1132	Further Control of VOC Emissions from High-Emitting Spray Booth Facilities
[...]	[...]

**Justification/ Necessity/ Equity:** Rule 306 was amended in June 2006 to recover costs associated with SCAQMD staff time spent on conducting compliance verification inspections by charging an annual renewal fee for 19 plan types identified in Rule 306 subdivision (h). According to staff estimates at that time, the total resources required to review compliance with each plan was comparable to the annual renewal fee under Rule 301(d)(2) Schedule A.

However, three refinery-specific compliance plans were inadvertently omitted during the 2006 amendment. The Rule 1105.1 and Rule 1123 compliance plans and the Rule 1118 Flare Monitoring and Recording Plan have always required the inclusion of ongoing compliance methods and procedures that, upon any change, would also require approval through revision/resubmittal. SCAQMD inspectors are obligated to verify ongoing compliance with each of these plans. Therefore, the proposed rule amendment is necessary to recover costs incurred by SCAQMD for compliance verification inspections as specified below:

- Rule 1105.1 governs emissions from fluid catalytic cracking units (FCCU), which are equipment used exclusively by petroleum refineries. Rule 1105.1 plans specify operating parameters to be monitored, the range of operating levels of proposed parameters, and the frequency of monitoring and recording for the FCCU control equipment (Rule 1105.1(e)(3)(A) and (e)(3)(B)). The plan may also identify one or more alternative compliance methods (Rule 1105.1(h)). The facility is required to monitor the operating parameters identified in the plan on an ongoing basis and should revise and resubmit the plan for approval as needed.
- Rule 1118 is another refinery-specific rule that impacts a limited number of facilities. Rule 1118 requires two types of plans: (1) Flare Monitoring and Recording Plans (Rule 1118(f)) and (2) Flare Minimization Plans (Rule 1118(d)(3)(A) and 1118(e)). Flare Minimization Plans are currently listed under Rule 306(h), which sets forth the annual review/renewal plan fee by rule number, and are required only for facilities that exceed their annual SO<sub>x</sub> emissions target. Flare Monitoring and Recording Plans are proposed to be added to the list of plans in Rule 306(h). These plans include a list of details regarding the flow meters, HHV analyzers, total sulfur analyzers, and flame detection equipment used to monitor refinery flare performance (Rule 1118(f)(4)(A) through 1118(f)(4)(P)). These plans includes configurations, operating parameters, and monitoring frequencies, and must be updated when any changes arise.
- Rule 1123 applies specifically to turnarounds at petroleum refineries, which typically include completely emptying process vessels and opening them to the atmosphere as part of performing scheduled maintenance activities. Rule 1123 plans describe procedures for gas displacement or eduction (emptying the vessels of gases), the disposition of the gases removed, and the conditions for allowing venting to the atmosphere. The facility is required to comply with the procedures identified in the plan on an ongoing basis and should revise and resubmit the plan for approval as needed.

Based on typical staff time spent on conducting comprehensive refinery compliance “Blue Sky” audits, reviewing quarterly reports, responding to



notifications, investigating self-reported deviations, and responding to complaints (for equipment subject to each plan type), a minimum of five hours per plan is spent each year to verify compliance with each of these three approved plan types, plus at least a quarter of an hour of review/consult time by a supervising inspector. Therefore, based on the range of FY 2017-18 hourly burdened rates for all Air Quality Inspector levels and the rate for a supervising inspector,<sup>10</sup> the annual review/renewal of a compliance plan would cost a minimum of \$408.32-\$508.48. Because site-specific complexities are often correlated with a facility's Title V status, senior inspectors are more likely to be involved in plan reviews for Title V facilities. To reflect this variability in the cost of staff effort and to also reduce the complexity of Regulation III fees, staff proposes to set the annual review/renewal fee for these three plans at the Schedule A fee rates, which would be CPI-adjusted to \$406.79 for non-Title V facilities, and for Title V facilities, \$460.64 for FY 2018-19 and \$509.74 for FY 2019-20 and thereafter.

The proposed fees will not exceed total SCAQMD compliance costs associated with these plans, and costs are apportioned equitably as they would apply to all compliance plans that require similar effort by SCAQMD staff to conduct compliance verification inspections. In addition, the manner in which the compliance costs are allocated bear a fair and reasonable relationship to the payor's burdens on, or benefits received from, the compliance activities because the fees are based on the low end of the average effort required. Moreover, the fee rates also equitably distinguish Title V and non-Title facilities as the former would typically require more staff hours and/or more senior staff effort to verify ongoing compliance for plan renewal.

## **7. Potentially increased fees by billing actual cost invoiced to SCAQMD for public notice publication**

**Description of Proposed Amendment:** The proposed amendment to Rule 301 subparagraphs (j)(4)(A) and the proposed renumbered (m)(6)(A) would allow SCAQMD to bill the actual cost invoiced for public notice publication to a facility subject to public noticing requirement and electing to pay SCAQMD to arrange for publication of its public notice. Moreover, Rule 301 Table IIB would be deleted, as the pre-determined fee rates currently included in this table for public notice publication would be superseded by the proposed amendment. Finally, Rule 301(c)(4)(A) is proposed to be also amended, by removing the reference to the proposed deleted Table IIB and instead referencing Rule 301(j)(4) for both the public notice publication fee and public notice preparation fee.

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<sup>10</sup> The FY 2017-18 hourly burdened rates are \$76.48 for Air Quality Inspector, \$78.75 for Air Quality Inspector I, \$90.97 for Air Quality Inspector II, \$96.51 for Air Quality Inspector III, and \$103.70 for Supervising Air Quality Inspector.

**Proposed  
Amended  
Rule(s):**

***Rule 301(j)(4)(A)***

Pay the actual cost a fee, as invoiced~~specified in Table IIB~~, for publication of the notice by prominent advertisement in the newspaper of general circulation in the area affected where the facility is located and for the mailing of the notice to persons identified in Rule 212(g), or

***Rule 301(m)(96)(A)***

pay the actual cost ~~a fee~~, as invoiced~~specified in Table IIB~~, for publication of the notice by prominent advertisement in the newspaper of general circulation in the area affected where the facility is located and for the mailing of the notice to persons identified in Rule 212(g), or

***Table IIB: Fee for Public Notice Notification***

{...}

***Rule 301(c)(4)(A)***

Pay a fee for publication of public notice, ~~as specified in Table II (B)~~ and a preparation fee as per Rule 301(i)(4), or

**Justification/  
Necessity/  
Equity:**

The proposed amendment is necessary to recover costs incurred by SCAQMD when a facility subject to a public noticing requirement voluntarily elects to pay SCAQMD to arrange for publication of its public notice. Pursuant to Rule 301, SCAQMD currently only charges a facility the applicable fee specified in Table IIB for public notice publication. However, these fees do not fully reflect the actual cost of publication in some cases.

For example, when SCAQMD issues a Title V permit, public notice in one or more newspapers is often required (Rule 3006(a)(1)(A)). When more than one newspaper notice is necessary, the current fees do not adequately provide for complete cost recovery.

Although SCAQMD does not consider these fees to be subject to Proposition 26 because they are voluntary, the fees imposed are nonetheless reasonable and are equitably apportioned. The proposed rule amendment would prevent current shortfalls and make the actual publication cost incurred by SCAQMD align with the public notice publication fee a facility is required to pay SCAQMD. Accordingly, the charges are no more than necessary to recover the reasonable noticing costs to SCAQMD and the manner in which those costs are allocated to the payor bear a fair or reasonable relationship to the payor's noticing burdens, or benefits received by the noticing.

Finally, as Rule 301(c)(4)(A) concerns public notice-related fees, it is also necessary to amend this subparagraph by removing the would-be-obsolete fee rate reference to Table IIB and referring to Rule 301(j)(4) instead. Currently, Rule 301(c)(4)(A) contains the erroneous rule reference to Rule 301(i)(4) for

the public notice preparation fee. Therefore, for rule clarity, it is necessary to also update this reference to refer instead to Rule 301(j)(4).

#### 8. New fees to recover costs associated with optional catalyst equivalency evaluation

**Description of Proposed Amendment:** In order to recover costs incurred by SCAQMD, staff is proposing to add a new fee for work performed on Catalyst Equivalency Evaluations. Facilities that install Selective Catalytic Reduction (SCR) control equipment have requested the ability to change the catalyst used, provided it is equivalent to the catalyst being replaced. A permit condition will be imposed that allows facilities to submit optional requests for catalyst equivalency evaluations, which, if approved, would allow them to use any equivalent catalyst. Adding this evaluation review to Rule 306 would allow SCAQMD to charge time and material (T&M) fees to recover costs for engineering evaluation time, similar to the cost recovery for source test protocol and report evaluations. The new fee proposed by this amendment will be based on time incurred, billed at the hourly rate of \$155.80 for non-Title V facilities, and for Title V facilities, the hourly rate would be \$176.42 in FY 2018-19 and \$195.23 in FY 2019-20 and thereafter. A typical review is expected to take approximately 15 hours. Therefore, the expected cost per evaluation is estimated to range between \$2,300 and \$3,000, depending on the applicable fee rate and the actual review time. Even though this is a new fee, it will serve to reduce overall costs for a facility over time. Without this proposal, facilities are currently required to submit a permit modification application every time they replace the catalyst on their SCRs.

**Proposed Amended Rule(s):**

***Rule 306(m)*** Protocol/Report/Catalyst Equivalency Evaluation Fees

(1) \_\_\_\_\_ [...]

(2) The fee for catalyst equivalency evaluation requests shall be the actual and reasonable evaluation hours assessed at the hourly rate specified in subdivision (d), and billed after project completion. Fees are due at the time specified in the bill, which will allow a reasonable time for payment.

***Rule 306(q)*** Optional Expedited Protocol/Report/Catalyst Equivalency Evaluation Processing Fee

(1) \_\_\_\_\_ [...]

(2) Fees for requested expedited processing of Catalyst Equivalency Evaluations, will be an additional fee based upon actual review and work time billed at a rate for staff overtime which is equal to one half of staff's hourly rate as specified in subdivision (d). The established fee described in Rule 306(m)(2) shall be paid with the additional overtime fee and will be billed following project completion. Fees are due at the time specified in the bill, which will allow a reasonable time for payment.

**Justification/ Necessity/ Equity:** The proposed amendment is necessary to recover costs incurred by SCAQMD for conducting optional catalyst equivalency evaluations for a SCR, which is typically installed at Title V facilities. These evaluations, in accordance with permit conditions, allow a facility to use a new or different catalyst (if the evaluation deems it equivalent to the existing catalyst) without requiring an application for equipment modification.

The proposed fees are based on actual evaluation hours spent by an Air Quality Engineer II, billed after project completion. It is estimated that each request will take approximately 15 hours of engineer time. However, for each hour of engineer evaluation time, it is estimated that at least 0.25 hours of senior engineer time, and 0.13 hours (each) of supervisor, manager, and senior office assistant time will be spent supervising, editing, reviewing, documenting, and billing the evaluation, although staff estimates that these hours will be higher for some requests. To take into account these additional unbilled hours, a cost of \$176.23 is derived per hour of evaluation by Air Quality Engineer II, based on the FY 2017-18 hourly burdened rates and as shown in Table 7. This is comparable to the FY 2018-19 hourly rate of \$170.62 for Title V facilities in Rule 306(d), which is proposed to be CPI-adjusted to \$176.42.

**Table 7: Per Hour Cost Estimates for Catalyst Equivalency Evaluation**

<b>Staff Position</b>	<b>FY 2017-18 Hourly Burdened Rate</b>		<b>Staff Time Per Hour of Evaluation By Air Quality Engineer II</b>		<b>Staff Cost Per Hour of Evaluation By Air Quality Engineer II</b>
Air Quality Engineer II	\$105.69	x	100.0%	=	\$105.69
Senior Engineer	\$113.07	x	25.0%	=	\$28.27
Supervising Engineer	\$121.17	x	13.0%	=	\$15.75
Senior Enforcement Manager	\$135.15	x	13.0%	=	\$17.57
Senior Office Assistant	\$68.83	x	13.0%	=	\$8.95
<b>Total Staff Cost Per Hour of Evaluation By Air Quality Engineer II</b>					<b>\$176.23</b>

Therefore, for ease of administration, staff proposes to set the hourly rates as specified in Rule 306(d) for conducting catalyst equivalency evaluations, with applicable CPI-based fee increase. The proposed new fees will not exceed the reasonable costs to the SCAQMD of conducting catalyst equivalency evaluations and the fees are apportioned equitably as they would be paid only by facilities that submit optional requests for catalyst equivalency evaluations.

In addition, the manner in which costs are allocated bear a fair and reasonable relationship to the payor's burdens on, or benefits received from, the evaluations because the cost to each payor is based on actual evaluation hours. Moreover, while facilities would still have the option to submit applications for equipment modification in lieu of an equivalency determination, the proposed fees would represent a more equitable fee apportionment for catalyst equivalency evaluation, as they more closely reflect the actual cost involved. With the proposed rule amendment, a typical catalyst equivalency evaluation request submitted by a Title V facility in FY 2018-19 is estimated at \$2,646.30 (\$176.42/hour x 15 hours) and at \$2,928.45 (\$195.23/hour x 15 hours) if submitted in FY 2019-20; if the request is submitted by a non-Title V facility, the estimated cost is \$2,337.00 (\$155.80/hour x 15 hours). These proposed fees must be compared to the other option of catalyst replacement which involves submissions of applications for equipment modification every time the catalyst is replaced. That other option costs significantly more. Based on Table FEE RATE-A in Proposed Amended Rule 301, the CPI-adjusted FY 2018-19 fees for SCR permit modifications would be \$5,097.71 for Title V facilities, and \$4,501.77 for non-Title V facilities (Schedule C fee rates), which are significantly higher than the fee amounts estimated with the proposed amendment.

**9. New fees to recover costs associated with AB 2588 work for Potentially High Risk Level Facilities**

**Description of Proposed Amendment:** In order to recover costs incurred by SCAQMD, staff is proposing to add new fees for the work undertaken by the AB 2588 program staff in determining Rule 1402 compliance for facilities designated as a Potentially High Risk Level Facility, as defined under Rule 1402. The proposed Potentially High Risk Level Facility Fees would be assessed on a T&M basis at the hourly rate of \$172.88 under Proposed Amended Rule 307.1(d)(5). The proposed fees would be billed annually and due at the time of the AB 2588 annual billing. A maximum of \$100,000 per year per facility is also proposed for the Potentially High Risk Level Facility Fees to provide cost certainty for the affected facilities. Corresponding amendments are proposed for Rule 307.1 Table I to add additional clarity. Finally, the proposed amendment would add to Rule 307.1 several definitions related to the proposed new fees, and add a table footnote to Table I to clarify that PS stands for priority score.

**Proposed Amended Rule(s):**

***Rule 307.1(c) Definitions***

[...]

(17) POTENTIALLY HIGH RISK LEVEL FACILITY means a facility designated by the Executive Officer pursuant to the definition in Rule 1402.

(18) POTENTIALLY HIGH RISK LEVEL FACILITY FEE means the fee charged to facilities upon designation as a Potentially High Risk Level Facility under Rule 1402. The fee will be assessed on a Time and

Materials (T&M) basis to cover the District's costs in determining Rule 1402 compliance. This includes, but is not limited to, evaluation of findings pursuant to Rule 1402(g).

[...]

(23) SIGNIFICANT RISK LEVEL is a maximum individual cancer risk of at least one hundred per million ( $100 \times 10^{-6}$ ) or a total acute or chronic hazard index of at least five (5) for any target organ system at any receptor location.

[...]

**Rule 307.1(d)(5) Potentially High Risk Level Facility Fees**

When a facility is designated as a Potentially High Risk Level Facility, as defined under Rule 1402, the owner/operator of the facility shall pay a fee for staff time at the rate of \$172.88 per hour to offset the District's costs to determine Rule 1402 compliance. The Potentially High Risk Level Facility Fees are billed annually and are due at the time of the AB 2588 annual billing which allows a reasonable time for payment. The Potentially High Risk Level Facility Fees will not exceed \$100,000 per year per facility.

**Rule 307.1 TABLE I**

**FACILITY FEES BY PROGRAM CATEGORY**

FACILITY PROGRAM CATEGORY	COMPLEXITY	DISTRICT FEE	STATE FEE	TOTAL FACILITY FEE
<i>HRA Tracking</i> <sup>*1</sup>	[...]			
[...]				
<i>Risk ≥10 &lt;50 in a million or HI&gt;1</i>	Simple Facility	[...]	\$3,014	[...]
	Medium Facility	[...]	\$3,349	[...]
	Complex Facility	[...]	\$3,684	[...]
<i>Risk ≥100 in a million</i>	Simple Facility	[...]	\$5,693	[...]
	Medium Facility	[...]	\$6,028	[...]
	Complex Facility	[...]	\$6,363	[...]
<i>Potentially High Risk Level</i>	<u>Simple Facility</u>	<u>T &amp; M<sup>2</sup></u>	<u>\$5,693<sup>3</sup></u>	<u>\$ (T&amp;M<sup>2</sup> + 5,693<sup>3</sup>)</u>
	<u>Medium Facility</u>	<u>T &amp; M<sup>2</sup></u>	<u>\$6,028<sup>3</sup></u>	<u>\$ (T&amp;M<sup>2</sup> + 6,028<sup>3</sup>)</u>
	<u>Complex Facility</u>	<u>T &amp; M<sup>2</sup></u>	<u>\$6,363<sup>3</sup></u>	<u>\$ (T&amp;M<sup>2</sup> + 6,363<sup>3</sup>)</u>
<i>Voluntary Risk Reduction</i>	[...]			

<b><i>District Tracking**4</i></b>	[...]
[...]	

<sup>1\*</sup> HRA Tracking --- (PS > 10 with HRA) Risk  $\geq 1$ , <10 in a million, or HI  $\geq 0.1$ ,  $\leq 1$

<sup>2</sup> T & M --- Annual District fee will be capped at \$100,000 per year per facility.

<sup>3</sup> For facilities with Risk > 100 in a million, the state fee is equivalent to that of the “Risk  $\geq 100$  in a million” category. For facilities with HI > 5.0, the state fee is equivalent to the “Risk  $\geq 10$  <50 in a million or HI > 1” category.

<sup>4\*\*</sup> District Tracking --- PS > 1,  $\leq 10$

HRA --- Health Risk Assessment

HI --- Hazard Index, Acute or Chronic

PS --- Priority Score

**Justification/  
Necessity/  
Equity:**

In October 2016, the SCAQMD Governing Board amended Rule 1402 to include special requirements for Potentially High Risk Level Facilities (typically those facilities with an estimated cancer risk that exceeds 100 in-one-million). Potentially High Risk Level Facilities must implement an Early Action Risk Reduction Plan to immediately reduce elevated health risks. Implementation of the Early Action Risk Reduction Plan occurs while the facility prepares their emission inventory of toxics, Health Risk Assessment (HRA), and Risk Reduction Plan concurrently. Since the 2016 adoption of the amended Rule 1402, SCAQMD has incurred a significant amount of additional costs associated with Potentially High Risk Level Facility designation and compliance. Therefore, the proposed amendment is necessary to recover costs incurred by SCAQMD staff by allowing collection of fees from Potentially High Risk Level Facilities in determining Rule 1402 compliance.

The proposed fees are estimated on evaluation hours spent by the evaluating staff for document review, emissions estimation, prioritization, risk calculation, public notification, and risk reduction for facilities designated as a Potentially High Risk Level Facility. Based on staff’s review of documents submitted by Potentially High Risk Level Facilities, the average amount of evaluation time by an Air Quality Engineer II varies depending on complexity and completeness of documents submitted. The work is further evaluated by a Senior Engineer, Program Supervisor, and Planning and Rules Manager. For every hour spent by the Air Quality Engineer II, the average time for the review by a Senior Engineer is typically 25 percent of an Air Quality Engineer II’s evaluation hour. Likewise, the amount of time necessary for review by a Program Supervisor and Planning and Rules Manager is typically 12.5% percent (for each) of an Air Quality Engineer II’s evaluation hour. Secondary review includes a review of the technical work, a critique of the evaluating engineer's conclusions and recommendations, and handling of any pending legal issues if these facilities are under orders for abatement. There is also time spent by a senior office assistant to create facility folders, scan reports and/or store into file cabinets, prepare public notification material and mail outs. Note that the billing will be based solely on the evaluation hours spent by the evaluating engineer at the Air Quality Engineer II level. To take into

account the unbilled hours for secondary review by a Senior Engineer, Program Supervisor, and Planning and Rules Manager and for administrative work performed by the clerical staff, a cost of \$172.88 is derived per hour of evaluation. This hourly rate is based on the FY 2017-18 hourly burdened rates and is shown in Table 8.

**Table 8: Per Hour Cost Estimates for Potentially High Risk Facility Evaluation**

<b>Staff Position</b>	<b>FY 2017-18 Hourly Burdened Rate</b>		<b>Staff Time Per Hour of Evaluation By Air Quality Engineer II</b>		<b>Staff Cost Per Hour of Evaluation By Air Quality Engineer II</b>
Air Quality Engineer II	\$105.69	x	100.0%	=	\$105.69
Supervising Engineer	\$121.17	x	12.5%	=	\$15.15
Senior Engineer	\$113.07	x	25.0%	=	\$28.27
Planning and Rules Manager	\$135.15	x	12.5%	=	\$16.89
Senior Office Assistant	\$68.83	x	10.0%	=	\$6.88
<b>Total Staff Cost Per Hour of Evaluation By Air Quality Engineer II</b>					<b>\$172.88</b>

Therefore, staff proposes to set the hourly rate at \$172.88 as specified in proposed Rule 307.1(d)(5) for Potentially High Risk Level Facility evaluations. The proposed new fees are no more than necessary to cover the reasonable costs of SCAQMD for these compliance evaluations and the costs are apportioned equitably as they would be paid only by facilities that are designated as a Potentially High Risk Level Facility. Currently, there are three such facilities. It should be further noted that for Potentially High Risk Level Facilities with an estimated cancer risk that exceeds 100 in-one-million, they remain subject to the state fees of \$5,693, \$6,028, and \$6,363 for simple, medium, and complex facility, respectively. For those facilities with a chronic or acute HI of greater than 5.0, they will be subject to the state fees of \$3,014, \$3,349, and \$3,684 for a simple, medium, and complex facility, respectively. Moreover, the manner in which costs are allocated bear a fair and reasonable relationship to the payor's burdens on or benefits received from the evaluations because the fees are based on actual time spent on compliance evaluations for each fee payor.



This fee is intended to offset the costs associated with administering the requirements of Rule 1402 for Potentially High Risk Level Facilities. Based on SCAQMD staff's current experience with existing potentially high risk facilities, the total evaluation hours per year for each facility is unlikely to exceed 600 hours. To provide cost certainty for the affected facilities, an annual cap of \$100,000 per affected facility is additionally proposed. This cap is equivalent to approximately 578 evaluation hours billed at the proposed hourly rate of \$172.88. To add clarity to the proposed amended PAR 307.1, several new definitions associated with the proposed new fees need to be added, and Table I and its footnotes also need to be amended.

#### **10. New fees to recover costs associated with AB 2588 work on Rule 1402 related special reviews**

**Description of Proposed Amendment:** In order to recover costs incurred by SCAQMD, staff is proposing to add new fees related to the preparation or revision of an Air Toxics Inventory Report (ATIR) pursuant to Rule 1402, and to increase the current fee rate beyond the CPI adjustment for the preparation or revision of a Health Risk Assessment (HRA) pursuant to Rule 1402. The proposed new fees would be added to the current Rule 307.1 Special Risk Assessment Fee, proposed to be renamed as "Special Review Fee" to be inclusive of both ATIR and HRA reviews. The Special Review Fee would be assessed at the hourly rate of \$150.62 for the total actual and reasonable time incurred by SCAQMD staff, plus any actual contractor costs as invoiced.

**Proposed Amended Rule(s):**

***Rule 307.1(c)(~~257~~)***

~~SPECIAL RISK ASSESSMENT~~ REVIEW FEE means the fee charged to facilities to cover the cost of the qualified District personnel or a qualified consultant, as determined by the Executive Officer (EO), engaged by the District under contract, in the event that the EO determines that an ~~existing air toxics inventory report or health risk assessment~~ should be revised and the owner/operator cannot perform this task without errors or delays.

***Rule 307.1(d)(3) Special ~~Risk Assessment~~ Review Fees***

When a facility's air toxics inventory report or health risk assessment submitted pursuant to Rule 1402 ~~was~~ prepared or revised by District personnel or a contractor engaged by the District, the owner/operator of the facility for which an air toxics inventory report or health risk assessment is performed shall pay the fees equal to the total actual and reasonable time incurred by District, including actual contractor costs as invoiced and District staff time assessed at the hourly rate of ~~\$131.34~~ \$150.62. When the air toxics inventory report or health risk assessment is conducted or is evaluated and verified by a consultant engaged by the District or District personnel, the fees charged will be in addition to all other fees required.

**Justification/  
Necessity/  
Equity:** In recent years, there has been a surge of ATIRs and HRAs requiring review by SCAQMD. In the meantime, SCAQMD staff has seen an increasing amount of submitted documents requiring substantial modifications or revisions and, in some cases, a complete overhaul of the entire document where the facility was not able to perform the task without errors or delays. Rule 1402 gives the EO the authority to reject a submitted ATIR or HRA and modify the revised ATIR or HRA and approve it as modified (Rule 1402(d)(4) and (e)(2)).

Rule 307.1 currently includes Special Risk Assessment Fees that are billed to a facility whose HRA requires either preparation or revision by SCAQMD staff and/or by a contractor engaged by SCAQMD. The proposed amendment is necessary as it would allow SCAQMD to collect similar fees for the costs incurred by SCAQMD for the preparation or revision required for an ATIR submitted by a facility pursuant to Rule 1402. Moreover, the proposed increase to raise the current rule's hourly rate from \$131.31 to \$150.62, which is beyond the CPI-based increase, is also necessary to recover the costs incurred by SCAQMD for the increased time and effort undertaken by SCAQMD staff related to the preparation or revision of an HRA. The proposed new fees are apportioned equitably as they would be paid by only those facilities whose ATIRs and/or HRAs require either preparation or revision by SCAQMD staff and/or by a contractor engaged by SCAQMD. It should be noted for clarification purposes that, when the ATIR or HRA is conducted or is evaluated and verified by SCAQMD staff or a consultant engaged by SCAQMD, the fees charged will be in addition to all other fees required.

These fees would represent the total actual and reasonable evaluation time incurred by SCAQMD staff, assessed at the hourly rate of \$150.62, plus the actual costs incurred by SCAQMD for the amount invoiced by a SCAQMD approved independent consultant. The proposed fees would be billed after project completion. ATIRs and HRAs are typically reviewed by either an Air Quality Specialist or an Air Quality Engineer II, both of which have the same hourly burdened rate. The work is further evaluated by a Senior Engineer, Program Supervisor, and Planning and Rules Manager. For every hour spent by the Air Quality Engineer II, the average time for the review by a Senior Engineer is typically 20 percent and a Program Supervisor is typically 10 percent of an Air Quality Engineer II's evaluation hour. Likewise, the amount of time necessary for review by a Planning and Rules Manager is typically 5 percent of an Air Quality Engineer II's evaluation hour. Secondary review includes a review of the technical work, and a critique of the evaluating engineer's conclusions and recommendations. There is also about 5 percent of time spent by a senior office assistant to create facility folders, scan reports and/or store into file cabinets, and prepare mail outs. Note that the billing will be based solely on the evaluation hours spent by the evaluating engineer at the Air Quality Engineer II level. To take into account the unbilled hours for secondary review by a Senior Engineer, Program Supervisor, Planning and Rules Manager, and for administrative work performed by the clerical staff, a cost of \$150.62 is derived per hour of evaluation by an Air Quality Engineer

II. This hourly rate is based on the FY 2017-18 hourly burdened rates and is shown in Table 9.

**Table 9: Per Hour Cost Estimates for Special Review of ATIR & HRA**

<b>Staff Position</b>	<b>FY 2017-18 Hourly Burdened Rate</b>		<b>Staff Time Per Hour of Evaluation By Air Quality Engineer II*</b>		<b>Staff Cost Per Hour of Evaluation By Air Quality Engineer II</b>
Air Quality Engineer II / Air Quality Specialist	\$105.69	x	100.0%	=	\$105.69
Senior Air Quality Engineer	\$113.07	x	20.0%	=	\$22.61
Program Supervisor	\$121.17	x	10.0%	=	\$12.12
Planning and Rules Manager	\$135.15	x	5.0%	=	\$6.76
Senior Office Assistant	\$68.83	x	5.0%	=	\$3.44
<b>Total Staff Cost Per Hour of Evaluation By Air Quality Engineer II/Air Quality Specialist</b>					<b>\$150.62</b>

#### **IV. PROPOSED RULE AMENDMENTS WITH NO FEE IMPACTS AND/OR ADMINISTRATIVE CHANGES**

The proposed rule amendments in this section do not result in increased fees. Rather, these amendments generally include administrative changes such as clarifications, deletions, re-numbering, and corrections to existing rule language. The first amendment listed below also adds a consequence for non-payment of a required fee.

In addition to the proposed amendments to specific rule language as discussed below, all fee rates applicable for FY 2017-18 only are now obsolete and are proposed to be removed from all Regulation III rules.<sup>11</sup> Moreover, additional amendments that represent renumbering of rule sections/tables, due solely to any proposed addition and/or deletion of preceding rule sections/tables, are not separately listed below. Finally, all of the amended fee rates shown below reflect the proposed CPI-based fee increase and do not include any additional increase beyond the CPI-based adjustment.

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<sup>11</sup> In the version of PAR 309 released on April 4, 2018, the FY 2017-18 fee rates were inadvertently CPI-adjusted instead being deleted. The error has been corrected in the version of PAR 309 included as part of the May 4, 2018 Public Hearing package.

# 1. Updating the TAC thresholds to be consistent with the state or SCAQMD's Annual Emission Reporting thresholds

**Description of Proposed Amendment:** In order to be consistent with the reporting accuracy thresholds set by Appendix A of the AB 2588 Air Toxics "Hot Spots" Emission Inventory Criteria and Guidelines Regulation and SCAQMD's Annual Emission Reporting (AER) program, changes to the thresholds for Table IV for three compounds are proposed to be made. These compounds are chlorinated dioxins and dibenzofurans (26 species), chlorofluorocarbons (CFCs), and 1,1,1-trichloroethane.

**Proposed Amended Rule(s):**

## *Rule 301*

TABLE IV  
TOXIC AIR CONTAMINANTS AND OZONE DEPLETERS

TOXIC COMPOUNDS	Fee \$/1 lb	Annual Emission Thresholds (lbs)
Ammonia (Reporting Period 07/01/04 and beyond)	\$0.03	200
Asbestos	<del>\$6.31</del> <u>52</u>	0.0001
Benzene	<del>\$2.43</del> <u>20</u>	2.0
Cadmium	<del>\$6.31</del> <u>52</u>	0.01
Carbon tetrachloride	<del>\$2.43</del> <u>20</u>	1.0
Chlorinated dioxins and dibenzofurans (26 species)	<del>\$10.54</del> <u>90</u>	<del>0.00002</del> <u>01</u>
Ethylene dibromide	<del>\$2.43</del> <u>20</u>	0.5
Ethylene dichloride	<del>\$2.43</del> <u>20</u>	2.0
Ethylene oxide	<del>\$2.43</del> <u>20</u>	0.5
Formaldehyde	<del>\$0.47</del> <u>9</u>	5.0
Hexavalent chromium	<del>\$8.42</del> <u>71</u>	0.0001
Methylene chloride	\$0.08	50.0
Nickel	<del>\$4.20</del> <u>34</u>	0.1
Perchloroethylene	<del>\$0.47</del> <u>9</u>	5.0
1,3-Butadiene	<del>\$6.31</del> <u>52</u>	0.1
Inorganic arsenic	<del>\$6.31</del> <u>52</u>	0.01
Beryllium	<del>\$6.31</del> <u>52</u>	0.001
Polynuclear aromatic hydrocarbons (PAHs)	<del>\$6.31</del> <u>52</u>	0.2
Vinyl chloride	<del>\$2.43</del> <u>20</u>	0.5
Lead	<del>\$2.43</del> <u>20</u>	0.5
1,4-Dioxane	<del>\$0.47</del> <u>9</u>	5.0
Trichloroethylene	<del>\$0.16</del> <u>7</u>	20.0
Chlorofluorocarbons (CFCs)	<del>\$0.41</del> <u>2</u>	<del>—</del> <u>1</u>
1,1,1-trichloroethane	\$0.05	<del>—</del> <u>1</u>

**Justification/ Necessity:** The emission threshold has been corrected for chlorinated dioxins and dibenzofurans to meet the reporting requirements of the Emission Inventory

**Equity:** Criteria and Guidelines for the Air Toxics “Hot Spots” Program (AB 2588). These reporting requirements are enforceable state regulations because they are incorporated by reference into Title 17 of the California Code of Regulations, section 93300.5. If the facilities emitting chlorinated dioxins and dibenzofuran continue to have similar levels of emissions as reported in recent years, the proposed change in the emission threshold in Table IV may result in a nominal increase in fee payment for a number of these facilities. The nominal increase is estimated at less than \$10/year collectively for all facilities, which is within the year-to-year variations of the total emission-based fees paid for chlorinated dioxins and dibenzofuran over CY 2014-16.

With respect to chlorofluorocarbons (CFCs) or 1,1,1-trichloroethane, no emission thresholds were previously specified in Table IV, meaning the fee applied to sources emitting any amount of these compounds. Thresholds have been added which are consistent with SCAQMD’s AER supplemental reporting guidelines. The thresholds for these two compounds meet the minimum AB 2588 requirements. Adding these thresholds will not increase fees for any source because it increases the threshold for when the fee applies. In fact, the change will result in some facilities being exempt from the fee, but the overall loss in fee revenue is estimated to be less than \$1 per year per compound.

These emissions fees are equitable because they allocate costs based on the amount of emissions discharged and the greater regulatory burden those emissions impose on the SCAQMD’s Permitted Source Program. The thresholds establish that the fee does not apply to facilities emitting de minimis levels of specific compounds for which no reporting is required. Total fees do not exceed the reasonable costs of the SCAQMD’s activities.

## **2. Specification of payment due date and non-payment consequence for Rule 301(z) “No Show” fees**

**Description of Proposed Amendment:** Owners and operators of gasoline transfer and dispensing facilities are required to complete certain performance and reverification tests. Typically, these facilities hire third party testers for this type of work. These testers schedule a specific time with SCAQMD and a SCAQMD inspector is sent to the facility to observe the testing. Despite the existence of a specifically scheduled time for performance of the tests, often testers fail to arrive at the facility thereby causing SCAQMD to incur costs associated with the inspector sent to observe the tests. When this happens, SCAQMD imposes a “No Show” fee on the tester pursuant to Rule 301(z). The proposed amendment to Rule 301(z) would specify a time limit for payment of the “No Show” fee for scheduled testing of gasoline dispensing equipment pursuant to Rule 461, and the consequence of non-payment. Specifically, the “No Show” fee would need to be paid within 60 days of the date of the invoice. If the fee is not paid, the account would become delinquent 30 days after the due date, and any delinquent account holder would not be allowed to schedule any future tests within SCAQMD’s

jurisdiction until all overdue fees are paid in full. The proposed amendment would additionally clarify that the “No Show” fee would apply to individual testers and testing companies alike for a reverification or performance test.

**Proposed  
Amended  
Rule(s):**

**Rule 301(z) “No Show” Fee for Rule 461 – Gasoline Dispensing Equipment Scheduled Testing**

(1) Reverification, and Performance Testing

If a testing company and/or tester does not show for a Reverification test, or Performance test within one hour of its original scheduled time, and an SCAQMD inspector arrives for the inspection, a “No Show” fee of ~~\$412.43~~426.45 shall be charged to the testing company and/or tester. The fee shall be paid within 60 days of the date of the invoice. If the fee is not paid, the account will become delinquent 30 days after the due date. Any delinquent account holder will not be allowed to schedule any future tests within SCAQMD jurisdiction until all overdue fees are paid in full.

(2) Pre-Backfill Inspection

If a contracting company is not ready for a Pre-Backfill inspection of its equipment at the original scheduled time, and/or did not notify the SCAQMD inspector of postponement/cancellation at least three hours prior to the scheduled time, a “No Show” fee of ~~\$412.43~~426.45 shall be charged to the contracting company. The fee shall be paid within 60 days of the date of the invoice. If the fee is not paid, the account will become delinquent 30 days after the due date. Any delinquent account holder will not be allowed to schedule any future pre-backfill inspections within SCAQMD jurisdiction until all overdue fees are paid in full.

**Necessity:**

The “No Show” fee is imposed on contractors, including testing companies or testers and contracting companies, when they are not able to commence with either reverification or performance testing within one hour of the scheduled test time or pre-backfill inspections at the scheduled time. Certain contractors routinely schedule tests that are unreasonably close together given the type of tests and the distances between test sites. A SCAQMD inspector’s time will be wasted if the contractor fails to show up at the scheduled time. The “No Show” fee was instituted to reimburse SCAQMD for inspector time spent in these cases. Currently, however, there are no implications for non-payment of the “No Show” fee. Since the affected parties are not permit holders, any non-payment of fees would not have a direct impact on the contractors’ ability to continue their operations.

Therefore, the proposed amendment is necessary to specify the payment due date and non-payment consequence for the “No Show” fee. The proposed requirement for the fee to be paid within 60 days of the date of the invoice would allow for a reasonable amount of time for fee payment. At the same time, the proposed non-payment consequence would prevent future scheduling

of testing or pre-backfill inspections and provide an incentive to pay the “No Show” fee. Moreover, without the proposed language, the only means for SCAQMD to recover the associated costs would be to file claims with the small claims court which creates an additional burden and cost to SCAQMD.

### 3. **Numbering of Rule 301 fee rate tables on pages PAR 301-70 through PAR 301-73**

**Description of Proposed Amendment:** The proposed amendment would number the currently unnumbered fee rate tables in Rule 301: Table FEE RATE-A for the table “Summary Permit Fee Rates - Permit Processing, Change Of Conditions, Alteration/Modification”; Table FEE RATE-B for the table “Summary of ERC Processing Rates, Banking, Change Of Title, Alteration/Modification, Conversion to Short Term Credits, Re-Issuance of Short Term Credits, Retirement of Short Term Credits for Transfer into Rule 2202, and Transfer of ERCs out of Rule 2202”; and Table FEE RATE-C for the table “Summary of Permit Fee Rates Change Of Operator”. The proposed amendment would also revise all references to these tables in Rule 301 by the proposed table numbering.

**Proposed Amended Rule(s):**

#### ***Rule 301***

##### TABLE FEE RATE-A. FY 2018-19

SUMMARY PERMIT FEE RATES - PERMIT PROCESSING, CHANGE OF CONDITIONS, ALTERATION/MODIFICATION

##### TABLE FEE RATE-A. FY 2019-20 and thereafter

SUMMARY PERMIT FEE RATES - PERMIT PROCESSING, CHANGE OF CONDITIONS, ALTERATION/MODIFICATION

TABLE FEE RATE-B. SUMMARY OF ERC PROCESSING RATES, BANKING, CHANGE OF TITLE, ALTERATION/MODIFICATION, CONVERSION TO SHORT TERM CREDITS, RE-ISSUANCE OF SHORT TERM CREDITS, RETIREMENT OF SHORT TERM CREDITS FOR TRANSFER INTO RULE 2202, and TRANSFER OF ERCs OUT OF RULE 2202

##### TABLE FEE RATE-C. SUMMARY OF PERMIT FEE RATES CHANGE OF OPERATOR

**Necessity:** The proposed amendment is necessary to ensure clarity of the applicable fee rates in Rule 301, by numbering the three primary fee rate tables that are currently unnumbered and are referred to inconsistently throughout the rule. The proposed amendment would also update all references to each of these fee rate tables by using the proposed table numbering in lieu of the full or abbreviated table name.

#### 4. Clarification of table content by revising table titles for Rule 301 Tables IA and IB on pages PAR 301-74 through PAR 301-90

**Description of Proposed Amendment:** The proposed amendment would revise table titles for Tables IA and IB in Rule 301 to clarify that they include fee schedules, not fee rates.

**Proposed Amended Rule(s):** *Rule 301*  
TABLE IA - PERMIT FEE RATE SCHEDULES FOR CONTROL EQUIPMENT  
TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT

**Necessity:** Rule 301 Tables IA and IB list the fee rate schedules applicable for each control and basic equipment, respectively. The fee rates for each fee rate schedule are separately listed in the proposed numbered Tables FEE RATE-A, or specified throughout Rule 301. The proposed amendment would add clarity to the content of Tables IA and IB.

#### 5. Correction of a typographical error in rule citations

**Description of Proposed Amendment:** The proposed amendment to Rule 301 subparagraphs (b)(10)(B), (b)(10)(C), and (b)(10)(D) would correct a typographical error in citing the rule's paragraph (j)(5).

**Proposed Amended Rule(s):** *Rule 301(b)(10) [...]*  
(B) For the purpose of this rule, a “time-shared CEMS” means a CEMS as described in paragraph (j)(5) which is common to several sources of emissions at the same facility.  
(C) [...] An FSMS is a total sulfur monitoring system configured similar to the CEMS described in paragraph (j)(5) [...]  
(D) [...] Instead of directly monitoring the pollutant emissions at a source required to have a CEMS as in paragraph (j)(5), [...]

**Necessity:** The proposed amendment would add clarity to Rule 301(b)(10) by correcting the abovementioned typographical error so that the corrected citation would follow the citation convention for rule subdivisions (i.e., a parenthetical lower case character).

#### 6. Removal of obsolete rule language

**Description of Proposed Amendment:** The proposed amendment to Rule 301 paragraphs (c)(1) and (l)(4) would remove rule language related to outdated provisions or requirements that are no longer applicable or rendered obsolete due to a recent rule amendment.



**Proposed  
Amended  
Rule(s):****~~Rule 301(c)(1)(A)(iv)~~**~~For applications submitted prior to July 1, 1990, [...]~~**~~Rule 301(c)(1)(C)~~**~~[...] or where a Permit to Construct was granted prior to August 1, 1982 [...]  
In the case where a portion of the permit evaluation fee was paid when a  
Permit to Construct was granted [...]~~**~~Rule 301(c)(1)(DC)(iii)~~**~~This clause shall apply to applications for a Permit to Operate for equipment  
already constructed without first obtaining a required Permit to Construct. If,  
at the time the Permit to Operate is granted or denied, it is determined that  
any annual operating permit fee as provided in subdivision (d) of this rule had  
been based on incorrect information, the applicant will be billed for or  
credited with the difference, as appropriate.~~**~~Rule 301(c)(1)(FE)~~**~~[...] This subparagraph shall, upon request of the applicant, apply to  
applications which have been received before July 1, 1996, but not yet been  
processed or which have not received final determination regarding  
applicable permit processing fees.~~**~~Rule 301(l)(4) Facility Permit Fees~~**~~(A) — Existing facilities entering the RECLAIM program [...]~~~~(B) — New facilities with new equipment entering the RECLAIM  
program [...]~~**Necessity:**

The proposed amendment is necessary to clarify rule applicability, by removing rule language related to outdated provisions or requirements that are no longer applicable or rendered obsolete due to a recent rule amendment. Specifically,

- Rule 301(c)(1)(A)(iv) concerns those permit applications submitted prior to July 1, 1990. There are currently no pending applications submitted prior to this date.
- Rule 301(c)(1)(C) includes outdated language concerning those Permits to Construct granted prior to August 1, 1982. It also includes language concerning “a portion” of permit evaluation fees paid, which is not permissible under the current rule, as these fees are due when permit applications are submitted and would not be paid in parts. The remainder of Rule 301(c)(1)(C)—which concerns applications for a Permit to Operate for equipment already constructed without first obtaining a required permit to Construct—is proposed to be moved under the proposed renumbered subparagraph (c)(1)(C) – Higher Fee for Failing to Obtain a Permit), as clause (iii).

- The final sentence in Rule 301(c)(1)(F) references permit applications received before July 1, 1996. There are currently no pending applications received prior to this date.
- Rule 301(l)(4) specifies RECLAIM facility permit fees for existing and new facilities entering the RECLAIM program. However, this fee is no longer applicable as no facilities will be entering the RECLAIM program pursuant to the amended Rule 2001(b)(4), which was adopted in January 2018 as one of the first steps to sunset the NOx RECLAIM program.

## 7. Removal of an extraneous reference to a fee rate table

<b>Description of Proposed Amendment:</b>	The proposed amendment to the renumbered Rule 301 subparagraph (c)(1)(D) would remove the extraneous reference to the Summary of ERC Processing Rates, Banking, Change of Title, Alteration/Modification, Conversion to Short Term Credits, Re-Issuance of Short Term Credits, Retirement of Short Term Credits for Transfer Into Rule 2202, and Transfer of ERCs Out of Rule 2202 table.
<b>Proposed Amended Rule(s):</b>	<p><i>Rule 301(c)(1)(D) Small Business</i></p> <p>When applications are filed in accordance with the provisions of subparagraphs (c)(1)(A), (c)(1)(<del>HG</del>)(i), (c)(1)(<del>DC</del>) or paragraph (c)(3) for a Small Business as defined in Rule 102 – Definition of Terms, the fees assessed shall be fifty percent (50%) of the amount set forth in <del>the Summary Permit Fee Rates – Permit Processing, Change of Conditions, Alteration/Modifications</del> <u>Table FEE RATE-A</u> and in the Summary of ERC Processing Rates, Banking, Change of Title, Alteration/Modification, Conversion to Short Term Credits, Re-Issuance of Short Term Credits, Retirement of Short Term Credits for Transfer Into Rule 2202, and Transfer of ERCs Out of Rule 2202 table.</p>
<b>Necessity:</b>	The proposed amendment is necessary to add clarity to Rule 301(c)(1)(D), by removing the extraneous reference to the Summary of ERC Processing Rates, Banking, Change of Title, Alteration/Modification, Conversion to Short Term Credits, Re-Issuance of Short Term Credits, Retirement of Short Term Credits for Transfer Into Rule 2202, and Transfer of ERCs Out of Rule 2202 table (proposed to be numbered as Table FEE RATE-B). The fifty-percent small business discount pursuant to Rule 301(c)(1)(D) is applicable only to those applications filed in accordance with the provisions of Rule 301 subparagraphs (c)(1)(A), (c)(1)(G)(i), (c)(1)(C) or paragraph (c)(3), all of which refer to fees in Table FEE RATE-A only and do not refer to fees in Table FEE RATE-B.

## 8. Clarification of all CEQA document types and sub-types for payment of initial CEQA document preparation fees

**Description of Proposed Amendment:** The proposed amendment to Rule 301(j)(1)(A) would clarify all types, including sub-types, of CEQA documents for which an initial preparation fee is applicable. Specifically, sub-types of CEQA documents would be listed under each type of CEQA documentation that is currently included in the fee schedule table.

**Proposed Amended Rule(s):** *Rule 301(j)(1)(A)* CEQA Document Preparation  
 [...] If preparation of CEQA documentation is deemed necessary, the applicant shall pay an initial fee for the preparation of necessary CEQA documentation according to the following schedule:

Notice of Exemption (upon applicant request)	<del>\$332.69</del> <u>344.00</u>
Negative Declaration (ND), including <u>Supplemental or Subsequent ND</u>	<del>\$5,016.90</del> <u>5,187.47</u>
Mitigated Negative Declaration (MND), including <u>Supplemental or Subsequent MND</u>	<del>\$5,016.90</del> <u>5,187.47</u>
Environmental Impact Report (EIR), including <u>Supplemental or Subsequent EIR</u>	<del>\$6,689.15</del> <u>6,916.58</u>
<u>Supplemental or Subsequent EIR</u>	<del>\$6,689.15</del>
Addendum to EIR, including <u>Addendum to ND/MND</u>	<del>\$3,466.69</del> <u>3,584.56</u>

[...]

**Necessity:** Rule 301(j)(1)(A) specifies the applicable fee rates for the initial preparation fee of necessary CEQA documentation, for projects where SCAQMD is determined as the Lead Agency by the Executive Officer. There are multiple types of CEQA documents that can be prepared. However, the current fee table included in Rule 301(j)(1)(A) does not explicitly list several sub-types of CEQA documents that are parallel to those types of CEQA documents currently listed in the table and can be considered as sub-types of currently listed CEQA document types. Therefore, the proposed amendment is necessary to add clarity to the current rule, by specifying in the Rule 301(j)(1)(A) table that: 1) a Negative Declaration (ND) includes Supplemental or Subsequent ND; 2) a Mitigated Negative Declaration (MND) includes Supplemental or Subsequent MND; 3) an Environmental Impact Report (EIR) includes Supplemental or Subsequent EIR; and 4) an Addendum to EIR includes Addendum to ND/MND. The fees for preparation of these types of documents are not being increased; they are only being adjusted for CPI.

**9. Correction of a typographical error in fee rate**

<b>Description of Proposed Amendment:</b>	The proposed amendment to Rule 301 clause (j)(5)(B)(i) would correct a typographical error, where the current rate of \$887.67 should have been \$877.67. The correction would result in a less-than-3.4 percent increase to the current rate of \$887.67, as the CPI-based adjustment of 3.4 percent is proposed to be based upon the correct fee rate of \$877.67.
<b>Proposed Amended Rule(s):</b>	<i><b>Rule 301(j)(5)(B)(i)</b></i> If one or more CEMS or FSMS components (excluding additional pollutant monitors) are replaced, modified, or added, the applicant shall pay a minimum processing fee of <del>\$887.67</del> <u>907.51</u> ; and [...]
<b>Necessity:</b>	The proposed amendment is necessary to correct an inadvertent typographical error for the current fee rate included in Rule 301(j)(5)(B)(i). The proposed correction would make the fee rate consistent with similar fees related to the review of CEMS, FSMS, and ACEMS in clause (j)(5)(B)(iv) and subparagraphs (j)(5)(C) and (j)(5)(D), where the fee rate is currently set at \$877.67 and would be CPI-adjusted to \$907.51.

**10. Clarification of all applicable fees and fee rates associated with facility permit amendment**

<b>Description of Proposed Amendment:</b>	The proposed amendment to Rule 301(l)(4) would add clarity to the rule by: 1) adding language that indicates that an application for a Facility Permit Amendment is to be filed any time other application(s) related to any equipment in the facility permit are submitted, and the amendment fee is in addition to any equipment-specific or plan-related fees; 2) consolidating language regarding engineering evaluation and emission changes; 3) removing redundant fee rate tables and instead referring to Table VII for Facility Permit Amendment Fees; and 4) clarifying the applicable fees and their fee rate references for other application(s) related to any equipment affected by the facility permit amendment.
<b>Proposed Amended Rule(s):</b>	<i><b>Rule 301(l)(<del>54</del>)</b></i> Facility Permit Amendment At the time of filing an application for a Facility Permit Amendment, a Facility Permit Amendment Fee shall be paid and an application for such amendment shall be submitted. The Facility Permit Amendment Fees for an application <u>or group of applications that requires an engineering evaluation or causes a change in emissions</u> are listed in Table VII and shall be based on the type of facility permit. <del>as follows:</del> <u>Facility Permit Amendment Fees are in addition to</u>

Facility Permit Amendment Fee	RECLAIM	Title V	RECLAIM & Title V
FY 2017-18	\$1,088.60	\$1,158.42	\$2,247.02
FY 2018-19	\$1,132.14	\$1,282.02	\$2,414.16
FY 2019-20 and thereafter	\$1,132.14	\$1,418.68	\$2,550.82

plus the sum of applicable fees assessed for each application required for affected equipment as specified in the Summary Permit Fee Rate tables. The Facility Permit Amendment Fee for an application that does not require an engineering evaluation or causes a change in emissions shall be based on the type of facility permit as follows:

Facility Permit Amendment Fee	RECLAIM	Title V	RECLAIM & Title V
FY 2017-18	\$1,088.60	\$1,158.42	\$2,247.02
FY 2018-19	\$1,132.14	\$1,282.02	\$2,414.16
FY 2019-20 and thereafter	\$1,132.14	\$1,418.68	\$2,550.82

plus the applicable administrative permit change fee based on the equipment schedule as set forth in Rule 301 subparagraph (c)(3)(C) (for administrative equipment applications) or Table FEE RATE-A (for non-administrative equipment applications) or Rule 306 (i)(1) for each application required for affected equipment. All delinquent fees, court judgments in favor of SCAQMD and administrative civil penalties associated with the facility must be paid before a Facility Permit Amendment application will be accepted.

**Necessity:** The proposed rule amendment is necessary to add clarity to the renumbered Rule 301(l)(4), by simplifying the rule language and utilizing references to applicable rule sections and tables to reduce redundancy, and by inserting additional rule references where applicable.

## **11. Removal of Title V fee rate for RTC transaction registration fee**

**Description of Proposed Amendment:** The proposed amendment to the proposed renumbered Rule 301(l)(8) would remove the Title V fee rate for payment of transaction registration fee related to RECLAIM Trading Credits (RTCs), thereby effectively lowering the applicable fee rate for Title V facilities to the CPI-adjusted fee rate for non-Title V facilities.

**Proposed Amended Rule(s):** *Rule 301(l)(98) Transaction Registration Fee*  
 The transferor and transferee of an RTC shall jointly register the transaction with the District pursuant to District Rule 2007 – Trading Requirements. At the time the transaction is registered with the District, the transferee shall pay

a Transaction Registration Fee of ~~\$169.60~~175.37 at the time the transaction is registered with the SCAQMD, ~~as shown in the following table below in this paragraph:~~

Facility Registration Fee	Non-Title V	Title V
FY 2017-18	\$163.08	\$173.54
FY 2018-19	\$169.60	\$192.06
FY 2019-20 and thereafter	\$169.60	\$212.53

**Necessity:** There are currently differential fee rates for Title V and non-Title V facilities in the proposed renumbered Rule 301(l)(8). The differential rates exist for many fees throughout Regulation III and were adopted in June 2017, as a result of the programmatic effort to refine SCAQMD's revenue-cost alignment. However, implementation of the current fee structure reduced RTC transaction processing efficiency and increased the potential for processing errors since fee determination now requires manual validation of the RTC transferee's Title V status. Consequently, the current fee differential between Title V and non-Title V facilities is less than the cost associated with the additional staff effort needed to process, validate, and bill at the higher Title V rate. Staff believes that, with respect to RTC transaction registration, the lower non-Title V rate is sufficient to recover the reasonable costs of its activities. As a result, it is proposed that Title V fee rates be lowered such that non-Title V fee rates would apply to the RTC transaction registration fee, regardless of the Title V status of the transferee.

## **12. Clarification of applicable fees related to processing of an Initial Title V Facility Permit, and revision and renewal of an existing Title V permit**

**Description of Proposed Amendment:** The proposed amendment would clarify the applicable fees related to the processing of an Initial Title V Facility Permit, and the revision or renewal of an existing Title V permit, by restructuring the current Rule 301, paragraphs (m)(3) through (m)(8).

First, the proposed amended subparagraph (m)(3) would cover all Initial Title V Facility Permit applications, regardless of whether the applicant is an existing permitted facility. It would further clarify all applicable fees that are due at the time of application filing.

Second, the proposed amendment would consolidate current subparagraphs (m)(6) and (m)(7) into the proposed amended subparagraph (m)(4). The fee rates in this subparagraph would be replaced with a reference to Table VII for all applicable fee rates for payment of Title V Facility Permit Amendment or Revision Fees.

Third, the proposed amended subparagraph (m)(5) would also replace the fee rates in this subparagraph with a reference to Table VII for all applicable fee

rates for payment of the Title V Facility Permit Renewal Fee. Additionally, clarifications would be made regarding the timing of billing/paying the initial renewal processing fee versus the final renewal fee.

Finally, the proposed amendment would also update the fee rate reference to subdivision (j) in proposed amended paragraph (m)(3), and paragraphs (n)(3) and (n)(4), from the erroneous reference to subdivision (i).

**Proposed  
Amended  
Rule(s):**

***Rule 301(m)(3) Permit Processing Fees for Existing Facilities with Existing District Permits Applying for an Initial Title V Facility Permit***

[...]

(C) [...] the facility shall submit additional applications with the applicable fees in subdivisions (c) and (ij) for each piece of equipment for which a revision is requested. [...]

***(4D) Permit Processing Fee Applicability***

~~The permit processing fee for~~ If a new facility is required to obtain a Title V facility permit to construct, the facility shall be submit initial Title V fees as specified in paragraph (m)(3). These fees are in addition to the sum of all the applicable fees in subdivisions (c) and (ij) for all equipment at the facility.

***(5E) Rule 301 Fee Applicability***

~~The permit processing fee for~~ If an existing facility is required to obtain a Title V facility permit because of a modification, pursuant to paragraph (c)(2) of Rule 301, the facility shall be submit initial Title V fees those specified in paragraph (m)(3). These fees are in addition to plus the sum of all the applicable fees in subdivisions (c) and (ij) for all new and modified equipment at the facility.

***(6) Administrative Permit Revision Fee***

~~Notwithstanding paragraphs (l)(6), (l)(9), and (m)(3), and except as provided in paragraphs (l)(5), (l)(7), (l)(12), (m)(3), (m)(5) and (m)(8), the permit processing fee for an administrative permit revision shall be a fee of \$1,158.42 for FY2017-18, \$1,282.02 for FY2018-19 and \$1,418.68 for FY 2019-20 and thereafter.~~

***(74) Permit Revision Fee***

The permit processing fees for a Facility Permit Amendment or Revision shall be based on the Facility Permit type as specified in Table VII. Facility Permit Amendment or Revision includes any administrative permit revision or amendment, minor permit revision or amendment, de minimis significant permit revision or amendment, or and any significant permit revision or amendments shall be \$1,158.42 for FY 2017-18, \$1,282.02 for FY 2018-19 and \$1,418.68 for FY 2019-20

~~and thereafter plus the applicable fee in paragraphs (l)(5), (l)(6), (m)(3), and (m)(4). RECLAIM facilities shall only pay the fee specified in paragraph (l)(5).~~

**(85) Renewal Fees**

The fees for renewal of a Title V Facility Permit, at the end of the term specified on the permit, ~~shall be~~ are specified in Table VII. Renewal fees include both an initial processing fee of \$2,631.19 for FY 2017-18, \$2,911.94 for FY 2018-19 and \$3,222.35 for FY 2019-20 and thereafter to be paid that is due when the application is submitted; and a final fee of ~~\$184.10 for FY 2017-18 and \$203.74 for FY 2018-19 and \$225.46 for FY 2019-20 and thereafter per hour for time spent on the application in excess of 8 hours, assessed after SCAQMD evaluation is complete and the permit is issued, and is due upon notification by the District SCAQMD of the amount due when the permit is issued.~~

**Rule 301(n)(3) Facility Permit Revision**

[...] shall be the sum of applicable fees assessed for each affected equipment as specified in subdivisions (c) and (ij).

**Rule 301(n)(4) Change of Operating Condition**

[...] shall be the sum of fees assessed for each equipment or process subject to the change of condition as specified in subdivisions (c) and (ij).

**Necessity:** The proposed rule amendment is necessary to clarify all applicable fees related to the processing of an Initial Title V Facility Permit, and the revision or renewal of an existing Title V permit.

The current structure of Rule 301, paragraphs (m)(3) through (m)(5), can cause confusion over the applicable fees, as an Initial Title V Permit application can be filed by different types of facilities in different situations and for different reasons. Therefore, the proposed rule restructuring and additional clarifications in the proposed amended paragraphs (m)(3) are necessary to improve rule clarity regarding all applicable fees.

The proposed amendment would also more clearly distinguish between the processing fee to obtain an Initial Title V Permit (specified in proposed amended subparagraph (m)(3)), the processing fee for a Title V permit revision (specified in proposed amended subparagraph (m)(4)), and the processing fee for a Title V permit renewal (specified in proposed amended subparagraph (m)(5)). Therefore, it would become unnecessary to reference the current paragraphs (m)(3), (m)(4), (m)(5), and (m)(8) in the proposed amended paragraph (m)(4) (or current paragraphs (m)(6) and (m)(7)).

Moreover, by referring to Table VII regarding all applicable fee rates for facility permit revision/amendment fee, it would become unnecessary to



reference subdivision (l) for Title V facilities that are concurrently in the RECLAIM program.

Additional clarifications would be made in the proposed amended subparagraph (m)(5), regarding the timing of billing/paying the initial renewal processing fee versus the final renewal fee.

Currently, the proposed amended paragraph (m)(3), and paragraphs (n)(3) and (n)(4), all contain the erroneous rule reference to subdivision (i) with regards to the applicable fees assessed for each piece of equipment/process affected by a facility permit related application. Therefore, for rule clarity, it is necessary to update this reference to subdivision (j).

### **13. Clarification of change of operator fee applicability**

**Description of Proposed Amendment:** The proposed amendment to the proposed numbered Table FEE RATE-C in Rule 301 would clarify that the change of operator fees apply to RECLAIM facilities, while also clarifying that the limits to the change of operator fees are not applicable to RECLAIM facilities. An additional clarification is also proposed to specify that the fees are for each permit unit application.

**Proposed Amended Rule(s):**

#### ***Rule 301***

#### **TABLE FEE RATE-C. SUMMARY OF PERMIT FEE RATES** **CHANGE OF OPERATOR<sup>a</sup>**

[...]

<sup>a</sup> Fees are for each permit unit application and apply to all facilities, including RECLAIM facilities. The change of operator fee for Non-RECLAIM Title V facilities shall not exceed ~~\$8,383.28 for FY 2017-18, \$9,277.78-9,593.22 for FY 2018-19 and \$10,266.79~~ 10,615.86 for FY 2019-20 and thereafter per facility and for all other Non-RECLAIM facilities shall not exceed ~~\$15,756.06 for FY 2017-18 and \$16,386.30-16,943.43 for FY 2018-19 and thereafter per facility.~~ There is no limit to the change of operator fees for RECLAIM facilities.

**Necessity:** The current table footnote of the proposed numbered Rule 301 Table FEE RATE-C specifically describes limits to the change of operator fees for non-RECLAIM facilities, including non-RECLAIM Title V and other non-RECLAIM facilities. Change of operator fees are applicable for RECLAIM facilities pursuant to the proposed renumbered Rule 301(l)(6). However, Table FEE RATE-C does not explicitly refer to RECLAIM facilities as the fee rates are differentiated between Title V and non-Title V facilities, regardless of a facility's RECLAIM status. This lack of reference to RECLAIM facilities in both the table and the table note has led some applicants to mistakenly interpret that RECLAIM facilities are not subject to the change of operator fees, or are subject to a fee limit similar to the limits specified for non-RECLAIM facilities. Therefore, the proposed amendment

is necessary to clarify that the change of operator fees apply to all facilities, including RECLAIM facilities and that there is no limit to the change of operator fees for RECLAIM facilities.

#### **14. Addition of existing equipment/process to Table IB - Permit Fee Rate Schedules for Basic Equipment**

**Description of Proposed Amendment:** The proposed amendment would add two existing equipment/processes to Table IB, which establishes permit fee rate schedules for basic equipment. They include: 1) Carbon Dioxide Production Facility as Schedule F equipment/process, and 2) Chippers, Greenwaste (not including I.C. Engines) as Schedule A equipment/process.

**Proposed Amended Rule(s):** ***TABLE IB - PERMIT FEE RATE SCHEDULES FOR BASIC EQUIPMENT***

Equipment/Process	Schedule
[...]	[...]
Bulk Loading/Unloading	C
<u>Carbon Dioxide Production Facility</u> <u>Including, but not limited to, all</u> <u>or part of the following:</u> <u>Separator, Knockout Pot,</u> <u>Scrubber, Chiller, Pumps,</u> <u>Blowers, Oil Separator,</u> <u>Compressor, Intercoolers, Filters,</u> <u>Cooling Tower</u>	F
Carpet Processing System Including, but not limited to, all or part of the following: Process Tanks, Dryers, Carpet Beaters, Carpet Shears	D
[...]	[...]
Chip Dryer	D
<u>Chippers, Greenwaste, not including</u> <u>I.C. Engine</u>	A
Circuit Board Etchers	B
[...]	[...]

**Necessity:** Fees for the permitting of equipment are determined pursuant to Rule 301(c)(1)(A). For ease of understanding and greater transparency, Table 1B was created as a means of identifying the appropriate fee schedule for specific types of equipment commonly permitted by SCAQMD. It does not, and cannot, include the name of every potential piece of equipment. When equipment is not on Table 1B, Rule 301(c)(1)(A)(iii) provides SCAQMD

with authority to determine the most appropriate fee schedule. Table 1B has been periodically updated on an as-needed basis, e.g., when permits for certain types of equipment become more frequent. These updates help the regulated community determine which fee schedule applies.

Carbon Dioxide Production Facilities are not currently listed in Rule 301, Table IB - Permit Fee Rate Schedules for Basic Equipment. Pursuant to Rule 301(c)(1)(A)(iii), however, Schedule F fee rates have been applied since 1984 to Carbon Dioxide Production equipment/process as Carbon Dioxide Production plants are similar in size, scope, and complexity to Hydrogen Production plants, for which Schedule F fee rates apply. There are currently three active permits for Carbon Dioxide Production Facilities. The proposed addition of Carbon Dioxide Production Facilities to Table IB is necessary to memorialize the applicable fee rate schedule for equipment/process used at these facilities to ensure consistency and improve transparency.

Greenwaste chippers are also not currently listed in Table IB. The May 5, 2017 amendment to Rule 219(g)(2) clarified an exemption for wood shredding to specifically exclude greenwaste management (i.e., organic waste material generated from gardening, agricultural, or landscaping activities including, but not limited to, leaves, grass clippings, tree and shrub trimmings and plant remains). As such, greenwaste chippers were specifically identified as requiring a permit to operate, and therefore subject to permit fees based on Schedule A in accordance with Rule 301(c)(1)(I) until 12 months from the Rule 219 amendment.

Pursuant to Rule 301(c)(1)(A)(iii), Schedule A fee rates may continue to be charged based on SCAQMD staff's review of the permit applications for greenwaste chippers, which revealed that the level of project complexity and the required permitting staff's effort are commensurate with a Schedule A categorization. However, the proposed addition of greenwaste chippers to Table IB is necessary to memorialize the applicable fee rate schedule for such equipment to ensure consistency and improve transparency. The proposed addition excludes internal combustion (I.C.) engines used by greenwaste chippers, as more complex permitting will be required when the engines used to power such equipment are larger. These larger engines are permitted separately and do not need to be associated with the chipper itself such that the appropriate fee schedule based on size of the engine can be addressed independently from the chipper.

#### **15. Clarification and simplification of fee rate table for facility permit fees**

<b>Description of Proposed Amendment:</b>	The proposed amendment to Rule 301 Table VII would revise the table title to more accurately reflect the facility permit fees covered by this fee rate table. The proposed amendment would also simplify Table VII by consolidating the
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Title V and RECLAIM fees. References to Table VII are proposed to be added throughout Rule 301, where applicable.

**Proposed  
Amended  
Rule(s):**

TABLE VII  
~~SUMMARY OF FACILITY PERMIT FEES FOR FACILITIES THAT  
ARE RECLAIM ONLY, TITLE V ONLY, & AND BOTH RECLAIM &  
TITLE V FEES~~

Description	Rule section	<del>FY 2017-18</del>	FY 2018-19	FY 2019-20 and thereafter
<del>RECLAIM (1)</del>				
<del>Facility Permit</del> <del>Amendment/Revision Fee</del> <del>with Engineering Evaluation</del>	<del>(1)(54)</del> <del>(m)(4)</del>			
<ul style="list-style-type: none"> <li><del>RECLAIM only</del></li> </ul>		\$1,088.60	\$1,132.14 <u>1,170.63</u>	\$1,132.14 <u>1,170.63</u>
<ul style="list-style-type: none"> <li><del>Title V Only*</del></li> </ul>			<u>\$1,325.61</u>	<u>\$1,466.92</u>
<ul style="list-style-type: none"> <li><del>RECLAIM &amp; Title V*</del></li> </ul>		\$2,247.02	\$2,414.16 <u>2,496.24</u>	\$2,550.82 <u>2,637.55</u>
* Includes administrative, minor, de minimis significant, or significant amendment/revision				
<del>Facility Amendment Fee</del> <del>without Engineering Evaluation</del>	<del>(1)(5)</del>			
<ul style="list-style-type: none"> <li><del>RECLAIM only</del></li> </ul>		\$1,088.60	\$1,132.14	\$1,132.14
<ul style="list-style-type: none"> <li><del>RECLAIM &amp; Title V</del></li> </ul>		\$2,247.02	\$2,414.16	\$2,550.82
<del>Facility Permit Change of Operator</del>	<del>(c)(2)</del> <del>(1)(76)</del> <del>(m)(4)</del> <del>(n)(5)</del>			
<ul style="list-style-type: none"> <li><del>Facility Permit Amendment Fee</del></li> </ul>		\$1,088.60	\$1,132.14	\$1,132.14
+ <u>Plus</u>		+	+ <u>Plus</u>	+
<ul style="list-style-type: none"> <li><del>Application Processing Fee for Each Application</del></li> </ul>		\$633.40	\$658.74	\$658.74
			<u>Processing Fees</u> <u>(See Table FEE RATE-C)</u>	

Description	Rule section	FY 2017-18	FY 2018-19	FY 2019-20 and thereafter
<b>TITLE V (m)</b>				
<del>Administrative Permit Revision Fee</del>	<del>(m)(6)</del>	<del>\$1,158.42</del>	<del>\$1,282.02</del>	<del>\$1,418.68</del>
<del>Permit Revision Fee</del>	<del>(m)(7)</del>			
<del>• Minor permit revision</del>		<del>\$1,158.42</del>	<del>\$1,282.02</del>	<del>\$1,418.68</del>
<del>• De minimis significant permit revision</del>		<del>\$1,158.42</del>	<del>\$1,282.02</del>	<del>\$1,418.68</del>
<del>• Significant permit revision</del>		<del>\$1,158.42</del>	<del>1,282.02</del>	<del>\$1,418.68</del>
<u>Title V Facility Permit Renewal Fees (Due at Filing)</u>	<del>(m)(8)</del> (5)	<del>\$2,631.19</del>	<del>\$2,911.94</del> <u>3,010.95</u>	<del>\$3,222.35</del> <u>3,331.91</u>
+ Plus	<del>(m)(9)</del>	+	+ Plus	+ Plus
<u>Hourly Rate for Calculation of Final Fee if for Evaluation Time in Exceeds of 8 hours (Due upon Notification)</u>		<del>\$184.10 per hour</del>	<del>\$203.74</del> <u>210.67 per hour</u>	<del>\$225.46</del> <u>233.13 per hour</u>
<del>Change of Operator</del>				
<del>• Administrative Permit Revision Fee</del>	<del>(m)(6)</del>	<del>\$1,158.42</del>	<del>\$1,282.02</del>	<del>\$1,418.68</del>

**Necessity:**

The proposed amendment would reduce redundancy and opportunities for potential discrepancies by listing all facility permit related fee rates in Rule 301 Table VII, and where applicable, replacing facility permit related fee rates in rule sections with a reference to Table VII. The proposed amendment would also remove artificial distinctions between fee categories that have the same fee rates and clarify divisions between Title V-only, RECLAIM-only, and RECLAIM & Title V permit revisions/amendments.

**16. Removal or addition of multiple references in Rule 301, Rule 304, and Rule 313**

**Description of Proposed Amendment:** The proposed amendment would remove or update incorrect references and add needed clarifications throughout Rule 301. Specifically, it would: 1) replace a reference to “Table I” in clause (c)(1)(A)(iii) with a reference to “Table IA or Table IB”; 2) in subparagraph (c)(1)(I), reference the proposed numbered Table FEE RATE-A to specify the location for identifying “Schedule A” fee rates; 3) remove "Table III" table title from the emission fee threshold table included in paragraph (e)(5), as Table III in this subdivision refers to the Emission Fees table, which appears at the end of the rule; 4) in subparagraph (e)(10)(D), replace the erroneous reference to subparagraph (e)(8)(D), which does not exist in the current Rule 301, with the correct reference to subparagraph (e)(8)(C); 5) in subdivision (h), replace the erroneous reference to paragraph (e)(9) with the correct reference to paragraph (e)(10); 6) remove an irrelevant reference to the ERC processing rates table (Table FEE RATE-B) in proposed renumbered paragraph (l)(5) regarding change of operating conditions and in paragraph (q)(1) regarding NESHAP evaluations, as ERC processing fee rates are not applicable to the fees associated with those two paragraphs; 7) in proposed renumbered paragraph (l)(9), replace the erroneous reference to paragraph (e)(8)(B) with the correct reference to paragraph (e)(8)(A); 8) in paragraph (v)(6), replace the erroneous reference to subdivision (n) with the correct reference to subdivision (o); 9) remove the extraneous reference to Rule 306(d) in Rule 304(l)(3); and 10) in Rule 313(e)(1), replace the erroneous reference to Rule 306(f) with the correct reference to Rule 303(f).

**Proposed Amended Rule(s):*****Rule 301(c)(1)(A)(iii)***

A person applying for permits for any equipment/process not otherwise listed in Table IA or Table IB shall pay the fees associated with Schedule C. Prior to the issuance of a permit, these fees are subject to adjustment, as necessary.

***Rule 301(c)(1)(~~HH~~)*** Applications Submitted for Equipment Previously Exempted by Rule 219

[...] the permit processing fees assessed shall be in accordance with Schedule A of Table FEE RATE-A.

***Rule 301(e)(5)*** Emission Fee Thresholds

[...]

~~Table III~~

Air Contaminant(s)	Annual Emissions Threshold (TPY)
[...]	[...]

**Rule 301(e)(10)(D)**

The fees due and payable for the emissions reported or reportable pursuant to subparagraph (e)(8)(~~DC~~) shall be assessed according to the fee rate for that contaminant specified in Tables III, IV, and V, and further increased by fifty percent (50%). The fee rate to be applied shall be the fee rate in effect for the year in which the emissions are actually reported, and not the fee rate in effect for the year the emissions actually occurred.

**Rule 301(h) Reinstating Revoked Permits**

If a Permit to Operate is revoked for nonpayment of annual permit fees based on emissions or fees on non-permitted emissions, it may be reinstated upon payment by the permit holder of such overdue fees and accrued surcharge in accordance with (e)(~~9~~10).

**Rule 301(l)(~~65~~) Change of Operating Condition**

[...] a Change of Condition Fee shall be paid. Such fee shall be equal to the sum of fees assessed for each equipment subject to the change of condition as specified in ~~the Summary Permit Fee Rates – Permit Processing, Change of Conditions, Alteration/Modification – Table FEE RATE-A and in the Summary ERC Processing Rates – Banking, Change of Title, Alteration/Modification table.~~ [...]

**Rule 301(q)(1)**

At the time of filing an application for a Change of Operating Conditions submitted solely to comply with the requirements of a NESHAP, a NESHAP Evaluation Fee shall be paid. The fee shall be ~~\$336.57~~348.01. Additional fees shall be assessed at a rate of ~~\$166.35~~172.01 per hour for time spent in the evaluation in excess of two (2) hours, to a maximum total fee not to exceed the applicable Change of Conditions Fees listed for each affected piece of equipment as specified in ~~the Summary Permit Fee Rates – Permit Processing, Change of Conditions, Alteration/Modification – Table FEE RATE-A and in the Summary ERC Processing Rates – Banking, Change of Title, Alteration/Modification table.~~

**Rule 301(l)(~~109~~) RECLAIM Pollutant Emission Fee**

At the end of the reporting period specified in subparagraph (e)(8)(~~BA~~), RECLAIM facilities shall pay a RECLAIM Pollutant Emission Fee based on the facilities' total certified RECLAIM pollutant emissions. [...]

**Rule 301(v)(6) Procedure 4 & 5 Evaluation**

Fees for requested expedited reviews and evaluation of Procedure 4 or 5 plans per Rule 301(~~no~~) Asbestos Fees will be an additional fee of fifty percent (50%) of the Procedure 4 & 5 plan evaluation fee.

**Rule 304(l)(3)**

the operator pays a fee for the processing of the self-testing plan request at a rate of ~~\$131.34~~135.77 per person per hour, ~~pursuant to Rule 306(d)~~, so as not to exceed the amount necessary to recover the District costs.

**Rule 313(e)(1)**

The Executive Officer may, upon finding of administrative error by District staff regarding the calculation, imposition, noticing, handling, invoicing, and/or collection of any fee set forth in this Regulation, rescind, reduce, increase or modify such fee. In no case may the Executive Officer reduce the amount of the excess emission fee below that specified in Rule 3036(f), unless otherwise ordered by the Hearing Board.

**Necessity:** The proposed amendments would add clarity to Rule 301, Rule 304, and Rule 313 by removing outdated or erroneous references and adding clarifying references at multiple rule sections.

**17. Clarification of applicable fee rates for annual emission fees**

**Description of Proposed Amendment:** The proposed amendment to Rule 301 Table III – Emission Fees would clarify the applicable fee rates for larger amounts of annual emissions per criteria pollutant. For ease of use, it would make each bin of annual emissions mutually exclusive (refer to first table column), and except for carbon monoxide, repeat the applicable CPI-adjusted emission fees for the bin with annual emissions greater than 75 tons/year and less than 100 tons/year (refer to fourth table row) in the bin with annual emissions greater than or equal to 100 tons/year (refer to fifth table row).

**Proposed Amended Rule(s):**

**Rule 301**

TABLE III - EMISSION FEES

Annual Emissions (tons/yr)	Organic Gases* (\$/ton)	Specific Organics** (\$/ton)	Nitrogen Oxides (\$/ton)	Sulfur Oxides (\$/ton)	Carbon Monoxide (\$/ton)	Particulate Matter (\$/tons)
4 – 25	\$[...]	\$[...]	\$[...]	\$[...]	-	\$[...]
>25 – 75	\$[...]	\$[...]	\$[...]	\$[...]	-	\$[...]
>75 and <100	<del>\$1,469.4</del> <u>1,519.3</u> 7	<del>\$257.08</del> <u>265.82</u>	<del>\$846.20</del> <u>874.97</u>	<del>\$1,017.80</del> <u>1,052.41</u>	-	<del>\$1,121.67</del> <u>1,159.81</u>
≥100	<u>1,519.3</u> 7-	<u>\$265.82</u> -	<u>\$874.97</u> -	<u>\$1,052.41</u> -	\$[...]	<u>\$1,159.81</u> -

**Necessity:** The current organization of Rule 301 Table III – Emission Fees may cause potential confusion as to whether emission fees would apply to annual



emissions greater than or equal to 100 tons/year of all criteria pollutants, except carbon monoxide. Therefore, the proposed amendment is necessary to remove this ambiguity regarding applicable emission fees.

### **18. Correction of subparagraph numbering in Rule 304.1(c)(3)**

**Description of Proposed Amendment:** The proposed amendment would renumber all subparagraphs following (c)(3)(I) as subparagraph (c)(3)(J) does not currently exist.

**Proposed Amended Rule(s):** *Rule 304.1(c)(3)* Continuous Non-Recording Ambient Sampling With Laboratory Analysis of Sample Collected (Weekdays Only).  
 [...] [...] [...]  
 (~~K~~J) Analysis of Each Sample Collected in (G) For Particulates. [...]
   
 (~~L~~K) Gas Chromatograph/Mass Spectrometry Identification For [...]
   
 Any Sample Collected Above.  
 (~~M~~L) Additional Fees for Sample Pick-up and Analysis After [...]
   
 Normal Weekday Work-ing Hours.

**Necessity:** Rule 304.1 subparagraph (c)(3)(J) was deleted in 2005, but the ensuing subparagraphs were not renumbered accordingly. The proposed amendment is a belated administrative correction.

### **19. Correction of a typographical error regarding reference to Rule 109**

**Description of Proposed Amendment:** The proposed rule amendment would remove the erroneous reference to Rule 109.1 in Rules 306 and 301, and where applicable, replace it with the intended reference to Rule 109 – Recordkeeping for Volatile Organic Compound Emissions.

**Proposed Amended Rule(s):** *Rule 306(b)* Definitions  
 [...] Plans include, but are not limited to, the following: [...] Title V Exclusion Requests; ~~Rule 109.1~~; Smoke Management Plans; Burn Management Plans; Emergency Burn Plans; Post Burn Evaluation Reports; Rule 109 Alternative Recordkeeping System Plan; ~~and~~ Solid Waste Air Quality Assessment Test Reports (Health and Safety Code Section 41805.5); [...]

*Rule 306(k)* Alternative Recordkeeping System Plan Discount  
 For alternative recordkeeping system plan filed pursuant to Rule 109-1, [...]

*Rule 301(c)(3)(D)*  
 For permits reissued because of Rule 109-~~or Rule 109.1~~, [...]

**Necessity:** The proposed amendment is necessary to remove from Rules 306 and 301 the erroneous references to Rule 109.1, which does not exist. This typographical error initially occurred during the 2000 amendment to Rule 306. Based on the associated staff report, the originally intended reference was Rule 109, specifically the rule's subdivision (f) which discusses alternative recordkeeping systems and an associated plan. Therefore, it is necessary to replace the erroneous reference with a reference to Rule 109 where applicable.

**20. Clarification of applicable fee rates for plan filing and plan evaluation fees and the timing of billing any additional fees**

**Description of Proposed Amendment:** The proposed amendment to Rule 306(i)(1) would correct a typographical error that occurred during the 2017 amendment to Rule 306, which inadvertently removed the specific reference to "Various Location" for Rule 1166 plans under the list of Type A plans. The proposed amendment would restore the deleted reference and further clarify that Type C plans include Rule 1166 Fixed Site plans. The proposed amendment would further clarify the applicable fee rates for: 1) payment of plan filing fee by referencing Rule 306(c), and 2) payment of any additional fees due to the adjustment to plan evaluation fees at the time a plan is approved or rejected, by referencing Rule 306(d). Finally, the proposed amendment would also clarify the timing of billing additional plan evaluation fees, if any.

**Proposed Amended Rule(s):**

***Rule 306(i)(1) Plan Filing and Plan Evaluation or Submittal Fees***

In addition to payment of the filing fee pursuant to subdivision (c), the initial payment for plan evaluation fees shall be as shown in the table below in this subparagraph and paid at the time of filing. The adjustment to plan evaluation fees will be determined at the time a plan is approved or rejected and may include additional fees based upon actual review and work time billed at a rate pursuant to subdivision (d). ~~Notification of the amount due or refund will be provided to the applicant, and any additional fees due to the adjustment to plan evaluation fees will be billed following project completion.~~

<u>A – Rule 403, and 461 Plans and Rule 1166 Various Location Plans</u>	Non-Title V	Title V
— FY 2017-18	\$144.88	\$154.17
FY 2018-19	<del>\$150.68</del> 155.80	<del>\$170.62</del> 176.42
FY 2019-20 and thereafter	<del>\$150.68</del> 155.80	<del>\$188.81</del> 195.23
B – Rule 444, 1133 and 1415 Plans	See Rule 306(c)	See Rule 306(c)
<u>C – All Other Plans, including Rule 1166 Fixed Site Plans</u>	Non-Title V	Title V

— FY 2017-18	\$507.06	\$539.58
FY 2018-19	<u>\$527.34</u> <u>545.27</u>	<u>\$597.15</u> <u>617.45</u>
FY 2019-20 and thereafter	<u>\$527.34</u> <u>545.27</u>	<u>\$660.81</u> <u>683.28</u>

**Necessity:** Historically, the plan evaluation fee rate has been always higher for Rule 1166 Fixed Site Plans than for Rule 1166 Various Location Plans. This is because Rule 1166 Fixed Site Plans require more evaluation and review time than Rule 1166 Various Locations Plans. Rule 1166 Various Location Plans are designed for limited excavations and do not require additional evaluation regarding CEQA, site history/location, excavation processes, etc. Therefore, when initially implemented, the initial payment for Rule 1166 Various Location Plan evaluation fees was set based on an amount equivalent to one hour of evaluation time at the applicable Rule 306(d) fee rates (as for all Type A plans under Rule 306(i)(1)), whereas the initial payment for Rule 1166 Fixed Site Plans was set based on an amount equivalent to 3.5 hours of evaluation time at the applicable Rule 306(d) fee rates (as for all Type C plans under Rule 306(i)(1)).

However, during the 2017 amendment to Rule 306, the specific reference to "Various Location" was inadvertently removed and, therefore, it erroneously appears that all Rule 1166 Plans would be subject to the Type A plan evaluation fees. It is therefore necessary to restore the deleted reference and further clarify that the Type C plan evaluation fees are applicable to Rule 1166 Fixed Site Plans.

Furthermore, Rule 306(i)(1) currently lacks specific fee rate cross-references for payment of plan filing fee and any additional plan evaluation fees. Hence, it is necessary to clarify the applicable fee rates by: 1) referencing Rule 306(c) for payment of plan filing fees, and 2) referencing Rule 306(d) for any additional fees due to the adjustment to plan evaluation fees at the time a plan is approved or rejected. The added reference to Rule 306(d) is consistent with how the initial payment for plan evaluation fees were determined, as explained above.

Finally, for added rule clarity, it is also necessary to specify that any additional plan evaluation fees would be billed based upon actual plan review and work time, and the billing would occur after project completion.

## **21. Clarification of timing of request for optional expedited plan evaluation, the associated fees, and timing of fee payment**

**Description of Proposed Amendment:** The proposed amendment to Rule 306(i)(5) would clarify that a request for optional expedited processing of plan evaluation can only be made upon initial work submittal, and approval of such a request is contingent upon SCAQMD's ability to implement the necessary policies and procedures and the availability of qualified staff for overtime work. The proposed

amendment would further clarify the intent of Rule 306(i)(5) by specifying all applicable fees for optional expedited plan evaluation processing and by specifying the billing and timing of all fee payments in a consistent manner as in Rule 306(i)(1).

**Proposed  
Amended  
Rule(s):**

**Rule 306(i)(5) Optional Expedited Plan Evaluation Processing Fee**

Initial fees for requested expedited processing of plan evaluation will shall be an additional fifty percent (50%) of the applicable plan filing and initial evaluation fees pursuant to paragraph (i)(1), and shall be submitted at the time that the expedited processing is requested. The adjustment to expedited plan evaluation processing fee will be determined at the time a plan is approved or rejected and may include additional fees based upon actual review and work time billed at a rate for staff overtime which is equal to one half of staff's hourly rate as specified in subdivision (d). Notification of the amount due or refund will be provided to the applicant and any additional fees due to the adjustment to expedited plan evaluation processing fees will be billed following project completion. A request for expedited plan evaluation work can only be made upon initial work submittal, and approval of such a request is contingent upon the ability of the District to implement the necessary policies and procedures and the availability of qualified staff for overtime work.

**Necessity:**

For SCAQMD's resource planning purposes, the proposed amendment to Rule 306(i)(5) is necessary to clarify that a request for an expedited processing of plan evaluation can only be made upon initial work submittal and that the approval of any request for expedited plan evaluation is contingent upon SCAQMD's ability to implement the necessary policies and procedures and the availability of qualified staff for overtime work. This proposed amendment is similar to the existing requirement under Rule 301(v) for expedited processing of a permit, CEQA work, an application for an ERC/STC, Air Dispersion Modeling, HRA, and Asbestos Procedure 4 & 5 notifications.

The proposed amendment is additionally necessary to clarify the intent of Rule 306(i)(5) by specifying all applicable fees for optional expedited plan evaluation processing. Similar to Rule 301(v), the additional fees required for expedited plan evaluation represent fifty percent, or one half, of all applicable fees for a regular plan evaluation, which include plan filing fee, initial payment of plan evaluation fees, and any additional fees billed based upon actual review and work time, pursuant to Rule 306(i)(1). The proposed amendment is also necessary to clarify the billing process by specifying the billing and timing of all payments in a consistent manner as in Rule 306(i)(1).

## 22. Clarification of applicable fees and timing of payment for source test protocol/report evaluation

### Description of Proposed Amendment:

The proposed amendment to Rule 306 subdivisions (m) and (q) would lower applicable fees for Title V facilities for the evaluation of source test protocols and reports to the current rates for non-Title V facilities, plus the proposed CPI-based adjustment. The amendment would also remove the current fee rate tables which reference both Non-Title V and Title V facilities, and instead specify the CPI-adjusted minimum fee in the rule text, and reference the applicable hourly rate to Rule 306 subdivision (d). The proposed amendment would further clarify the timing for paying the minimum and additional fees for an evaluation of source test protocols and reports. It would also clarify all fees to be billed for an expedited evaluation of source test protocol or report. Rule 306 subdivision (d) is proposed to be also amended to clarify that the CPI-adjusted hourly rate is applicable to the total evaluation time incurred by evaluating staff. Finally, Rule 301(v)(4) is proposed to be amended to remove its applicability to requested expedited evaluation of source test protocols and reports.

### Proposed Amended Rule(s):

#### ***Rule 306(m) Protocol/Report/Catalyst Equivalency<sup>12</sup> Evaluation Fees***

- (1) A minimum fee of \$409.45 shall be charged for the evaluation of source test protocols and reports. ~~consist of a minimum fee, plus an~~ Additional fees for time spent on the evaluation in excess of 5 hours shall be assessed at ~~an~~ the hourly rate specified in subdivision (d) for non-Title V facilities. The established minimum fee and additional fees for time spent on the evaluation in excess of 5 hours shall be billed after project completion. Fees are due at the time specified in the bill, which will allow a reasonable time for payment. ~~as follows:~~

<del>A</del> Minimum Fee	Non Title V	Title V
<del>—</del> FY 2017-18	\$380.76	\$405.18
<del>—</del> FY 2018-19	\$395.99	\$448.41
<del>—</del> FY <del>2019-20</del> and thereafter	\$395.99	\$496.21
<del>B</del> Hourly Rate for Additional Fee	Non Title V	Non Title V
<del>—</del> FY 2017-18	\$144.88	\$154.17
<del>—</del> FY 2018-19	\$150.68	\$170.62

<sup>12</sup> The proposed amendment related to catalyst equivalency evaluation in Rule 306 subdivisions (m) and (q) is separately discussed in Section III, Item 9: New fees to recover costs associated with optional catalyst equivalency evaluation.

<del>— FY — 2019-20 — and thereafter</del>	\$150.68	\$188.81
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(2) [...]

**Rule 306(q)** Optional Expedited Protocol/Report/Catalyst Equivalency Evaluation Processing Fee

(1) Fees for requested expedited processing of Protocol/Report Evaluations, will be an additional fee based upon actual review and work time billed at a rate for staff overtime which is equal to one half of staff's hourly rate ~~plus mileage as specified in subdivision (d) for non-Title V facilities.~~ The established “minimum fee” and additional fees for time spent on the evaluation in excess of 5 hours found in Rule 306(m)(1) shall be paid ~~at the time of filing~~ with the additional overtime fee billed following project completion ~~(adjustments to the final bill will be made accordingly for the processing time which is included in the minimum fee).~~ Fees are due at the time specified in the bill which will allow a reasonable time for payment. Request for expedited Protocol/Report Evaluation work can only be made upon initial work submittal, and approval of such a request is contingent upon the ability of the District to implement the necessary policies and procedures and the availability of qualified staff for overtime work.

<del>Hourly Rate in Addition to Rule 301 (m) Fee</del>	Non-Title V	Title V
<del>— FY 2017-18</del>	\$220.03	\$234.14
<del>— FY 2018-19</del>	\$245.42	\$259.12
<del>— FY 2019-20 and thereafter</del>	\$245.42	\$286.74

(2) [...]

**Rule 306(d)** Plan Evaluation Fee

The plan evaluation fee shall be an amount equal to the total actual and reasonable time incurred by ~~the District staff~~ for evaluation of a plan, assessed at the hourly rate per person per hour or prorated portion thereof as follows:

Facility Type	Non-Title V	Title V
<del>FY 2017-18</del>	\$144.88	\$154.17
FY 2018-19	<del>\$150.68</del> 155.80	<del>\$170.62</del> 176.42
FY 2019-20 and thereafter	<del>\$150.68</del> 155.80	<del>\$188.81</del> 195.23

***Rule 301(v)(4) Air Dispersion Modeling, and HRA, ~~Source Test Protocols and Reports~~ Fees***

Fees for requested expedited review and evaluation of air dispersion modelings, and health risk assessments, ~~source test protocols and source test reports~~ will be an additional fee based upon actual review and work time billed at a rate for staff overtime which is equal to the staff's hourly rate of ~~\$139.34~~ \$144.05 plus ~~\$72.26~~ \$74.72 per hour (one half of hourly plus mileage).

**Necessity:** The proposed amendment is necessary to further clarify the applicable fees and billing time for the evaluation of source test protocols and reports.

There are currently differential fee rates for Title V and non-Title V facilities in Rule 306 subdivisions (m) and (q). The differential rates exist for many fees throughout Regulation III and were adopted in June 2017, as a result of the programmatic effort to refine SCAQMD's revenue-cost alignment. However, based on staff's evaluation of the billing process for source test protocol/report evaluation (which is different than the billing of most fees for the permitted source program), the current fee differential between Title V and non-Title V facilities is less than the cost associated with the additional staff effort needed to determine, track, and bill at the higher Title V rate. Staff believes, that with respect to Source Testing, the lower non-Title V rate is sufficient to recover the reasonable costs of its activities. As a result, it is proposed that Title V fee rates be lowered such that non-Title V fee rates would apply to all fees related to evaluation of source test protocols and reports, including the minimum fees and additional fees for time spent on the evaluation in excess of 5 hours under Proposed Amended Rule 306(m)(1), and the overtime fee for expedited evaluation of source test protocols and reports under Proposed Amended Rule 306(q)(1). For the overtime fee, staff also proposes to not include mileage, therefore resulting in a lower overall hourly rate for expedited source test protocol/report evaluation: \$233.70 [= (\$150.68 × (1 + 3.4%)) + (\$150.68 × (1 + 3.4%) × 0.5)], as compared to \$253.76 [= \$245.42 × (1 + 3.4%)] based on the current rule's non-Title V overtime rate, adjusted for CPI increase.

To simplify the rule language, remove redundant fee rates in the Proposed Amended Rule 306 subdivisions (m) and (q), and to reduce repetition of the same fee rates in Rule 306, staff proposes to remove the current fee rate tables in Rule 306 subdivisions (m) and (q), specify the CPI-adjusted minimum fee in the rule text, and reference the applicable hourly rate to Rule 306 subdivision (d). Rule 306 subdivision (d) is proposed to be also amended to clarify that the CPI-adjusted hourly rate is applicable to the total evaluation time incurred by evaluating staff.

Moreover, the proposed amendment is necessary to further clarify the timing for paying the minimum and additional fees for evaluation of source test protocols and reports. The proposed amendment would add the clarification in Proposed Amended Rule 306(m)(1) that "[t]he established minimum fee

and additional fees for time spent on the evaluation in excess of 5 hours shall be billed after project completion. Fees are due at the time specified in the bill, which will allow a reasonable time for payment.” At the same time, it would delete from current Rule 306(q) the language requiring the minimum fee to be paid at the time of filing, and the language regarding adjustments to the final bill to reflect overtime fee. In lieu of the language proposed to be deleted, Proposed Amended Rule 306(q)(1) would clarify that, for optional expedited evaluation of source test protocol or report, all applicable fees, including the minimum fee, additional fees for time spent on the evaluation in excess of 5 hours, and overtime fee, will all be billed after project completion.

Finally, Rule 301(v)(4) is proposed to be amended to remove its applicability to requested expedited evaluation of source test protocols and reports. This proposed amendment is necessary as there currently exists an ambiguity regarding the applicable fee rate(s) for an optional request for expedited evaluation of source test protocols and reports. The proposed amendments to Rule 306(q) and to Rule 301(v)(4) would remove this ambiguity and result in an overtime fee that is billed based on one half of the same hourly rate as charged for a regular/non-expedited evaluation of source test protocols and reports for time spent on the evaluation in excess of 5 hours.

### **23. Removal of a redundant definition and correction of small business maximum fee and typographical errors in Rule 307.1**

**Description of Proposed Amendment:** The proposed amendment to Rule 307.1(c)(13) would remove the redundant definition of Industry-Wide Facility, which refers to those facilities already encompassed in the more expansive definition of State Industry-Wide Facility under the proposed renumbered Rule 307.1(c)(29). Additionally, staff proposes to amend Rule 307.1(d)(2)(D) to correct the inadvertent past adjustments to the small business maximum fee, based on CPI increases. This maximum fee is set by state law at \$300 and should not have been adjusted for CPI (California Code of Regulations Title 17, Section 90704(h)(2)). Finally, the proposed amendment to Rule 307.1(d)(9) would correct two typographic errors, including: 1) the erroneous abbreviation of the North American Industry Classification System (NAICS) in subparagraph (d)(9)(D), and 2) the erroneous NAICS code for the Boat Building industry in subparagraph (d)(9)(F).

**Proposed Amended Rule(s):** *Rule 307.1(c)(13)*  
~~INDUSTRY WIDE FACILITY means a facility that qualifies to be included in an industry wide emission inventory prepared by the District pursuant to Health and Safety Code Section 44232, or an individual facility which emits less than ten (10) tons per year of each criteria pollutant, falls within a class composed of primarily small businesses, and whose emissions inventory report was prepared by the District.~~



***Rule 307.1(d)(2)(D)***

The maximum fee that a small business as defined in this rule shall pay is \$377.22~~300.00~~.

***Rule 307.1(d)(9)(D)***

The facility is a wastewater treatment plant as described by NAICS Code 221320, [...]

***Rule 307.1(d)(9)(F)***

The facility is primarily a boat building and repair facility or primarily a ship building and repair facility as described by NAICS Codes 336611, 336612, 488390 or 811490, [...]

**Necessity:** The proposed amendment would remove the redundant definition of Industry-Wide Facility in Rule 307.1(c)(13). This definition refers to a subset of State Industry-Wide Facilities as defined in the proposed renumbered Rule 307.1(c)(27). Moreover, all related requirements in Rule 307.1 refer to State Industry-Wide Facility and not to Industry-Wide Facility. At the same time, it is necessary to amend Rule 307.1(d)(2)(D) to correct the inadvertently CPI-adjusted small business maximum fee back to the maximum of \$300 as set by state law. The proposed amendment is also necessary to correct the aforementioned typographical errors in Rule 307.1.

## **V. IMPACT ASSESSMENT**

### **A. FISCAL IMPACT FOR SCAQMD**

For FY 2018-19, the 3.4% across-the-board CPI adjustments in Regulation III fees, (other than fees excluded) commensurate with the change in the CY 2017 CPI, will result in \$3.1 million for FY 2018-19. Other proposed rule amendments with fee impacts will generate approximately \$1.3 million and continue our efforts to more fully recover the costs of the Permitted Source Program activities. These projected fee impacts, along with the ~~third~~<sup>second</sup>-year phase-in of the fee increases for Title V and non-Title V facilities (10.67% and 4.0% respectively), would contribute to the majority of fee revenue changes from FY 2017-18 to FY 2018-19 as estimated in Table 10 (excluding mobile source revenue which are special revenue funds outside of the General Fund budget).

**Table 10: Actual and Estimated SCAQMD Revenue**

Revenue Category	FY 2015-2016 Actual* (Thousands)	FY 2016-2017 Actual* (Thousands)	FY 2017-2018 Estimated** (Thousands)	FY 2018-2019 Projected (Thousands)	Changes in Revenue (from FY 2017-2018 Estimated)	
					Thousands	%
Emission Fees	\$18,985	\$18,964	\$19,827	\$19,729	-\$98	-0.5%
Annual Renewal Fees (w/o PERP)	\$46,380	\$47,561	\$51,395	\$57,271	\$5,876	11.4%
Permit Processing Fees	\$17,240	\$20,729	\$18,051	\$19,857	\$1,805	10.0%
Mobile Sources/Clean Fuels	\$21,968	\$23,793	\$26,177	\$30,625	\$4,448	17.0%
Sources Test & Lab Analysis	\$683	\$734	\$756	\$782	\$26	3.4%
Hearing Board Fees	\$164	\$188	\$317	\$259	-\$58	-18.4%
Transportation Program ( Rule 2202) Fees	\$892	\$840	\$920	\$951	\$31	3.4%
Other Revenue***	\$28,093	\$36,083	\$32,965	<del>\$31,642</del> 33,158	<del>-\$1,324</del> 192	<del>-</del> 4.006%
Total	\$134,405	\$148,893	\$150,409	<del>\$161,115</del> 162,631	<del>\$10,706</del> 12,222	<del>7.4</del> 7.81%

(Note: Numbers may not sum up due to rounding.)

\* Information as reported in the Comprehensive Annual Financial Reports (FYs 2015-16 & 2016-17).

\*\* Estimates are based on actual revenue received through February 2018.

\*\*\* Other Revenues include: CARB Subvention; State and Federal Grants; Interest; Lease Income; Penalties/Settlements; Subscriptions; AB 2588 Reimbursement; Miscellaneous Revenues; Portable Equipment Registration Program (PERP); Area Sources; and Transfers In (from special revenue funds).

## **B. CALIFORNIA ENVIRONMENTAL QUALITY ACT**

Pursuant to the California Environmental Quality Act (CEQA) and SCAQMD Rule 110, the SCAQMD, as lead agency for the proposed project, has reviewed Proposed Amended Regulation III, which consists of fee updates, new fees and amendments to Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315, in accordance with: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. With respect to the proposed fee updates, new fees, and amendments in Proposed Amended Regulation III that are strictly administrative in nature, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule. Additionally, the entirety of the proposed project is statutorily exempt from CEQA requirements pursuant to CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, because the proposed fee updates, new fees, and amendments to Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315 involve charges by public agencies for the purpose of meeting operating expenses and financial reserve needs and requirements. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section

15062 – Notice of Exemption. If the project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino counties.

### C. SOCIOECONOMIC IMPACT ASSESSMENT

A draft socioeconomic impact assessment for the automatic CPI-based fee increase ~~was~~<sup>has been</sup> prepared as a separate report and was posted online on March 14, 2018 (available on SCAQMD's website at: [http://www.aqmd.gov/docs/default-source/finance-budgets/fy-2018-19/draft-socioeconomic-assessment-for-automatic-cpi-increase\\_2018.pdf](http://www.aqmd.gov/docs/default-source/finance-budgets/fy-2018-19/draft-socioeconomic-assessment-for-automatic-cpi-increase_2018.pdf).) A ~~draft~~ socioeconomic impact assessment of other proposed rule amendments with fee impacts ~~was also prepared and has been conducted. It is scheduled to be~~<sup>was</sup> released for public review and comment on April 4, 2018, ~~along with this Draft Staff Report.~~ Both documents have now been finalized in preparation for the public hearing.

## VI. DRAFT FINDINGS UNDER CALIFORNIA HEALTH AND SAFETY CODE

Before adopting, amending or repealing a rule, the SCAQMD Governing Board shall make findings of necessity, authority, clarity, consistency, non-duplication, and reference, as defined in H&SC Section 40727, as well as findings of equity under H&SC Section 40510.5(a). The draft findings are as follows:

### A. NECESSITY

Based on the analysis provided in Sections II, III, and IV of this report, the SCAQMD Governing Board has determined that a need exists in order to recover reasonable and actual costs incurred by SCAQMD in implementing necessary clean air programs and to add rule clarity, to amend Regulation III – Fees, including Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315 to fund the Proposed Budget in Fiscal Year 20178-189-Budget and thereafter.

### B. EQUITY

Health and Safety Code Section 40510.5(a) requires the SCAQMD Governing Board to find that an increased fee will result in an equitable apportionment of fees when increasing fees beyond the CPI. Based on the analysis provided in Section III of this report, the proposed new fees ~~or and proposed~~ increases in fee rates beyond the CPI in Proposed Amended Rules 301, 306, and Rule 307.1 are found to be equitably apportioned because such fees are necessary to better align program costs and revenues, are based on the reasonable costs to SCAQMD, and are reasonably related to the benefits received and burdens imposed by the fee payors.

### C. AUTHORITY

The SCAQMD Governing Board obtains its authority to adopt, amend, or repeal rules and regulations from H&SC Sections 40000, 40001, 40440, 40500, 40500.1, 40502, 40506, 40510, 40510.5, ~~40511, 40512,~~ 40522, 40522.5, 40523, 40701.5, 40702, 41512, and 44380, and Clean Air Act section 502(b)(3) [42 U.S.C. §7661(b)(3)] .

#### **D. CLARITY**

The SCAQMD Governing Board has determined that Proposed Amended Regulation III – Fees, including Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315, ~~as proposed to be amended~~, are ~~is~~ written or displayed so that their meaning can be easily understood by the persons directly affected by them.

#### **E. CONSISTENCY**

The SCAQMD Governing Board has determined that Proposed Amended Regulation III – Fees, including Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315 ~~as proposed to be amended~~, are ~~is~~ in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations.

#### **F. NON-DUPLICATION**

The SCAQMD Governing Board has determined that Proposed Amended Regulation III – Fees, including Proposed Amended Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315, ~~as proposed to be amended~~, does not impose the same requirements as any existing state or federal regulation and are necessary and proper to execute the power and duties granted to, and imposed upon, the SCAQMD.

#### **G. REFERENCE**

The SCAQMD Governing Board, in amending Regulation III – Fees ~~these rules~~, references the following statutes which the SCAQMD hereby implements, interprets, or makes specific: H&SC Sections 40500, 40500.1, ~~40502, 40506~~, 40510, 40510.5, ~~40511, 40512~~, 40522, 40522.5, 40523, 41512, and 44380, and Clean Air Act section 502(b)(3) [42 U.S.C §7661(b)(3)].

### **VII. COMMENTS AND RESPONSES**

~~No written public comments have been submitted to the SCAQMD staff since the March 19, 2018 release of Proposed Amended Regulation III – Fees and the accompanying Preliminary Draft Staff Report, and the March 20, 2018 Public Consultation Meeting on PAR III. Since the April 4, 2018 release of the 30-day package for Proposed Amended Regulation III – Fees, three comment letters were submitted to SCAQMD. One comment letter was submitted by the Western States Petroleum Association (WSPA) with regards to the proposed Refinery Related Community Air Monitoring System Annual Operating and Maintenance Fees as specified in PAR 301(aa). Two additional comment letters were submitted by the Southern California Air Quality Alliance (SCAQA) and the California Council for Environmental and Economic Balance (CCEEB), respectively, with regards to the proposed Facility Permit Reissuance Fee for Facilities Exiting RECLAIM as specified in PAR 301(l)(16).~~

## Comment Letter - 1



Western States Petroleum Association  
Credible Solutions • Responsive Service • Since 1907

**Bridget McCann**

Manager, Southern California Region

April 9, 2017

Dr. Philip Fine  
Deputy Executive Officer, Planning and Rules  
South Coast Air Quality Management District  
21865 Copley Dr  
Diamond Bar, CA, 91765

Via e-mail at: pfine@aqmd.gov

Re: Proposed Amended Regulation III – Fees, Rule 301(aa) Refinery Related Community Air Monitoring System Annual Operating and Maintenance Fees

Dear Dr. Fine:

Western States Petroleum Association (WSPA) appreciates this opportunity to provide feedback on South Coast Air Quality Management District (SCAQMD or District) Proposed Amended Regulation III – Fees, Rule 301(aa) Refinery Related Community Air Monitoring System Annual Operating and Maintenance Fees. WSPA is a non-profit trade association representing companies that explore for, produce, refine, transport and market petroleum, petroleum products, natural gas and other energy supplies in five western states including California.

In response to the Proposed Amended Regulation III – Fees Draft Staff Report and Proposed Amended Rule 301, Permitting and Associated Fees draft language, WSPA offers the following comments:

1. Refinery-related community air monitoring system operating and maintenance fees pursuant to Rule 1180 and California Health and Safety Code (H&SC) Section 42705.6 should be reassessed by SCAQMD in a Regulation III rulemaking process every three years. 1-1
  - a. As part of the reassessment, SCAQMD should take into consideration and remove any costs that are not refinery related pursuant to H&SC Section 42705.6 (f)(2).
2. A mechanism should be developed for annual carry-over of any unused refinery-related community air monitoring system operating and maintenance fees. Examples of acceptable mechanisms would include: 1-2
  - a. Separate funds to collect annual carry-over fees from individual facilities to apply against refinery-related community air monitoring system operating and maintenance fees for each corresponding facility the following year
  - b. Carry-over of any unused refinery-specific community air monitoring system operating and maintenance fees should be allocated to the funding refinery(ies) to offset annual consumer price index (CPI) adjustments per Rule 320 Automatic Adjustment Based on Consumer Price Index for Regulation III-Fees
3. The District should allow facilities to review their respective refinery-related community air monitoring system operating and maintenance costs pursuant to Rule 1180 and H&SC Section 42705.6 prior to the finalization of any SCAQMD financial audit. 1-3

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bmccann@wspa.org www.wspa.org

Dr. Fine  
April 9, 2017  
Page 2

If you have any questions, please contact me at (310) 808-2146 or by email at [bmccann@wspa.org](mailto:bmccann@wspa.org).

Sincerely,



cc: Patty Senecal, WSPA  
Jason Low, SCAQMD  
Aaron Katzenstein, SCAQMD  
Michael Krause, SCAQMD

970 W. 190<sup>th</sup> Street, Suite 304, Torrance, California 90502  
(310) 808-2146 Fax: (310)324-9063  
[bmccann@wspa.org](mailto:bmccann@wspa.org) [www.wspa.org](http://www.wspa.org)

- 1-1 Response:** SCAQMD staff has revised PAR 301 (aa) specific to Refinery Related Community Air Monitoring System Annual Operating and Maintenance Fees to include a provision for triennial reassessments pertaining to refinery-related community air monitoring operating and maintenance costs.
- 1-2 Response:** Staff has estimated these fees based on the expectation that they will recover actual costs incurred. Neither overages nor deficits are anticipated at this time. During the triennial fee reassessment required by paragraph (aa)(4) of PAR 301 the SCAQMD staff will evaluate if a fee adjustment is necessary. SCAQMD staff will use historical operating and maintenance costs associated with refinery-related community air monitoring to determine the appropriate fees during the reassessment and will take into consideration the existence of any historical differences between collected fees and program expenditures.
- 1-3 Response:** The SCAQMD financial audit is conducted prior to Governing Board approval of the annual budget and generally would not provide the level of detail being requested in the comment. However, the SCAQMD staff can provide the comparison of the annual fees collected for the operation and maintenance of refinery-related community air monitoring systems to annual expenditures upon request.



April 18, 2018

## Comment Letter - 2

Elaine Shen, Ph.D.  
Program Supervisor  
South Coast Air Quality Management District  
21865 E. Copley Drive  
Diamond Bar, CA 91765

Re: PAR 301

Dear Dr. Shen:

As Executive Director of the Southern California Air Quality Alliance I am providing the following comments on the proposed amendments to Rule 301 dealing with fees for permit revisions necessitated by a facility exiting RECLAIM.

Proposed Rule 301(l)(16) requires the payment of fees based on the number of permit RECLAIM NOx sources at a facility. The fee rate table proposes three schedules: less than 10 sources, 10-20 sources and more than 20 sources. The fee increase between the second schedule (\$6,320) and the third (\$12,067) is more than a factor of three. In our view this is too great a “jump” between facilities with 20 and facilities with 21 or more. We would suggest an intermediate step be provided. Additionally, if most of the NOx sources at a facility are the same (i.e., boilers, emergency generators, i.c. engines, etc. subject to the same command and control rule requirements) each additional unit adds little to the work involved in revising permit conditions. Rule 301 has provisions for discounting permit evaluation fees for multiple pieces of equipment in other sections and there should be a similar consideration for RECLAIM facilities with multiple pieces of equipment subject to the same “landing rules.” Perhaps this could be done by aggregating the multiple pieces of equipment subject to the same landing rules so that they don’t each count as a “separate” NOx source for purposes of Rule 301(l)(16). This would allow for a lower “base rate” to be charged, but T&M fees could be assessed if they were needed.

2-1

2-2

We also believe that close administrative oversight and time management will be necessary to assure that facilities are equitably charged for the time work needed to revise the facility permits, and that the District’s Fee Review Committee should be available to review and correct instances of inequitable treatment. We will continue to closely monitor the implementation of these provisions.

2-3

2-4

Very truly yours

Curtis L. Coleman, Esq.  
Executive Director  
Southern California Air Quality Alliance

6601 Center Drive West  
Suite 500  
Los Angeles, CA 90045  
Attn: Curtis L. Coleman  
(310) 348-8186 Ph  
(310) 861-1484 Fax  
colemanlaw@earthlink.net

cc: Dr. Philip Fine



**2-1 Response:** The fees proposed pursuant to PAR 301(l)(16) include an initial flat fee, plus an additional time and materials (T&M) charge where applicable. Both the initial flat fee and T&M charge are tiered based on the number of permitted RECLAIM NOx sources at the facility. Both the initial flat fee and T&M charge are also differentiated based on a facility's Title V status. The fee rates referred to in the comment represent the proposed initial flat fees for Title V facilities with 10 to 19 pieces of permitted RECLAIM NOx source equipment (\$6,320) and for Title V facilities with 20 or more pieces of permitted RECLAIM NOx source equipment (\$21,067), respectively. (\$12,067 stated in the comment was likely a typographical error.)

The proposed initial flat fee covers the estimated minimum or baseline number of hours needed to evaluate and convert each facility permit. The baseline number of hours and the initial fees have been increased at each tier to reflect the increased complexity that is typically correlated with the number of devices to be evaluated. Because the baseline hours have been set for each tier based on the minimum number of RECLAIM devices and the minimum level of effort, it is anticipated that the majority of evaluations will involve some T&M billing to fully recover reasonable costs of necessary efforts by SCAQMD. The additional T&M charge will be determined on a case-by-case basis, depending on the total number of hours needed to complete each permit conversion. Therefore, the difference in total payable fees (i.e., initial flat fee plus T&M charge) may not be as great as suggested in the comment between facilities classified in different tiers as specified in the proposed fee schedules in PAR 301(l)(16).

**2-2 Response:** As stated in the comment, the overall evaluation efforts, thus the associated costs, may be lower than staff's previous estimates if a facility has multiple pieces of equipment that are similar and subject to the same "landing rules" (i.e., command-and-control rules applicable to NOx source equipment in a former NOx RECLAIM facility). Based on staff's evaluation, this is more likely the case among facilities with a large number of permitted RECLAIM NOx sources. Therefore, the fee schedules in PAR 301(l)(16) have been revised to include a lower initial flat fee based on a lower baseline number of hours for facilities with 20 or more permitted RECLAIM NOx sources. Specifically, the applicable baseline hours have been lowered to 50 hours from 70 hours for non-Title V facilities, and to 60 hours from 100 hours for Title V facilities. Correspondingly, the applicable initial flat fee has been lowered to \$9,302 from \$13,023 for non-Title V facilities, and to \$12,640 from \$21,067 for Title V facilities. At the same time, the T&M charge applicable to the evaluation hours that are additional to the baseline hours will continue to ensure the recovery of reasonable costs incurred by SCAQMD to evaluate and convert a NOx RECLAIM Facility Permit to a Command-and-Control Facility Permit. Moreover, the lower initial flat fee for facilities with 20 or more permitted RECLAIM NOx sources will also serve to narrow the difference from the initial flat fee for facilities with 10-19 permitted RECLAIM NOx sources. For Title V facilities, the difference is reduced from a factor of 3.3 to a factor of 2.

**2-3 Response:** SCAQMD will exercise appropriate oversight over the permit conversion process. Since SCAQMD undertook the initiative in 2016 to expeditiously reduce its permit application backlogs, staff has implemented multiple efficiency-improving measures. As a result, the number of pending applications decreased by nearly half between second quarter of 2016 and fourth quarter of 2017. SCAQMD staff will ensure that the lessons learned and efficiency gained through the backlog-reducing effort will be fully applied to the conversion from a RECLAIM Facility Permit to a Command-and-Control Facility Permit. The fees proposed pursuant to PAR 301(l)(16) have been based on the most up-to-date permit processing experience and are necessary to recover the reasonable costs of SCAQMD’s efforts.

**2-4 Response:** SCAQMD staff will continue to ensure that all fees are appropriately billed and collected. With respect to the Fee Review Committee, the scope of its authority is defined by Rule 313. Generally, the Committee has authority to adjust fees or reinstate permits where there has been an administrative error by SCAQMD, to extend the due date for payment of certain fees for good cause, and to waive or refund fees under circumstances set forth in Rule 313.

**California Council for Environmental and Economic Balance**

101 Mission Street, Suite 1440, San Francisco, California 94105  
415-512-7890 phone, 415-512-7897 fax, [www.cceeb.org](http://www.cceeb.org)

**Comment Letter - 3**

April 24, 2018

Elaine Shen, Ph.D.

Program Supervisor Planning, Rule Development & Area Sources

South Coast Air Quality Management District

21865 Copley Drive

Diamond Bar, CA 91765

Submitted electronically to [eshen@aqmd.gov](mailto:eshen@aqmd.gov)

RE: Proposed Amended Regulation III – Fees

Dear Dr. Shen,

We submit the following comments on behalf of the California Council for Environmental and Economic Balance (CCEEB) on Proposed Amended Regulation III (PAR III).<sup>1</sup> CCEEB is a nonpartisan, nonprofit coalition of business, labor, and public leaders that advances strategies for a healthy environment and sound economy. CCEEB represents many facilities that operate in the South Coast Air Quality Management (District) and that are subject to its fees.

Our comment is regarding the new fees proposed for permit processing during a facility's transition out of the Regional Clean Air Incentives Market (RECLAIM) to command-and-control rules. As currently drafted, PAR 301(l)(16) establishes a facility permit reissuance fee for facilities exiting NOx RECLAIM pursuant to Rule 2002(f)(7). As proposed, the District would bill facilities by an initial flat fee, plus an additional time and materials (T&M) charge where applicable. Both the initial flat fee and T&M charge are differentiated based upon a facility's Title V status, and then tiered based on the number of permitted NOx RECLAIM sources at the facility.

CCEEB seeks that the T&M charges be capped at \$13,023 for non-Title V and \$21,067 for Title V facilities. We believe this supports the District's approach to identify the least resource intensive pathway and to minimize cost impacts during the RECLAIM transition.<sup>2</sup> It will also ensure RECLAIM permit reissuance costs are adequately recovered and also provide facilities the needed economic certainty regarding the transition.<sup>3</sup>

3-1

<sup>1</sup> SCAQMD PAR III referenced is dated April 4, 2018

<sup>2</sup> SCAQMD NOx RECLAIM Working Group Presentation. April 12, 2018.

<sup>3</sup> The proposed cap on charges would provide cost recovery for up to approximately 70 hours for a non-Title V facilities and 110 hours for Title V facilities, assuming the T&M charges specified in paragraph (l)(16).

RE: PAR Reg. III

April 24, 2018

Page 2 of 2

CCEEB also agrees with other stakeholders in the need for a downward adjustment of the initial flat fee as proposed in the third tier of 20 or more permitted RECLAIM NO<sub>x</sub> sources. We understand that District staff is planning to make this adjustment to close the large disparity between the second and third initial flat fee tiers as proposed in paragraph (l)(16).

3-2

We appreciate the opportunity to provide these comments on the PAR III and look forward to continuing to engage staff in the rulemaking and broader public process. In the meantime, should you have any questions or wish to discuss our comments further, please contact me ([billq@cceeb.org](mailto:billq@cceeb.org) or 415-512-7890 ext. 115), Janet Whittick ([janetw@cceeb.org](mailto:janetw@cceeb.org) or ext. 111), or Devin Richards ([devinr@cceeb.org](mailto:devinr@cceeb.org) or ext. 110).

Sincerely,



Bill Quinn  
*CCEEB Vice President*  
*South Coast Air Project Manager*

cc: Philip Fine, SCAQMD  
Jerry Secundy, CCEEB  
Janet Whittick, CCEEB  
Devin Richards, CCEEB  
CCEEB South Coast Air Project Members

- 3-1 Response:** SCAQMD staff will continue to ensure that all fees are appropriately billed and collected, and they are no more than necessary to recover the reasonable costs of SCAQMD’s efforts. Staff believes that, at this initial stage of program transition where no facilities have exited the NOx RECLAIM program, it is premature to establish a cap or maximum of T&M charges that SCAQMD will be able to collect. For instance, if a facility has a large number of permitted RECLAIM NOx sources that will be subject to multiple command-and-control rules and compliance plan requirements, the suggested caps could potentially hinder SCAQMD’s ability to adequately recover the reasonable costs of SCAQMD staff’s evaluation hours to complete the conversion of a RECLAIM Facility Permit to a Command-and-Control Facility Permit.
- 3-2 Response:** The comment with respect to the difference in initial flat fees is addressed in Response 2-1 to the SCAQA comment letter (Comment Letter – 2). As separately discussed in Response 2-2, the fee schedules in PAR 301(l)(16) have been revised to include a lower initial flat fee based on a lower baseline number of hours for facilities with 20 or more permitted RECLAIM NOx sources. The T&M charge, which is applicable to the evaluation hours that are additional to the baseline hours, will continue to ensure the recovery of reasonable costs incurred by SCAQMD.

**APPENDIX A – RULE 320**

(Adopted October 29, 2010)

**RULE 320. AUTOMATIC ADJUSTMENT BASED ON CONSUMER PRICE INDEX FOR REGULATION III FEES****(a) Purpose**

The purpose of this rule is to automatically adjust most fees established in Regulation III by the California Consumer Price Index each year, unless a rule adopted for a specific year provides otherwise for some or all of those fees.

**(b) Applicability**

Effective July 1 of each calendar year after October 29, 2010, each fee set forth in Regulation III as of October 29, 2010 shall be automatically adjusted by the change in the California Consumer Price Index for the preceding calendar year, as defined in Health and Safety Code §40500.1(a).

**(c) Exceptions**

- (1) The provisions of subdivision (b) shall not apply for any fiscal year for which a rule is adopted for a specific fee or fees or for all fees that provides for a different adjustment or no adjustment. In such a case, subdivision (b) shall again apply for the subsequent years.
- (2) The provisions of subdivision (b) shall not apply to any fee which is charged for a dishonored check, which shall be as set forth by statute, nor to Rule 317, which shall instead be automatically adjusted as stated in Rule 317(d)(2).

- (d) This rule shall become inoperative if the voters do not enact Proposition 26 on the November 2, 2010 ballot.

**APPENDIX B – SUMMARY OF PROPOSED AMENDED RULES**

Rule	Referencing	CPI	Fee Impacts	No Fee Impacts and/or Administrative Changes
301(b)(10)	Definitions- Continuous Emissions Monitoring System (CEMS)			✓
301(c)(1)(A)(iii)	Fees for Permit Processing			✓
<del>301(c)(1)(A)(iv)*</del>	Fees for Permit Processing			✓
301(c)(1)(C)(iii)	Higher Fee for Failing to Obtain a Permit			✓
301(c)(1)(D)	Fees for Permit Processing - Small Business			✓
301(c)(1)(E)	Fees for Permit Processing - Small Business			✓
301(c)(1)(H)	Applications Submitted for Equipment Previously Exempted by Rule 219			✓
301(c)(1)(I)	Standard Streamlined Permits	✓		✓
301(c)(3)(A)	Change of Operating Condition, Alteration/Modification/Addition	✓		✓
301(c)(3)(B)(i)	Change of Operating Condition, Alteration/Modification/Addition	✓		✓
301(c)(3)(B)(ii)	Change of Operating Condition, Alteration/Modification/Addition	✓		✓
301(c)(3)(C)	Change of Operating Condition, Alteration/Modification/Addition	✓		✓
301(c)(3)(D)	Change of Operating Condition, Alteration/Modification/Addition (Permit Reissued per Rule 109)			✓
301(c)(4)(A)	Fee for Evaluation of Applications for Emission Reductions		✓	✓

Rule	Referencing	CPI	Fee Impacts	No Fee Impacts and/or Administrative Changes
301(d)(2)	Annual Operating Fees	✓		✓
301(d)(3)(A)	Credit for Solar Energy Equipment	✓		
301(e)(4)	Flat Annual Operating Emission Fee	✓		
301(e)(5)	Emission Fee Thresholds			✓
301(e)(9)(A)	Annual Emission Report Standard Evaluation Fee	✓		
301(e)(10)(D)	Notice to Pay and Late Filing Surcharge			✓
301(e)(16)	Reporting GHG Emissions and Paying Fees	✓		
301(f)	Certified Permit Copies and Reissued Permits	✓		✓
301(g)	Reinstating Expired Applications or Permits; Surcharge	✓		✓
301(h)	Reinstating Revoked Permits			✓
301(j)(1)(A)	CEQA Document Preparation	✓		✓
301(j)(1)(B)	CEQA Document Assistance	✓		
301(j)(4)	Payment for Public Notice	✓		✓
301(j)(4)(A)	Payment for Public Notice		✓	✓
301(j)(5)(A)	Payment for Review of CEMS, FSMS, ACEMS			✓
301(j)(5)(B)(i)	Modification of an Existing Certified CEMS, FSMS, or ACEMS	✓		✓
301(j)(5)(B)(iv)	Modification of an Existing Certified CEMS, FSMS, or ACEMS	✓		
301(j)(5)(C)	Modification of CEMS, FSMS, or ACEMS Monitored Equipment	✓		
301(j)(5)(D)	Periodic Assessment of an Existing CEMS/FSMS/ACEMS	✓	✓	
301(j)(5)(E)	CEMS, FSMS, or ACEMS Change of Ownership	✓		



Rule	Referencing	CPI	Fee Impacts	No Fee Impacts and/or Administrative Changes
301(j)(6)(A)	Certification of Barbeque Charcoal Lighter Fluid	✓		
301(j)(6)(B)	Repackaging of Certified Barbeque Charcoal Igniter Products	✓		
301(j)(7)	Fees for Inter-basin, Inter-District, or Interpollutant Transfers of ERCs	✓		✓
301(j)(8)	Fees for Grid Search to Identify Hazardous Air Pollutant Emitting Facilities	✓		
301(l)(3)	Change of Operating Condition			✓
<del>301(l)(4)(A)*</del>	Facility Permit Fees (RECLAIM)			✓
<del>301(l)(4)(B)*</del>	Facility Permit Fees (RECLAIM)			✓
301(l)(4)	Facility Permit Amendment			✓
301(l)(5)	Change of Operating Condition			✓
301(l)(6)	Fee for Change of Operator			✓
301(l)(8)	Transaction Registration Fee	✓		✓
301(l)(9)	RECLAIM Pollutant Emission Fee			✓
301(l)(9)(D)	Minimum Processing Fee (RECLAIM)	✓		
301(l)(10)	Certified Permits Copies (RECLAIM)	✓		✓
301(l)(11)	Reissued Permits (RECLAIM)	✓		✓
301(l)(12)	Breakdown Emission Report Evaluation Fee (RECLAIM)	✓		✓
301(l)(14)	Mitigation of Non-Tradeable Allocation Credits (RECLAIM)	✓		✓
301(l)(15)	Evaluation Fee to Increase an Annual Allocation (RECLAIM)	✓		✓
301(l)(16)	Facility Permit Reissuance Fee for Facilities Exiting RECLAIM		✓	
301(l)(17)	Optional Conversion of Transitional RECLAIM Facility Permit		✓	

Rule	Referencing	CPI	Fee Impacts	No Fee Impacts and/or Administrative Changes
301(m)(3)(A)	Permit Processing Fees for Facilities Applying for an Initial Title V Permit (Title V)	✓		✓
301(m)(3)(B)	Permit Processing Fees for Facilities Applying for an Final Title V Permit (Title V)	✓		✓
301(m)(3)(C)	Permit Processing Fees for Facilities Applying for an Initial Title V Facility Permit (Title V)			✓
301(m)(3)(D)	Permit Processing Fees for Facilities Applying for a Final Title V Permit (Title V)			✓
301(m)(3)(E)	Permit Processing Fees for Facilities Applying for a Final Title V Permit (Title V)			✓
301(m)(4)	Permit Revision Fee (Title V)			✓
301(m)(5)	Renewal Fees (Title V)			✓
<del>301(m)(6)</del> *	Administrative Permit Revision Fee (Title V)			✓
301(m)(6)(A)	Public Notice Fees (Title V)		✓	✓
301(m)(7)	Public Hearing Fees (Title V)	✓		✓
301(n)(3)	Facility Permit Revision			✓
301(n)(4)	Change of Operating Condition			✓
301(n)(5)	Fee for Change of Operator (Facility Permit)			✓
301(n)(7)	Certified Permit Copies (Facility Permit)	✓		
301(n)(8)	Reissued Permits (Facility Permit)	✓		
301(q)(1)	NESHAP Evaluation Fee			✓
301(r)	Fees for Certification of Clean Air Solvents		✓	✓
301(s)	Fees for Certification of Consumer Cleaning Products Used at Institutional and Commercial Facilities		✓	✓
301(t)(4)	Duplicate of Facility Registrations	✓		

Rule	Referencing	CPI	Fee Impacts	No Fee Impacts and/or Administrative Changes
301(t)(5)	Reissued Facility Registrations	✓		
301(u)(1)	Initial Filing Fee (Rule 222)	✓		
301(u)(2)	Change of Operator/Location (Rule 222)	✓		
301(u)(3)	Annual Renewal Fee (Rule 222)	✓		
301(v)(1)	Fees for Expedited Processing (Permit Processing)	✓		✓
301(v)(2)	Fees for Expedited Processing (CEQA)	✓		
301(v)(3)	CEMS, FSMS, and ACEMS Fee (Expedited Processing)	✓		✓
301(v)(4)	Air Dispersion Modeling and HRA Fees (Expedited Processing)	✓		✓
301(v)(5)	ERC/STC Application Fees (Expedited Processing)	✓		
301(v)(6)	Procedure 4 & 5 Evaluation			✓
301(x)	Rule 1149, Rule 1166, and Rule 1466 Notification Fees	✓	✓	
301(y)(1)	Initial Certification Fee (Rules 1111,1121 and 1146.2)	✓		
301(y)(2)	Additional Fee for Modification or Extension of Families to Include a New Model(s) (Rules 1111,1121 and 1146.2)	✓		
301(z)(1)	Reverification and Performance Testing (Rule 461 No Show Fee)	✓		✓
301(z)(2)	Pre-Backfill Inspection (Rule 461 No Show Fee)	✓		✓
301(aa)	Refinery Related Community Air Monitoring System Annual Operating and Maintenance Fees		✓	✓
301 Table (Fee Rate A)	Summary Permit Fee Rates – Permit Processing, Change of Conditions, Alteration/Modification	✓		✓

Rule	Referencing	CPI	Fee Impacts	No Fee Impacts and/or Administrative Changes
301 Table (Fee Rate B)	Summary of ERC Processing Rates	✓		✓
301 Table (Fee Rate C)	Summary of Permit Fee Rates Change of Operator	✓		✓
301 Table IA	Permit Fee Rate Schedules for Control Equipment			✓
301 Table IB	Permit Fee Rate Schedules for Basic Equipment			✓
301 Table IIA	Special Processing Fees – AQ Analysis/HRA	✓		
301 Table IIB	Fee for Public Notice Publication			✓
301 Table IIC	CEMS, FSMS And ACEMS Fee Schedule	✓		
301 Table III	Emissions Fees	✓		✓
301 Table IV	Toxic Air Contaminants and Ozone Depleters	✓		✓
301 Table V	Annual Clean Fuels Fees	✓		
301 Table VI	Demolition, Asbestos and Lead Notification Fees	✓		
301 Table VII	Summary of RECLAIM and Title V Fees	✓		✓
303	Hearing Board Fees	✓		
304	Equipment, Materials, and Ambient Air Analyses	✓		
304(I)(3)		✓		✓
304.1	Hearing Board Fees	✓		
304.1(c)(3)	Continuous Non-Recording Ambient Sampling With Laboratory Analysis of Sample Collected			✓
306(b)	Definitions			✓
306(c)	Plan Filing Fee	✓		✓
306(d)	Plan Evaluation Fee	✓		
306(e)	Duplicate Plan Fee	✓		
306(f)	Inspection Fee (Plans)	✓		

Rule	Referencing	CPI	Fee Impacts	No Fee Impacts and/or Administrative Changes
306(g)	Change of Condition Fee (Plans)	✓		
306(h)	Annual Review/Renewal Fee		✓	
306(i)(1)	Payment of Fees - Plan Filing or Submittal Fee	✓	✓	✓
306(i)(5)	Expedited Processing		✓	✓
306(k)	Alternative Recordkeeping System Plan Discount			✓
306(l)	Plan Application Cancellation Fee	✓		
306(m)	Protocol/Report Evaluation Fees		✓	✓
306(q)	Optional Expedited Protocol/Report Evaluation Processing Fee		✓	✓
306(r)(1)	Regulation XXVII – Fees for Rule 2701	✓		
306(r)(2)	Regulation XXVII – Fees for Rule 2702	✓		
307.1(c)	Definitions		✓	✓
307.1(d)(2)	Flat Fees	✓	✓	
307.1(d)(3)	Special Review Fees	✓	✓	✓
307.1(d)(5)	Potentially High Risk Level Facility Fees		✓	
307.1(d)(9)(D)	Exemptions			✓
307.1(d)(9)(F)	Exemptions			✓
307.1 Table I	Facility Fees by Program Category	✓	✓	
308	On – Road Motor Vehicle Mitigation Options	✓		
309	Fees For Regulation XVI And Regulation XXV	✓		
311	Air Quality Investment Program (AQIP) Fees	✓		
313	Authority to Adjust Fees And Due Dates	✓		
313(e)(1)	Adjustment of Fees			✓

Rule	Referencing	CPI	Fee Impacts	No Fee Impacts and/or Administrative Changes
314	Fees For Architectural Coatings	✓		
315	Fees For Training Classes And License Renewals	✓		

Note: \* Denotes rule section proposed for deletion.

## ATTACHMENT I

### SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

#### **Final Socioeconomic Impact Assessment for Rule 320 - Automatic Adjustment Based on Consumer Price Index for Regulation III Fees**

May 2018

**Deputy Executive Officer**  
**Planning, Rule Development & Area Sources**  
Philip M. Fine, Ph.D.

**Assistant Deputy Executive Officer**  
**Planning, Rule Development & Area Sources**  
Susan Nakamura

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**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
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Speaker of the Assembly Appointee

Vice Chairman: DR. CLARK E. PARKER, SR.  
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**EXECUTIVE OFFICER:**

WAYNE NASTRI



## EXECUTIVE SUMMARY

Rule 320 – Automatic Adjustment Based on Consumer Price Index (CPI) for Regulation III Fees requires adjustments of most fee rates in Regulation III by the California CPI annually unless the Governing Board votes to amend the rule to not require the CPI increase or requires a different increase for a given year. The October 29, 2010 SCAQMD Governing Board Resolution requires, by March 15, an assessment of the increase in fee rates based on the previous year’s CPI. A socioeconomic analysis was conducted to assess the impacts of such adjustment.<sup>1</sup> In addition, the analysis provides background information, historical trends of SCAQMD revenues from various fees and sectoral distributions of these fees. A summary of the analysis and findings is presented below.

<b>Fee Increases</b>	Pursuant to Rule 320, an across-the-board 3.4-percent increase in fee rates (equivalent to the change in the California CPI from December 2016 to December 2017) will occur on July 1, 2018 unless the Governing Board decides to forego the 3.4-percent increase.
<b>Affected Facilities</b>	Nearly all the facilities regulated by the SCAQMD would be affected by the proposed fee increases. These facilities belong to every sector of the economy.
<b>Approach and Findings</b>	<p>The analysis herein initially examines the impact of the existing Regulation III fees on various industries. The fees examined include emissions fees, permit processing fees, annual permit renewal fees, toxic hot spot fees, source testing fees, and a portion of fees under Rule 2202 – On-Road Motor Vehicle Mitigation Options. The current fee rates together with the most recent equipment and activity profiles of individual facilities were used to generate facility level fee estimates. These estimates were then aggregated to the industry level.</p> <p>The manufacturing sector is the largest contributor to SCAQMD’s emission fees (68 percent), permit processing fees (41 percent), and annual permit renewal fees (36 percent). Overall, the costs of complying with the current Regulation III rates are very small relative to the region-wide industry output or value-added (less than 0.01 percent).</p>
<b>Impact of Fee Increase</b>	Based on the fee categories examined in the analysis and last year’s activity levels, the across-the-board CPI-based fee rate increase <i>per se</i> is projected to bring additional revenue totaling \$2.74 million to SCAQMD. The manufacturing sector as a whole would incur the largest increase in fees (approximately \$1.20 million for about 3,700 facilities), followed by the services sector (approximately \$0.49 million for about 10,600 facilities) and the retail trade sector (approximately \$0.37 million for about 4,000 facilities). Within the manufacturing sector, the petroleum and coal products manufacturing industry, mostly comprised of refineries, will experience an increase of approximately \$0.51 million.

<sup>1</sup> Proposed amendments to Regulation III with fee impacts will be analyzed in a separate socioeconomic report.

## INTRODUCTION

The SCAQMD General Fund is comprised of revenues from a number of sources. The majority of SCAQMD revenues are derived from emission fees, annual renewal fees, permit processing fees, and a portion of vehicle registration fees collected by the state (mobile sources/clean fuels). Other sources of revenues include Hearing Board fees, source test/analysis fees, transportation program (Rule 2202) fees, reimbursement for work associated with the AB 2588 program (toxic hot spot program), civil penalties/settlements, and other revenues.

Pursuant to Rule 320, an across-the-board 3.4-percent increase in fee rates (equivalent to the change in the California Consumer Price Index from December 2016 to December 2017) will occur on July 1, 2018 unless the Governing Board decides to forego the 3.4-percent increase. For the past five fiscal years<sup>2</sup> (FY), the annual increase in fee rates mirroring the CPI were as follows: 2.0% in 2013-2014, 1.6% in 2014-2015, 1.4% in 2015-2016, 2.4% in 2016-17, and 2.5% in 2017-2018.

In order to examine the impact of a fee rate increase on various industry sectors, this report focuses the analysis on emission fees, permit processing fees, annual permit renewal fees, toxic hot spot fees, source test fees, and a portion of Rule 2202 fees.<sup>3</sup> Other fees that are also subject to the automatic CPI increase are area source fees and Hearing Board fees; however, they account for a relatively small portion of the total revenue.

The SCAQMD is required to undertake socioeconomic analyses by California Health and Safety Code (H&SC) Section 40440.8(a) for proposed rules and rule amendments that "will significantly affect air quality or emissions limitations". Although the proposed CPI-based fee adjustment does not satisfy this criterion, the analysis herein is presented per the October 29, 2010 Special Governing Board Resolution related to Rule 320, which directs staff to prepare, annually, a socioeconomic analysis of the impacts of an automatic adjustment in a given year.

## REVENUE TREND

Table 1 lists historical revenue for two prior FYs, estimated revenue for the current FY 2017-2018, and projected revenue for FY 2018-2019 by major fee category. Estimated revenue for FY 2017-2018 is based on actual revenue received through February 2018. FY 2018-2019 projected revenue is based on forecasts estimated by various SCAQMD operational units. Emission fees, permit processing fees, and annual permit renewal fees together represent approximately 60 percent of SCAQMD's estimated total FY 2017-2018 revenues.

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<sup>2</sup> A fiscal year runs from July 1 to June 30. For example, FY 2017-2018 refers to the period of July 1, 2017 to June 30, 2018. In comparison, calendar year (CY) 2017 refers to the period of January 1 to December 31, 2017.

<sup>3</sup> Employers that are subject to Rule 2202 can choose among various compliance options, including participation in the Air Quality Investment Program (AQIP). The AQIP program fees consist of a registration fee and an investment fee, the latter of which goes to a special revenue account to obtain necessary emissions reduction or air quality benefits and is not part of the General Fund.

Compared to the estimated revenue in FY 2017-2018, a net total revenue increase of \$12.2 million is projected for FY 2018-2019, which reflects the impact of both already-adopted fee increases to be implemented this year, and the Rule 320 automatic increase, as well as the fee increases proposed in PAR III. These changes include the across-the-board CPI-based fee rate increase, a 2017 Board-approved Title V/Non-Title V fee increase, additional state funding, the forecasted changes in activity levels, and proposed amendments to Regulation III with fee impacts. This estimated revenue increase is inclusive of the CPI-based fee rate increase, the impact of which is also estimated separately in Table 6.

**Table 1: Actual and Estimated SCAQMD Revenue**

Revenue Category	FY 2015-2016 Actual* (Thousands)	FY 2016-2017 Actual* (Thousands)	FY 2017-2018 Estimated** (Thousands)	FY 2018-2019 Projected (Thousands)	Changes in Revenue (from FY 2017-2018 Estimated)	
					Thousands	%
Emission Fees	\$18,985	\$18,964	\$19,827	\$19,729	-\$98	-0.5%
Annual Renewal Fees (w/o PERP)	\$46,380	\$47,561	\$51,395	\$57,271	\$5,876	11.4%
Permit Processing Fees	\$17,240	\$20,729	\$18,051	\$19,857	\$1,805	10.0%
Mobile Sources/Clean Fuels	\$21,968	\$23,793	\$26,177	\$30,625	\$4,448	17.0%
Sources Test & Lab Analysis	\$683	\$734	\$756	\$782	\$26	3.4%
Hearing Board Fees	\$164	\$188	\$317	\$259	-\$58	-18.4%
Transportation Program (Rule 2202) Fees	\$892	\$840	\$920	\$951	\$31	3.4%
Other Revenue***	\$28,093	\$36,083	\$32,965	\$33,158	\$192	0.6%
Total	\$134,405	\$148,893	\$150,409	\$162,631	\$12,222	8.1%

(Note: Numbers may not sum up due to rounding.)

\* Information as reported in the Comprehensive Annual Financial Reports (FYs 2015-16 & 2016-17).

\*\* Estimates are based on actual revenue received through February 2018.

\*\*\* Other Revenues include: CARB Subvention; State and Federal Grants; Interest; Lease Income; Penalties/Settlements; Subscriptions; AB 2588 Reimbursement; Miscellaneous Revenues; Portable Equipment Registration Program (PERP); Area Sources; and Transfers In (from special revenue funds).

## HISTORICAL REVENUE ANALYSIS

The following sub-sections examine the distribution of revenues from various fee categories among key industries for either FY 16-17 or CY 2017 as described below. It should be noted that this analysis has used the most recent invoiced amounts at the current fee rates to arrive at an estimated picture of the current fee revenue by industry. Thus, the figures below may differ slightly from Table 1 because data sources may reflect different time periods.

### Emission Fees

For FY 17-18 emission fees account for approximately 13 percent of SCAQMD's estimated total revenue (Table 1). In May 2001, a flat emissions fee was introduced for all facilities with at least one operating permit.<sup>4</sup> The flat fee implemented recommendations

<sup>4</sup> Excluding equipment in Rule 222—Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II.

by the California State Auditor in 1998, the Revenue Committee established by the Executive Officer in 2000, and the independent consultant for the Fee Structure Study—Thompson, Cobb, Bazilio & Associates (March 1999).

Table 2 shows the estimated revenue collected or to be collected from more than 21,000 facilities for flat emission fees (\$2.66 million) and emissions-based fees (\$15.16 million), the latter of which contributed approximately 85 percent of total emission fees collected.<sup>5</sup> These emissions include permitted and non-permitted emissions of NO<sub>x</sub>, SO<sub>x</sub>, VOC, TSP, CO, and specific organic gasses (SPOG) as well as toxic air contaminants<sup>6</sup> for facilities required to report their actual emissions each year. Also included were clean fuels fees for stationary sources.

The services sector (NAICS 54-81) that is made of almost 7,000 facilities contributed the highest share of the flat emission fee, contributing \$0.87 million or 33 percent of the total amount. It is followed by the retail trade sector (NAICS 44-45), with \$0.45 million paid by about 3,600 facilities. In comparison, emission-based fees were mostly collected from larger-sized businesses located within certain industry sectors. Among the 927 facilities that were subject to emission-based fees, nearly half were manufacturers (NAICS 31-33), and they contributed 78 percent of the total emission-based fees invoiced in 2017. The petroleum and coal industry (NAICS 324) alone contributed \$9.60 million to emissions-based fees, accounting for 82 percent of the manufacturing sector and 63 percent of total emissions-based fees.

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<sup>5</sup> Emission-based fees were derived from 2017 emissions and the invoiced amount, or the amount a facility should have paid, in Calendar Year 2017 based on the existing Rule 301 fee rates.

<sup>6</sup> Listed in Table IV of Rule 301.

**Table 2: Estimated Emission Fee Revenue by Industry in 2017 (MM\$)**

Industry	NAICS	Flat Fee*			Emission-based Fees			Total	
		MM\$	%	# of Fac.**	MM\$	%	# of Fac.**	MM\$	%
<b>Agriculture, Forestry, Fishing &amp; Hunting</b>	<b>11</b>	<b>\$0.01</b>	<b>0.38%</b>	<b>81</b>	<b>\$0.13</b>	<b>0.89%</b>	<b>35</b>	<b>\$0.14</b>	<b>0.81%</b>
<b>Mining</b>	<b>21</b>	<b>\$0.03</b>	<b>1.16%</b>	<b>245</b>	<b>\$0.44</b>	<b>2.88%</b>	<b>72</b>	<b>\$0.47</b>	<b>2.63%</b>
Oil and Gas Extraction	211	\$0.02	0.73%	154	\$0.21	1.39%	47	\$0.23	1.29%
Mining (except oil and gas)	212-213	\$0.01	0.43%	91	\$0.23	1.49%	25	\$0.24	1.34%
<b>Construction</b>	<b>23</b>	<b>\$0.09</b>	<b>3.53%</b>	<b>749</b>	<b>\$0.04</b>	<b>0.27%</b>	<b>9</b>	<b>\$0.13</b>	<b>0.75%</b>
<b>Manufacturing</b>	<b>31-33</b>	<b>\$0.41</b>	<b>15.26%</b>	<b>3,240</b>	<b>\$11.76</b>	<b>77.59%</b>	<b>414</b>	<b>\$12.17</b>	<b>68.29%</b>
Food Manufacturing	311	\$0.02	0.88%	187	\$0.09	0.60%	38	\$0.11	0.64%
Wood Products Manufacturing	321	\$0.01	0.32%	67	\$0.01	0.04%	4	\$0.01	0.08%
Petroleum and Coal Products Mfg.	324	\$0.01	0.42%	90	\$9.59	63.25%	39	\$9.60	53.88%
Chemical Manufacturing	325	\$0.04	1.45%	308	\$0.26	1.69%	45	\$0.30	1.66%
Nonmetallic Mineral Product Mfg.	327	\$0.03	1.03%	219	\$0.47	3.11%	24	\$0.50	2.80%
Primary & Fabricated Metal Mfg.	331-332	\$0.10	3.59%	764	\$0.41	2.68%	95	\$0.50	2.82%
Machinery Manufacturing	333	\$0.02	0.78%	166	\$0.03	0.18%	5	\$0.05	0.27%
Computer and Electronic Product Mfg.	334	\$0.03	1.12%	238	\$0.03	0.21%	18	\$0.06	0.34%
Electrical Equipment & Appliance Mfg.	335	\$0.01	0.51%	109	\$0.01	0.09%	10	\$0.03	0.15%
Motor Vehicle & Trans. Equipment Mfg.	336	\$0.03	0.99%	211	\$0.09	0.61%	28	\$0.12	0.66%
Other Manufacturing	312-339	\$0.11	4.16%	881	\$0.78	5.14%	108	\$0.89	4.99%
<b>Utilities</b>	<b>22</b>	<b>\$0.13</b>	<b>4.76%</b>	<b>1,010</b>	<b>\$0.98</b>	<b>6.43%</b>	<b>79</b>	<b>\$1.10</b>	<b>6.18%</b>
<b>Transportation &amp; Warehousing</b>	<b>48-49</b>	<b>\$0.07</b>	<b>2.55%</b>	<b>542</b>	<b>\$0.37</b>	<b>2.41%</b>	<b>30</b>	<b>\$0.43</b>	<b>2.43%</b>
<b>Information</b>	<b>51</b>	<b>\$0.08</b>	<b>3.15%</b>	<b>671</b>	<b>\$0.02</b>	<b>0.11%</b>	<b>6</b>	<b>\$0.10</b>	<b>0.57%</b>
Publishing Industries, Except Internet	511	\$0.00	0.11%	23	\$0.00	0.01%	1	\$0.00	0.03%
Motion Picture & Sound Recording	512	\$0.01	0.29%	62	\$0.02	0.10%	5	\$0.02	0.13%
Internet Services and data processing	518, 519	\$0.01	0.25%	52	\$0.00	0.00%	0	\$0.01	0.04%
Other Information	Other in 51	\$0.07	2.51%	534	\$0.00	0.00%	0	\$0.07	0.37%
<b>Wholesale Trade</b>	<b>42</b>	<b>\$0.13</b>	<b>4.84%</b>	<b>1,027</b>	<b>\$0.25</b>	<b>1.63%</b>	<b>48</b>	<b>\$0.38</b>	<b>2.11%</b>
<b>Retail Trade</b>	<b>44-45</b>	<b>\$0.45</b>	<b>16.95%</b>	<b>3,589</b>	<b>\$0.22</b>	<b>1.42%</b>	<b>70</b>	<b>\$0.67</b>	<b>3.74%</b>
Car & Parts Dealers	441	\$0.03	1.28%	271	\$0.00	0.02%	4	\$0.04	0.20%
Gas Stations	447	\$0.21	8.08%	1,708	\$0.07	0.48%	15	\$0.29	1.62%
Other Retail Trade	Other in 44-45	\$0.20	7.59%	1,610	\$0.14	0.92%	51	\$0.34	1.92%
<b>Finance and Insurance</b>	<b>52</b>	<b>\$0.04</b>	<b>1.39%</b>	<b>296</b>	<b>\$0.00</b>	<b>0.01%</b>	<b>2</b>	<b>\$0.04</b>	<b>0.21%</b>
<b>Real Estate and Rental Leasing</b>	<b>53</b>	<b>\$0.13</b>	<b>4.82%</b>	<b>1,025</b>	<b>\$0.00</b>	<b>0.02%</b>	<b>3</b>	<b>\$0.13</b>	<b>0.74%</b>
<b>Services</b>	<b>54-81</b>	<b>\$0.87</b>	<b>32.91%</b>	<b>6,987</b>	<b>\$0.81</b>	<b>5.34%</b>	<b>138</b>	<b>\$1.68</b>	<b>9.45%</b>
Professional and Technical Services	54	\$0.07	2.58%	547	\$0.01	0.03%	12	\$0.07	0.41%
Accommodation	721	\$0.03	1.00%	211	\$0.00	0.00%	0	\$0.03	0.15%
Food Services & Drinking Places	722	\$0.02	0.64%	137	\$0.00	0.01%	3	\$0.02	0.10%
Automotive Repairs & Maintenance	8111	\$0.24	9.12%	1,935	\$0.01	0.08%	4	\$0.25	1.42%
Dry Cleaning & Laundry Services	8123	\$0.13	4.98%	1,054	\$0.00	0.00%	3	\$0.13	0.74%
Health Care & Social Assistance	62	\$0.09	3.55%	754	\$0.11	0.72%	46	\$0.20	1.14%
Other Services	Other in 54-81	\$0.29	11.05%	2,349	\$0.68	4.50%	70	\$0.98	5.48%
<b>Public Administration</b>	<b>92</b>	<b>\$0.18</b>	<b>6.87%</b>	<b>1,456</b>	<b>\$0.13</b>	<b>0.83%</b>	<b>17</b>	<b>\$0.31</b>	<b>1.73%</b>
<b>Unclassified***</b>	<b>N/A</b>	<b>\$0.04</b>	<b>1.43%</b>	<b>304</b>	<b>\$0.02</b>	<b>0.16%</b>	<b>4</b>	<b>\$0.06</b>	<b>0.35%</b>
<b>Totals</b>		<b>\$2.66</b>	<b>100%</b>	<b>21,222</b>	<b>\$15.16</b>	<b>100%</b>	<b>927</b>	<b>\$17.82</b>	<b>100%</b>

\* Flat emission fees based on FY 16-17.

\*\* Almost all facilities paying emission-based fees also pay the flat fee.

\*\*\* Facilities with no NAICS codes assigned are categorized as "unclassified."

Permit Processing Fees and Annual Permit Renewal Fees

Permit processing and annual permit renewal fees by industry are shown in Table 3. Applicants for permits to construct/operate equipment listed in Rule 301 pay a permit processing fee which varies by equipment type and size. Permit fees also include other charges based on additional time and materials billed for SCAQMD staff time (if specified by the applicable rule), and other fees as required (modeling, Title V fees, CEQA analysis fees, etc.) The fee, except for time and material fees, is paid at the beginning of the permit application process. Variances in permit processing fee amounts between Table 3 - Estimated Permit Processing & Annual Permit Renewal Fee Revenue by Industry and Table 1 – Actual and Estimated SCAQMD Revenue reflect the fact that application fees are collected at time of application, but are recognized as revenues at the time the majority of permit work is completed.

As Table 3 indicates, an estimated total of \$12.29 million from about 4,300 facilities that applied for permits to construct or operate was invoiced during FY 2016-2017. It should be noted that a facility could apply for multiple permits. As with emission fees, the majority of the permit processing fee revenue came from the manufacturing sector. It contributed \$5.00 million, or 41 percent, of the total revenue in this fee category, followed by the services sector with \$2.46 million (20 percent).

Operating permits must be renewed annually. An annual fee is assessed on the renewed permits to support continuing SCAQMD inspection and compliance activities and other permit related activities. Approximately 27,000 facilities held operating permits as of March 6, 2017. The revenue from these facilities at the current fee rate is estimated to be \$47.54 million (Table 3). The manufacturing sector, with nearly 4,000 facilities, was the largest contributor, paying \$17.25 million or 36 percent of the total annual renewal fee revenue. The service sector with more than 10,000 facilities paid about \$9.20 million and the retail trade sector with about 4,000 facilities paid about \$8 million.

Area Source Fees (Architectural Coatings)

Rule 314 – Fees for Architectural Coatings, was adopted on June 6, 2008 requiring manufacturers to pay fees, as well as report sales and emissions of architectural coatings to the SCAQMD. The rule affects about 200 architectural coatings manufacturers. Beginning in 2009 and each subsequent calendar year, Rule 314 requires architectural coatings manufacturers to report to SCAQMD the total annual quantity (in gallons) and emissions of each of their architectural products distributed or sold into or within the SCAQMD for use in the SCAQMD during the previous calendar year. Fees are assessed on the manufacturers' reported annual quantity of architectural coatings as well as the cumulative VOC emissions from the reported annual quantity of coatings. All fees collected from architectural coating sales in FY 2016-2017 pursuant to Rule 314 were about \$2.1 million which is around 1.4 percent of the SCAQMD's total revenue for that FY. These fees are collected from paint manufacturers who are classified under the chemical manufacturing sector (NAICS 325).

**Table 3: Estimated Permit Processing & Annual Permit Renewal Fee Revenue by Industry (\$MM)**

Industry	NAICS	Permit Processing Fees <sup>1</sup>			Annual Permit Renewal Fees <sup>2</sup>		
		MM\$	%	# of Fac.	MM\$	%	# of Fac.
<b>Agriculture, Forestry, Fishing &amp; Hunting</b>	<b>11</b>	<b>\$0.05</b>	<b>0.43%</b>	<b>20</b>	<b>\$0.14</b>	<b>0.29%</b>	<b>114</b>
<b>Mining</b>	<b>21</b>	<b>\$0.23</b>	<b>1.88%</b>	<b>63</b>	<b>\$1.38</b>	<b>2.90%</b>	<b>340</b>
Oil and Gas Extraction	211	\$0.10	0.82%	34	\$0.99	2.09%	223
Mining (except oil and gas)	212-213	\$0.13	1.06%	29	\$0.39	0.82%	117
<b>Construction</b>	<b>23</b>	<b>\$0.49</b>	<b>4.00%</b>	<b>202</b>	<b>\$1.33</b>	<b>2.79%</b>	<b>1,072</b>
<b>Manufacturing</b>	<b>31-33</b>	<b>\$5.00</b>	<b>40.67%</b>	<b>696</b>	<b>\$17.25</b>	<b>36.29%</b>	<b>3,715</b>
Food Manufacturing	311	\$0.35	2.88%	61	\$1.37	2.87%	231
Wood Products Manufacturing	321	\$0.01	0.05%	5	\$0.08	0.16%	82
Petroleum and Coal Products Mfg.	324	\$0.89	7.25%	37	\$4.36	9.17%	98
Chemical Manufacturing	325	\$0.44	3.58%	85	\$1.94	4.07%	352
Nonmetallic Mineral Product Mfg.	327	\$0.18	1.48%	28	\$1.21	2.55%	234
Primary & Fabricated Metal Mfg.	331-332	\$1.41	11.49%	166	\$3.44	7.23%	846
Machinery Manufacturing	333	\$0.18	1.47%	32	\$0.38	0.80%	204
Computer and Electronic Product Mfg.	334	\$0.18	1.46%	55	\$0.73	1.53%	275
Electrical Equipment & Appliance Mfg.	335	\$0.13	1.04%	23	\$0.43	0.90%	124
Motor Vehicle & Trans. Equipment Mfg.	336	\$0.48	3.94%	48	\$0.89	1.88%	241
Other Manufacturing	312-339	\$0.74	6.03%	156	\$2.44	5.12%	1,028
<b>Utilities</b>	<b>22</b>	<b>\$1.04</b>	<b>8.45%</b>	<b>114</b>	<b>\$2.16</b>	<b>4.54%</b>	<b>1,042</b>
<b>Transportation &amp; Warehousing</b>	<b>48-49</b>	<b>\$0.43</b>	<b>3.49%</b>	<b>97</b>	<b>\$1.32</b>	<b>2.78%</b>	<b>632</b>
<b>Information</b>	<b>51</b>	<b>\$0.17</b>	<b>1.38%</b>	<b>86</b>	<b>\$0.50</b>	<b>1.06%</b>	<b>747</b>
Publishing Industries, Except Internet	511	\$0.05	0.39%	9	\$0.05	0.10%	34
Motion Picture & Sound Recording	512	\$0.03	0.28%	16	\$0.13	0.28%	76
Internet Services and data processing	518,519	\$0.01	0.06%	16	\$0.05	0.10%	55
Other Information	Other in 51	\$0.08	0.65%	45	\$0.27	0.58%	582
<b>Wholesale Trade</b>	<b>42</b>	<b>\$0.44</b>	<b>3.58%</b>	<b>169</b>	<b>\$2.70</b>	<b>5.67%</b>	<b>1,205</b>
<b>Retail Trade</b>	<b>44-45</b>	<b>\$1.20</b>	<b>9.73%</b>	<b>882</b>	<b>\$8.62</b>	<b>18.13%</b>	<b>3,979</b>
Car & Parts Dealers	441	\$0.09	0.74%	38	\$0.23	0.49%	302
Gas Stations	447	\$0.52	4.19%	272	\$5.86	12.32%	1,821
Other Retail Trade	Other in 44-45	\$0.59	4.80%	572	\$2.53	5.32%	1,856
<b>Finance and Insurance</b>	<b>52</b>	<b>\$0.09</b>	<b>0.75%</b>	<b>67</b>	<b>\$0.32</b>	<b>0.67%</b>	<b>356</b>
<b>Real Estate and Rental Leasing</b>	<b>53</b>	<b>\$0.28</b>	<b>2.25%</b>	<b>160</b>	<b>\$0.96</b>	<b>2.02%</b>	<b>1,170</b>
<b>Services</b>	<b>54-81</b>	<b>\$2.46</b>	<b>20.06%</b>	<b>1,444</b>	<b>\$9.20</b>	<b>19.34%</b>	<b>10,634</b>
Professional and Technical Services	54	\$0.48	3.93%	178	\$1.14	2.41%	793
Accommodation	721	\$0.06	0.46%	51	\$0.22	0.46%	272
Food Services & Drinking Places	722	\$0.10	0.82%	134	\$0.64	1.35%	2,378
Automotive Repairs & Maintenance	8111	\$0.38	3.11%	230	\$1.65	3.48%	2,271
Dry Cleaning & Laundry Services	8123	\$0.08	0.68%	114	\$0.54	1.14%	1,239
Health Care & Social Assistance	62	\$0.25	2.05%	145	\$1.12	2.35%	830
Other Services	Other in 54-81	\$1.11	9.01%	592	\$3.88	8.16%	2,851
<b>Public Administration</b>	<b>92</b>	<b>\$0.28</b>	<b>2.31%</b>	<b>156</b>	<b>\$1.11</b>	<b>2.34%</b>	<b>1,529</b>
<b>Unclassified*</b>	<b>N/A</b>	<b>\$0.13</b>	<b>1.04%</b>	<b>102</b>	<b>\$0.56</b>	<b>1.17%</b>	<b>398</b>
<b>Totals</b>		<b>\$12.29</b>	<b>100%</b>	<b>4,258</b>	<b>\$47.54</b>	<b>100%</b>	<b>26,933</b>

<sup>1</sup> Based on permit applications in FY 2016-2017.<sup>2</sup> Based on permits held on March 6, 2018.

\* Facilities with no NAICS codes assigned are categorized as "unclassified."

### Toxic Hot Spots Fees

AB 2588 toxic hot spots fees are calculated based on health risks and priority scores. The most recent invoiced revenue for FY 2016-2017 was approximately \$1.67 million (Table

4). The services sector's share of this total was 35 percent, followed by manufacturing (30 percent) and retail trade (21 percent).

#### Source Testing Fees

The revenue from source testing fees is based on the invoiced source test fees during FY 2016-2017. During this period of time, the source test fee revenue from Rules 304 and 304.1 was \$0.53 million (Table 4). The manufacturing sector accounted for 56 percent of this revenue, followed by services (17 percent).

#### Rule 2202 Fees

Rule 2202 – On-Road Motor Vehicle Mitigation Options applies to employers with 250 or more employees in the SCAQMD's jurisdiction. It provides employers with three compliance options: (1) the Employee Commute Reduction Program (ECRP); (2) emission reduction strategies (ERS) such as the use of clean fuel vehicles, re-powering of diesel engine marine vessels, and vehicle scrapping; and (3) the AQIP. Employers choosing the ECRP option pay a plan review fee to the SCAQMD at the time they file their ECRP Plan. Employers choosing an ERS pay a registration fee. Employers choosing to invest in AQIP pay a registration fee and an investment fee. The investment fee portion goes to a special revenue account which is not part of the General Fund.

The revenue from Rule 2202 fees herein is based on the invoiced Rule 2202 fees during FY 2016-2017. A total of \$0.83 million was collected from Rule 2202 fees for ECRP, ERS, and AQIP registration fees. The services sector accounted for approximately 35 percent of the estimated Rule 2202 fee revenue. Unlike many of the other fee categories, only 14 percent of the revenue came from the manufacturing sector.



**Table 4: Estimated Source Testing and Toxic Hot Spot Fees by Industry (\$MM)**

Industry	NAICS	Source Testing Fees			Toxic Hot Spots Fees		
		MM\$	%	# of Fac.	MM\$	%	# of Fac.
<b>Agriculture, Forestry, Fishing &amp; Hunting</b>	<b>11</b>	<b>\$0.00</b>	<b>0.26%</b>	<b>2</b>	<b>\$0.00</b>	<b>0.00%</b>	<b>0</b>
<b>Mining</b>	<b>21</b>	<b>\$0.01</b>	<b>2.12%</b>	<b>11</b>	<b>\$0.01</b>	<b>0.46%</b>	<b>72</b>
Oil and Gas Extraction	211	\$0.01	1.83%	9	\$0.01	0.37%	47
Mining (except oil and gas)	212-213	\$0.00	0.30%	2	\$0.00	0.09%	25
<b>Construction</b>	<b>23</b>	<b>\$0.01</b>	<b>1.25%</b>	<b>8</b>	<b>\$0.03</b>	<b>1.65%</b>	<b>9</b>
<b>Manufacturing</b>	<b>31-33</b>	<b>\$0.30</b>	<b>56.47%</b>	<b>192</b>	<b>\$0.49</b>	<b>29.56%</b>	<b>414</b>
Food Manufacturing	311	\$0.03	5.20%	20	\$0.00	0.08%	38
Wood Products Manufacturing	321	\$0.00	0.00%	0	\$0.00	0.04%	4
Petroleum and Coal Products Mfg.	324	\$0.05	10.22%	17	\$0.07	4.47%	39
Chemical Manufacturing	325	\$0.01	2.71%	14	\$0.02	1.39%	45
Nonmetallic Mineral Product Mfg.	327	\$0.00	0.54%	5	\$0.01	0.30%	24
Primary & Fabricated Metal Mfg.	331-332	\$0.12	22.72%	67	\$0.21	12.61%	95
Machinery Manufacturing	333	\$0.02	3.01%	8	\$0.02	1.18%	5
Computer and Electronic Product Mfg.	334	\$0.00	0.46%	3	\$0.02	0.94%	18
Electrical Equipment & Appliance Mfg.	335	\$0.01	2.14%	6	\$0.02	1.25%	10
Motor Vehicle & Trans. Equipment Mfg.	336	\$0.02	3.88%	19	\$0.04	2.57%	28
Other Manufacturing	312-339	\$0.03	5.58%	33	\$0.08	4.74%	108
<b>Utilities</b>	<b>22</b>	<b>\$0.07</b>	<b>12.78%</b>	<b>32</b>	<b>\$0.05</b>	<b>3.04%</b>	<b>79</b>
<b>Transportation &amp; Warehousing</b>	<b>48-49</b>	<b>\$0.01</b>	<b>1.75%</b>	<b>6</b>	<b>\$0.02</b>	<b>1.09%</b>	<b>30</b>
<b>Information</b>	<b>51</b>	<b>\$0.00</b>	<b>0.21%</b>	<b>2</b>	<b>\$0.01</b>	<b>0.42%</b>	<b>6</b>
Publishing Industries, Except Internet	511	\$0.00	0.00%	0	\$0.00	0.11%	1
Motion Picture & Sound Recording	512	\$0.00	0.00%	0	\$0.00	0.22%	5
Internet Services and data processing	518,519	\$0.00	0.21%	2	\$0.00	0.03%	0
Other Information	Other in 51	\$0.00	0.00%	0	\$0.00	0.06%	0
<b>Wholesale Trade</b>	<b>42</b>	<b>\$0.02</b>	<b>3.62%</b>	<b>16</b>	<b>\$0.07</b>	<b>3.97%</b>	<b>48</b>
<b>Retail Trade</b>	<b>44-45</b>	<b>\$0.01</b>	<b>1.67%</b>	<b>9</b>	<b>\$0.35</b>	<b>21.10%</b>	<b>70</b>
Car & Parts Dealers	441	\$0.00	0.33%	2	\$0.03	1.79%	4
Gas Stations	447	\$0.00	0.86%	3	\$0.23	13.96%	15
Other Retail Trade	Other in 44-45	\$0.00	0.47%	4	\$0.09	5.34%	51
<b>Finance and Insurance</b>	<b>52</b>	<b>\$0.00</b>	<b>0.09%</b>	<b>1</b>	<b>\$0.01</b>	<b>0.39%</b>	<b>2</b>
<b>Real Estate and Rental Leasing</b>	<b>53</b>	<b>\$0.01</b>	<b>0.97%</b>	<b>4</b>	<b>\$0.02</b>	<b>1.02%</b>	<b>3</b>
<b>Services</b>	<b>54-81</b>	<b>\$0.09</b>	<b>16.80%</b>	<b>60</b>	<b>\$0.58</b>	<b>34.55%</b>	<b>138</b>
Professional and Technical Services	54	\$0.02	3.72%	11	\$0.02	1.09%	12
Accommodation	721	\$0.00	0.17%	1	\$0.00	0.06%	0
Food Services & Drinking Places	722	\$0.00	0.23%	2	\$0.00	0.23%	3
Automotive Repairs & Maintenance	8111	\$0.01	0.98%	7	\$0.37	22.38%	4
Dry Cleaning & Laundry Services	8123	\$0.00	0.93%	3	\$0.10	6.14%	3
Health Care & Social Assistance	62	\$0.02	4.04%	10	\$0.01	0.40%	46
Other Services	Other in 54-81	\$0.04	6.75%	26	\$0.07	4.24%	70
<b>Public Administration</b>	<b>92</b>	<b>\$0.00</b>	<b>0.69%</b>	<b>5</b>	<b>\$0.00</b>	<b>0.24%</b>	<b>17</b>
<b>Unclassified*</b>	<b>N/A</b>	<b>\$0.01</b>	<b>1.30%</b>	<b>4</b>	<b>\$0.04</b>	<b>2.51%</b>	<b>4</b>
<b>Totals</b>		<b>\$0.53</b>	<b>100%</b>	<b>352</b>	<b>\$1.67</b>	<b>100%</b>	<b>927</b>

\* Facilities with no NAICS codes assigned are categorized as "unclassified."

### Major Revenue Sources by Industry

Approximately 61 percent of the SCAQMD's FY 2017-2018 estimated revenue comes from the following major revenue categories: emission fees, permit processing fees, annual permit renewal fees, toxic hot spot fees, source test fees, and a portion of Rule 2202 fees. The amount of these total fee revenues incurred by the major economic sectors is shown in Table 5. These total fee revenues were estimated based on recent invoiced amounts at

current fee rates. Thus, these figures may differ slightly from those in Table 1, which are based on actual revenue received.

**Table 5: Revenues from Major Fee Categories by Sector**

<b>Sector</b>	<b>NAICS</b>	<b>Revenues from Permit and Emission-based Fees (MM\$)</b>
Agriculture, Forestry, Fishing & Hunting	11	\$0.34
Mining	21	\$2.10
Construction	23	\$1.99
Manufacturing	31-33	\$35.33
Utilities	22	\$4.43
Transportation & Warehousing	48-49	\$2.25
Information	51	\$0.81
Wholesale Trade	42	\$3.63
Retail Trade	44-45	\$10.96
Finance and Insurance	52	\$0.50
Real Estate and Rental Leasing	53	\$1.40
Services	54-81	\$14.30
Public Administration	92	\$1.83
Unclassified*	N/A	\$0.80
<b>Total</b>		<b>\$80.68</b>

The Manufacturing sector (NAICS 31-33) provides the greatest amount of fee revenue for FY 16-17 at about \$35.33 million, which is a 44 percent share of fee revenues (Figure 1). This is followed by the services sector (NAICS 54-81), providing about \$14.30 million, representing a 18 percent share, and the retail trade sector (NAICS 44-45), providing \$10.96 million, representing a 14 percent share.

**Figure 1: Share of Major Fee Revenue by Sector**

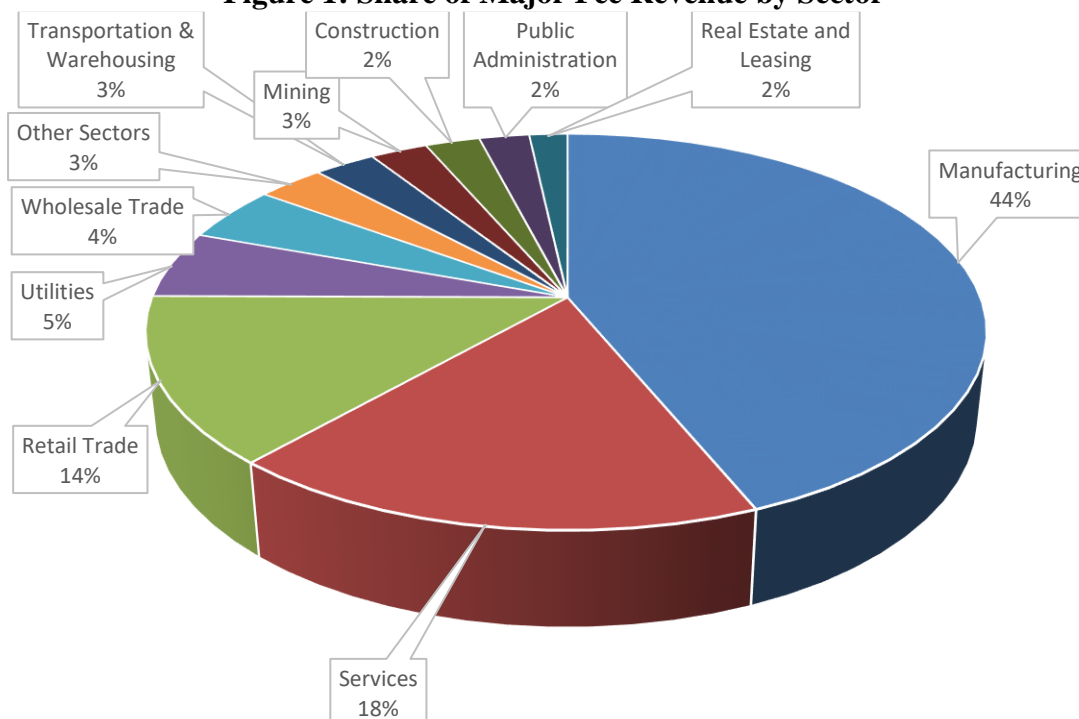


Table 6 shows the percentage of fees from these categories relative to each industry's total (gross) output and value-added to evaluate them relative to different economic measures of industries within SCAQMD's jurisdiction.<sup>7</sup> Value-added is a measure of compensation of employees, production taxes less subsidies, and gross operating surplus; thus to a certain degree reflects each industry's profit margin. Collectively, revenue from these fees is estimated to amount to approximately \$80.68 million, based on invoiced amounts at the current fee rates.

As shown in Table 6, the amount of fees paid by each industry is relatively small compared to that industry's regional output or value-added. This is the case for both industries which are predominantly comprised of small businesses, such as retail trade, and for industries predominately comprised of large businesses, such as refineries.

The petroleum and coal products manufacturing industry (NAICS 324) paid a total of \$14.99 million in various fees, which represented six hundredths of one percent of the sector's output and about a quarter of a percent of the sector's value-added. Other industries that also paid among the highest amount of fees relative to their outputs or value-added were the pipeline transportation industry (NAICS 486), the mining industry (NAICS 212), the nonmetallic mineral product manufacturing industry (NAICS 327), and primary metal manufacturing (NAICS 331). Overall, SCAQMD's fee revenue, as a whole, represented less than one-hundredth of one percent of the aggregate industry output or value-added in the four-county region.

**Table 6: Share of Major Revenue by Detailed Industry**

Industry Sector	NAICS	MM\$	% of Total Fees	% of Total Output	% of Total Value-Added
Farm (Agricultural Products)	111-112	\$0.28	0.35%	0.01%	0.01%
Agriculture & Forestry support activities	115	\$0.06	0.07%	0.01%	0.01%
Oil & Gas Extraction	211	\$1.34	1.66%	0.04%	0.05%
Mining (except oil and gas)	212	\$0.55	0.69%	0.06%	0.10%
Support Activities for Mining	213	\$0.21	0.25%	0.05%	0.07%
Utilities	22	\$4.43	5.49%	0.04%	0.05%
Construction	23	\$1.99	2.47%	0.00%	0.01%
Wood Products Mfg.	321	\$0.10	0.12%	0.01%	0.02%
Nonmetallic Mineral Product Mfg.	327	\$1.90	2.36%	0.06%	0.14%
Primary Metal Mfg.	331	\$1.63	2.03%	0.03%	0.13%
Fabricated Metal Product Mfg.	332	\$4.06	5.03%	0.02%	0.05%
Machinery Manufacturing	333	\$0.65	0.80%	0.01%	0.02%
Computer & Electronic Product Mfg.	334	\$1.01	1.25%	0.00%	0.00%
Electrical Equipment & Appliance Mfg.	335	\$0.62	0.77%	0.01%	0.03%
Motor Vehicle Mfg.	3361-3363	\$0.37	0.46%	0.01%	0.02%
Transport Equip. Mfg. Excl. Motor Veh.	3364-3369	\$1.22	1.51%	0.00%	0.01%
Furniture & Related Product Mfg.	337	\$0.31	0.39%	0.01%	0.02%
Miscellaneous Mfg.	339	\$0.56	0.70%	0.00%	0.01%
Food Mfg.	311	\$1.87	2.32%	0.01%	0.04%
Beverage and Tobacco Product Mfg.	312	\$0.35	0.43%	0.00%	0.01%
Textile & Textile Product Mills	313-314	\$0.43	0.54%	0.01%	0.05%
Apparel, Leather & Allied Product Mfg.	315-316	\$0.05	0.07%	0.00%	0.00%
Paper Mfg.	322	\$0.55	0.68%	0.01%	0.04%

<sup>7</sup>Output and Value-added data for 2015, the most recent historical data, by detailed industry were compiled by Regional Economic Modeling, Inc. (REMI) in 2017 year dollars.

Industry Sector	NAICS	MM\$	% of Total Fees	% of Total Output	% of Total Value-Added
Printing & Related Support Activities	323	\$0.50	0.62%	0.01%	0.02%
Petroleum and Coal Products Mfg.	324	\$14.99	18.57%	0.06%	0.26%
Chemical Mfg.	325	\$2.72	3.37%	0.01%	0.02%
Plastics and Rubber Products Mfg.	326	\$1.44	1.78%	0.02%	0.05%
Wholesale Trade	42	\$3.63	4.50%	0.00%	0.00%
Retail Trade	44-45	\$10.96	13.59%	0.01%	0.02%
Air Transportation	481	\$0.06	0.08%	0.00%	0.00%
Rail Transportation	482	\$0.02	0.02%	0.00%	0.00%
Water Transportation	483	\$0.01	0.02%	0.00%	0.00%
Truck Transportation	484	\$0.20	0.24%	0.00%	0.00%
Couriers & Messengers	491-492	\$0.04	0.05%	0.00%	0.00%
Transit & Ground passenger Transportation	485	\$0.10	0.12%	0.00%	0.01%
Pipeline Transportation	486	\$0.67	0.83%	0.21%	0.29%
Scenic & Sightseeing Transportation	487-488	\$0.86	1.06%	0.01%	0.01%
Warehousing & Storage	493	\$0.30	0.37%	0.00%	0.01%
Publishing Industries, Except Internet	511	\$0.11	0.13%	0.00%	0.00%
Motion Picture & Sound Recording Industries	512	\$0.20	0.25%	0.00%	0.00%
Internet Services & Data Processing	518-519	\$0.07	0.09%	0.00%	0.00%
Broadcasting, Except Internet	515	\$0.09	0.11%	0.00%	0.00%
Telecommunications	517	\$0.34	0.42%	0.00%	0.00%
Monetary Authorities	521-522, 525	\$0.20	0.25%	0.00%	0.00%
Securities, Commodity Contracts, Investments	523	\$0.22	0.27%	0.00%	0.00%
Insurance Carriers & Related Activities	524	\$0.09	0.11%	0.00%	0.00%
Real Estate	531	\$1.11	1.38%	0.00%	0.00%
Rental & Leasing Services	532-533	\$0.29	0.36%	0.00%	0.00%
Professional and Technical Services	54	\$1.77	2.19%	0.00%	0.00%
Management of Companies & Enterprises	55	\$0.05	0.06%	0.00%	0.00%
Administrative & Support Services	561	\$1.50	1.86%	0.00%	0.00%
Waste Management & Remediation Services	562	\$1.80	2.23%	0.04%	0.08%
Education Services	61	\$1.26	1.56%	0.01%	0.01%
Ambulatory Health Care Services	621	\$0.54	0.67%	0.00%	0.00%
Hospitals	622	\$0.89	1.11%	0.00%	0.01%
Nursing & Residential Care Facilities	623	\$0.17	0.21%	0.00%	0.00%
Social Assistance	624	\$0.11	0.13%	0.00%	0.00%
Performing Arts & Spectator Sports	711	\$0.08	0.10%	0.00%	0.00%
Museums, Historical Sites, Zoos, and Parks	712	\$0.03	0.04%	0.00%	0.01%
Amusement, Gambling, and Recreation	713	\$0.39	0.48%	0.00%	0.01%
Accommodation	721	\$0.33	0.41%	0.00%	0.01%
Food Services & Drinking Places	722	\$0.78	0.96%	0.00%	0.00%
Repair & Maintenance	811	\$3.11	3.86%	0.02%	0.03%
Personal & Laundry Services	812	\$1.18	1.46%	0.01%	0.01%
Membership Associations and Organizations	813	\$0.31	0.39%	0.00%	0.01%
Government	92	\$1.83	2.27%	0.00%	0.00%
Unclassified*	N/A	\$0.80	0.99%		
Totals		\$80.68	100%	0.005%	0.007%

\*Facilities with no NAICS codes assigned are categorized as "unclassified."

## REVENUE IMPACTS OF PROPOSED FEE RATE INCREASE BY INDUSTRY

Rule 320 requires annual adjustment of most fee rates in Regulation III by an amount equal to the change in CPI, which is 3.4 percent for the period of December 2016 to December 2017 unless the Board decides in a rulemaking hearing to forgo the CPI increase. In order to analyze only the impact of the CPI-based increase, the estimation is based on FY 16-17 emissions and the current equipment and activity profile of individual facilities. Thus, this estimate excludes any other changes to revenue, such as Title V/Non-Title V fee increase, additional state funding, and changes in activity levels, as discussed in the Revenue Trend section. Based on this methodology, the fee rate increases from the 3.4 percent CPI increase are estimated to increase total SCAQMD revenue by approximately \$2.74 million. This estimate is only for the CPI-based increase and thus differs from the estimate in Table 1, for reasons discussed above.<sup>8</sup>

Table 7 shows the distribution of these fee changes across the affected industries. It includes the majority subset of the fees subject to the CPI-based rate increase. They include emission fees, permit processing fees, annual permit renewal fees, AB 2588 fees, source test fees, and a portion of Rule 2202 fees.

The manufacturing sector as a whole would experience the largest increase in fees (approximately \$1.20 million for about 3,700 facilities), followed by the services sector (approximately \$0.48 million for about 10,600 facilities), the retail trade sector (approximately \$0.37 million for about 4,000 facilities), with the remaining sectors accounting for \$0.68 million. Within the manufacturing sector, the petroleum and coal products manufacturing industry, mostly comprised of refineries, will have an increase of around \$0.51 million, or over 18 percent of the overall increase.

## SUMMARY

The above analysis provides background information on SCAQMD's revenue and summarizes the economic impact on facilities regulated by SCAQMD due to the automatic consumer price index (Rule 320) increase. Based on the fee categories examined in the analysis and last year's activity levels, SCAQMD revenues are expected to increase by \$2.74 million as a result of this fee rate increase. However, the amount of SCAQMD fees paid by each industry remained small relative to the industry's economic output or value-added (less than 0.01 percent overall).

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<sup>8</sup> A socioeconomic assessment of proposed amendments to Regulation III with fee impacts will be released at least 30 days prior to the public hearing, which is currently scheduled for May 4, 2018.

**Table 7: Revenue Impact of the Fee Rate Increase by Industry Sector**

Industry	NAICS	Estimated Number of Affected Facilities	Revenue Change Due to 3.4% CPI Adjustment	Percent of Total CPI Increase
<b>Agriculture, Forestry, Fishing &amp; Hunting</b>	<b>111-115</b>	<b>114</b>	<b>\$11,512</b>	<b>0.42%</b>
<b>Mining</b>	<b>21</b>	<b>340</b>	<b>\$71,309</b>	<b>2.60%</b>
Oil and Gas Extraction	211	223	\$45,502	1.66%
Mining (except oil and gas)	212-213	117	\$25,807	0.94%
<b>Construction</b>	<b>23</b>	<b>1,072</b>	<b>\$67,626</b>	<b>2.47%</b>
<b>Manufacturing</b>	<b>31-33</b>	<b>3,715</b>	<b>\$1,201,262</b>	<b>43.79%</b>
Food Manufacturing	311	231	\$63,693	2.32%
Wood Products Manufacturing	321	82	\$3,335	0.12%
Petroleum and Coal Products Mfg.	324	98	\$509,491	18.57%
Chemical Manufacturing	325	352	\$92,367	3.37%
Nonmetallic Mineral Product Mfg.	327	234	\$64,655	2.36%
Primary & Fabricated Metal Mfg.	331-332	846	\$193,653	7.06%
Machinery Manufacturing	333	204	\$21,988	0.80%
Computer and Electronic Product Mfg.	334	275	\$34,205	1.25%
Electrical Equipment & Appliance Mfg.	335	124	\$21,156	0.77%
Motor Vehicle & Trans. Equipment Mfg.	336	241	\$53,892	1.96%
Other Manufacturing	312-339	1,028	\$142,827	5.21%
<b>Utilities</b>	<b>22</b>	<b>1,042</b>	<b>\$150,505</b>	<b>5.49%</b>
<b>Transportation &amp; Warehousing</b>	<b>48-49</b>	<b>632</b>	<b>\$76,660</b>	<b>2.79%</b>
<b>Information</b>	<b>51</b>	<b>747</b>	<b>\$27,664</b>	<b>1.01%</b>
Publishing Industries, Except Internet	511	34	\$3,635	0.13%
Motion Picture & Sound Recording	512	76	\$6,862	0.25%
Internet Services and data processing	518, 519	55	\$2,534	0.09%
Other Information	Other in 51	582	\$14,633	0.53%
<b>Wholesale Trade</b>	<b>42</b>	<b>1,205</b>	<b>\$123,528</b>	<b>4.50%</b>
<b>Retail Trade</b>	<b>44-45</b>	<b>3,979</b>	<b>\$372,734</b>	<b>13.59%</b>
Car & Parts Dealers	441	302	\$13,498	0.49%
Gas Stations	447	1,821	\$234,605	8.55%
Other Retail Trade	Other in 44-45	1,856	\$124,632	4.54%
<b>Finance and Insurance</b>	<b>52</b>	<b>356</b>	<b>\$17,140</b>	<b>0.62%</b>
<b>Real Estate and Rental Leasing</b>	<b>53</b>	<b>1,170</b>	<b>\$47,568</b>	<b>1.73%</b>
<b>Services</b>	<b>54-81</b>	<b>10,634</b>	<b>\$486,173</b>	<b>17.72%</b>
Professional and Technical Services	54	793	\$60,077	2.19%
Accommodation	721	272	\$11,311	0.41%
Food Services & Drinking Places	722	2,378	\$26,378	0.96%
Automotive Repairs & Maintenance	8111	2,271	\$90,733	3.31%
Dry Cleaning & Laundry Services	8123	1,239	\$29,480	1.07%
Health Care & Social Assistance	62	830	\$58,231	2.12%
Other Services	Other in 54-81	2,851	\$209,964	7.65%
<b>Public Administration</b>	<b>92</b>	<b>1,529</b>	<b>\$62,167</b>	<b>2.27%</b>
<b>Unclassified*</b>	<b>N/A</b>	<b>398</b>	<b>\$27,127</b>	<b>0.99%</b>
<b>Totals</b>		<b>26,933</b>	<b>\$2,742,975</b>	<b>100%</b>

\*Facilities with no NAICS codes assigned are categorized as "unclassified."

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## ATTACHMENT J

### SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

#### **Final Socioeconomic Impact Assessment of Proposed Amended Regulation III - Fees**

May 2018

**Deputy Executive Officer**  
**Planning, Rule Development & Area Sources**  
Philip M. Fine, Ph.D.

**Assistant Deputy Executive Officer**  
**Planning, Rule Development & Area Sources**  
Susan Nakamura

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**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
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Supervisor, First District  
County of Los Angeles

**EXECUTIVE OFFICER:**

WAYNE NASTRI

## EXECUTIVE SUMMARY

A socioeconomic analysis was conducted to assess the potential impacts of Proposed Amended Regulation (PAR) III – Fees. This assessment provides analysis of the proposed amendments to Regulation III with fee impacts other than the CPI-based increase. It includes the estimated fee impacts by proposed amendment and by industry. It also includes a macroeconomic impact analysis, which projects how PAR III would impact the regional economy. A summary of the analysis and findings is presented below.

A separate socioeconomic analysis has been conducted to assess the potential impacts of the Rule 320 - Automatic Adjustment of Fees Based on Consumer Price Index (CPI), which was released on March 14, 2018. This CPI-based fee increase adjusts fees for the cost of inflation, thereby holding the real (adjusted for inflation) fee amount constant over time. The regional economic impact analysis included in this assessment is based on the real dollar value of fees, therefore it assumes the implementation of Rule 320 in all years of the analysis horizon.

<b>Proposed Amendment with Fee Impacts</b>	<p>Fee increases are estimated for the following proposed amendments:</p> <ul style="list-style-type: none"> <li>• Refinery-Related Community Air Monitoring System Annual Operation and Maintenance (O&amp;M) Fees</li> <li>• Rule 1466 Notification Fees</li> <li>• Facility Permit Reissuance Fees for RECLAIM Transition</li> <li>• Periodic Assessment Fees for an Existing Non-RECLAIM Continuous Emissions Monitoring Systems (CEMS), Fuel Sulfur Monitoring Systems (FSMS), or Alternative Continuous Emission Monitoring Systems (ACEMS)</li> <li>• Clean Air Solvent (CAS) and Clean Air Choices Cleaner (CACC) Certification Fees</li> <li>• Annual Review/Renewal Fee for Rule 1105.1, Rule 1118, and Rule 1123 Compliance Plans</li> <li>• Public Notice Publication Fees</li> <li>• Fees for Optional Catalyst Equivalency Evaluation</li> <li>• AB 2588 Potentially High Risk Level Facility Fees</li> <li>• AB 2588 Special Review Fees</li> </ul>
<b>Affected Industries</b>	<p>The industries affected by PAR III vary by proposed amendment. Overall, the proposed amendments would potentially affect every sector of the regional economy. The greatest number of potentially affected facilities are estimated to be in the manufacturing sector (NAICS 31-33), followed by the utilities sector (NAICS 22) and services sectors (NAICS 54-81).</p>

<b>Estimated Fee Increases</b>	<p>Based on the proposed amendments evaluated in this analysis, the overall fee impact of PAR III is estimated to be \$1.29 million in Fiscal Year (FY) 2018-19, \$5.82 million in FY 2019-20, and \$4.99 million in FY 2020-21 and thereafter. The large increase from FY 2019-20 to FY 2020-21 results from the beginning of implementing the proposed Rule 1180 Community Air Monitoring System Annual O&amp;M Fees, which are estimated to cost \$4.57 million annually, all of which will be incurred by the eight affected petroleum refineries (NAICS 324110).</p> <p>The manufacturing sector, which includes the petroleum refineries, is estimated to experience the largest fee increase from the proposed amendments, with an increase of about \$4.57 million on average over the 2018-2027 time period, representing a 97 percent share of the increase.</p>
<b>Projected Job Impacts of the Estimated Fee Increases</b>	<p>A macroeconomic job impact analysis was conducted based on the estimated increases in fees paid by the affected industries. This analysis projects an average annual increase of 57 jobs in the four-county region over a ten-year period (2018-2027). The positive job impact is a net result of projected increases in jobs in local government, professional, scientific, and technical services, and administrative and waste management services, combined with smaller decreases in the manufacturing and mining and oil and gas extraction sectors.</p>

## INTRODUCTION

Various fee schedules are specified in Regulation III – Fees to cover the Permitted Source Program, as well as additional fees authorized by the Legislature. In June 2017, the SCAQMD Governing Board approved fee increases for non-Title V facilities necessary to recover reasonable costs of its regulatory programs. It additionally approved fee increases for Title V facilities as a necessary response to a U.S. EPA Title V Program Evaluation Report (2016), which recommended that SCAQMD take measures to cover program funding deficits. PAR III – Fees continues these cost recovery efforts with 10 proposals that have potential fee impacts. These proposed amendments with fee impacts are in addition to the fee adjustments required by Rule 320 – Automatic Adjustment Based on Consumer Price Index (CPI) for Regulation III Fees. The CPI-only socioeconomic impacts have been analyzed in the Draft Socioeconomic Impact Assessment for Rule 320, released on March 14, 2018 (see: [http://www.aqmd.gov/docs/default-source/finance-budgets/fy-2018-19/draft-socioeconomic-assessment-for-automatic-cpi-increase\\_2018.pdf](http://www.aqmd.gov/docs/default-source/finance-budgets/fy-2018-19/draft-socioeconomic-assessment-for-automatic-cpi-increase_2018.pdf)).

In order to examine the impact of the proposed amendments with fee impacts, this report quantifies the fee impact by each proposed amendment and by the potentially affected industries. These estimated increases in fees by industry are used as inputs into the macroeconomic job impact analysis along with the corresponding increase in SCAQMD spending to estimate the impact on jobs in the region. As noted above, the Rule 320 CPI-based fee adjustments have been examined in a separate assessment. This CPI-based fee increase adjusts fees for the cost of inflation, thereby holding the real (adjusted for inflation) fee amount constant over time. The regional economic impact analysis included in this assessment is based on the real dollar value of fees and therefore assumes the implementation of Rule 320 in all years of the analysis horizon. SCAQMD is required to undertake socioeconomic analyses by California Health and Safety Code (H&SC) Section 40440.8(a) for proposed rules and rule amendments that *"will significantly affect air quality or emissions limitations"*. Although PAR III – Fees does not satisfy this criterion, the analysis herein is presented to provide further information to the Governing Board and stakeholders on the impacts of PAR III.

## PROPOSED RULE AMENDMENTS WITH FEE IMPACTS

### 1. Refinery-Related Community Air Monitoring System Annual O&M Fees

On December 1, 2017, the SCAQMD Governing Board adopted Rule 1180 – Refinery Fenceline and Community Air Monitoring in response to Assembly Bill (AB) 1647. AB 1647 added H&SC section 42705.6, which in addition to requiring fenceline air monitoring refineries, also requires air districts to design, develop, install, operate and maintain refinery-related community air monitoring systems. Rule 1180 includes cost recovery provisions for refinery-related community air monitoring systems. In order to recover costs incurred by SCAQMD to operate these monitoring systems, staff is proposing to amend Rule 301. The proposed amendment would require affected petroleum refineries to pay an annual fee to SCAQMD for operating and maintaining statutorily-required refinery-related community air monitoring system(s) in communities near these refineries.

The facilities affected by Rule 1180 are all petroleum refineries within SCAQMD's jurisdiction, with exemptions applicable to an owner or operator of a petroleum refinery that has a maximum capacity to process less than 40,000 barrels per day of crude oil. Eight major petroleum refineries are affected and they are classified under the industry of Petroleum Refineries (NAICS 324110), all of which are located in Los Angeles county.

The annual fees for community air monitoring are based on the estimated cost of operation and maintenance of a community air monitoring station, which are provided in Table 1. These costs may be applied toward partial deployments (i.e., less than a complete set of measurements at more than one site) or for distributed monitoring (i.e., several location pollutant monitoring). Also, a refinery could be responsible for the cost associated with a portion of a station (if downwind of more than one refinery), a single station, or multiple stations based on the need for adequate monitoring coverage.

The fee impact for this proposed amendment is estimated as the total of the Annual Operating and Maintenance Fee paid by all refineries, provided for in Proposed Amended Rule 301(aa). This results in a total fee impact for this proposed amendment of \$4,573,201 annually, beginning in FY 2020-21.

**Table 1: R1180 Community Monitoring Site Cost Estimate**

Routine costs associated with site maintenance	\$29,950
Electricity <sup>1</sup>	\$7,200
Utilities <sup>1</sup>	\$5,470
Land/Site Lease <sup>1</sup>	\$14,400
Lavatory Rental <sup>1</sup>	\$2,880
Data validation, analysis, and mapping <sup>2</sup>	\$54,016
Routine costs associated monitoring equipment maintenance	\$16,100
Calibration Gases <sup>1</sup>	\$6,100
Maintenance Parts <sup>1</sup>	\$10,000
Technical and laboratory labor	\$335,477
One Air Quality Specialist at ½ effort, one Air Quality Instrument Specialist, one Air Quality Chemist at ⅓ effort, and one Program Supervisor at ⅓ effort <sup>3</sup>	
<b>Total O&amp;M Cost</b>	<b>\$435,543</b>

<sup>1</sup> Based on the 2012 station cost estimates for the Anaheim monitoring station.

<sup>2</sup> Based on the previous SCAQMD contracts for data visualization and mapping.

<sup>3</sup> Based on the FY 2017-18 Schedule of Burdened Rates (burdened hourly rate of \$121.17 for Program Supervisor, \$105.69 for Air Quality Specialist, \$101.55 for Air Quality Chemist, and \$86.17 for Air Quality Instrument Specialist). Includes salaries, benefits, overheads (e.g., share of utilities, insurance, payroll, systems, etc.). Annual staff labor cost at full effort is calculated with a 40-hour work week and 52 weeks per year.

## 2. Rule 1466 Notification Fee

Rule 1466 is a new rule which was adopted on July 7, 2017 and amended on December 1, 2017. The purpose of Rule 1466 is to minimize off-site fugitive dust emissions containing toxic air contaminants. Rule 1466 requires a facility to provide notifications to SCAQMD prior to beginning earth-moving activities and when ambient PM<sub>10</sub> dust concentration limits are exceeded at Rule 1466 sites.

In order to recover costs incurred by SCAQMD, staff is proposing to amend Rule 301(x) for the purpose of adding a new fee for Rule 1466 notifications. The proposed fee for the Rule 1466 notification would be \$62.92 per notification. Updated notifications will not be subject to this proposed fee.

The industries potentially affected by this notification fee are described in the Final Staff Reports for Proposed Rule 1466 (July 2017) and Proposed Amended Rule 1466 (December 2017). The majority of potentially affected sites are within the manufacturing sector (NAICS 31-33), many are also within the administrative and waste management services sector (NAICS 56), and the public administration sector (NAICS 92). Potentially affected sites may also be in the utilities (NAICS 22), transportation (NAICS 48), and real estate and leasing (NAICS 53) sectors.

The fee impact of this proposed amendment is estimated based on the average annual number of sites affected by this rule as described in the Final Staff Report for PAR 1466 (December 2017), which is 10 per year. It is assumed that a site that complies with Rule 1466 requirements will need to notify SCAQMD only prior to the beginning of earth-moving activities and will not have a PM<sub>10</sub> exceedance. Therefore, the affected site will not be required to submit more than one notification subject to the proposed fee. Thus, the annual cost of this proposed amendment is estimated to be \$629 ( $\$62.92/\text{notification} \times 1 \text{ notification/year/site} \times 10 \text{ sites}$ ).

## 3. Facility Permit Reissuance Fees for RECLAIM Transition

In order to recover costs incurred by SCAQMD, staff is proposing to add a new fee for work performed to transition facilities that will be exiting the NO<sub>x</sub> RECLAIM program in accordance with Regulation XX and Regulation XI. In addition, staff is proposing provisions to recover costs related to work performed following transition from the NO<sub>x</sub> RECLAIM program for any facility that voluntarily elects to convert a transitioned facility permit to conventional command and control equipment-based permits. The initial flat fee and additional time and materials (T&M) fee schedule are shown in Tables 2 and 3.

**Table 2: Initial Flat Fee Schedule for RECLAIM Transition**

Number of Permitted RECLAIM NO <sub>x</sub> Sources	Non-Title V	Title V
Less than 10	\$2,232	\$3,160
Greater than or equal to 10 and less than 20	\$4,651	\$6,320
20 or more	\$9,302	\$12,640

**Table 3: Hourly Fee Rates for Additional T&M for RECLAIM Transition**

	Non-Title V		Title V	
Number of Permitted RECLAIM NO <sub>x</sub> Sources	Begin Charging Hourly Rate After (hrs)	T&M Rate (\$/hr)	Begin Charging Hourly Rate After (hrs)	T&M Rate (\$/hr)
Less than 10	12	\$186.04	15	\$210.67
Greater than or equal to 10 and less than 20	25	\$186.04	30	\$210.67
20 or more	50	\$186.04	60	\$210.67

The facilities potentially affected by this proposed amendment are the universe of NO<sub>x</sub> RECLAIM facilities. There are about 250 such facilities which span across many industries of the regional economy (Table A1). The majority of the facilities are in the manufacturing sector (NAICS 31-33), followed by the utilities sector (NAICS 22), and the transportation and warehousing sectors (NAICS 48-49). These facilities are located within all the four counties within SCAQMD's jurisdiction.

The number of NO<sub>x</sub> RECLAIM facilities, both non-Title V and Title V, are categorized by the number of permitted RECLAIM NO<sub>x</sub> sources in Table 4, which corresponds with the fee schedules given in Tables 2 and 3. For ease of reference in this fee impact analysis, facilities with less than 10 permitted RECLAIM NO<sub>x</sub> sources are categorized as "simple", those with 10 or more and less than 20 are categorized as "medium", and those with 20 or more are categorized as "complex". The initial flat fee depends on a facility's size and

whether or not is a Title V facility. The additional T&M fee is an hourly rate and only depends on whether or not the facility is Title V.

The fee impact of this proposed amendment is estimated based on the anticipated schedule for the sunseting of NO<sub>x</sub> RECLAIM program. It is expected that permits will be transitioned for half of the facilities in each category during FY 2018-19 and the remaining half during FY 2019-2020. In addition, there are additional time and materials (T&M) fees that must be paid for permit processing that require more staff time than the hourly thresholds described in Rule 301(l)(16). Staff has made conservative estimates of the costs and fee impacts. It is assumed that half of simple facilities will require additional T&M charges, and at least 75 percent of medium and complex facilities will require an additional T&M charge. It is further assumed that the amount of T&M fees for a facility that requires it will be at least 50 percent of the base rate of hours.

**Table 4: Number of Affected Facilities and Estimated Cost of Permit Transition Fee**

Facility Size (Number of Permitted RECLAIM NO <sub>x</sub> Sources)	# of Facilities			Fees				
	Non- Title V	Title V	Total	Non- Title V	Title V	FY 2018- 19	FY 2019- 20	Total
Less than 10 (Simple)	98	81	179	\$272,363	\$320,745	\$298,924	\$294,184	\$593,108
10 or more and less than 20 (Medium)	13	28	41	\$81,393	\$240,164	\$164,266	\$157,290	\$321,556
20 or more (Complex)	4	25	29	\$65,114	\$726,812	\$411,763	\$380,163	\$791,926
<b>Total</b>	<b>115</b>	<b>134</b>	<b>249</b>	<b>\$418,869</b>	<b>\$1,287,720</b>	<b>\$874,953</b>	<b>\$831,636</b>	<b>\$1,706,589</b>

The total fee impact is estimated to be about \$875,000 during FY 2018-19 and \$832,000 during FY 2019-20. The total amount for the two year period is \$1.71 million, of which about \$419,000 is estimated to be paid by non-Title V facilities and \$1.28 million is estimated to be paid by Title V facilities. Twenty-nine complex facilities are estimated to pay the largest amount of fees at \$792,000, followed by 179 simple facilities with about \$593,000 and 41 medium facilities with about \$321,000, over the two year period.

#### 4. Periodic Assessment Fees of an Existing Non-RECLAIM CEMS, FSMS, or ACEMS

In order to recover costs incurred by the SCAQMD, staff is proposing to add a new fee associated with SCAQMD periodic assessments of non-RECLAIM CEMS, FSMS, and ACEMS. The proposed fee for the periodic assessment would be \$907.51, plus an additional fee of \$172.01 per hour for time spent on the evaluation in excess of 10 hours up to a maximum total fee of \$5,738.49.

The non-RECLAIM facilities affected by this proposed amendment are classified within many different sectors of the regional economy (see Appendix, Table A1). The majority of facilities are in the utilities sector (NAICS 22), followed by the manufacturing sector (31-33). This fee will also apply to current RECLAIM facilities once they have transitioned out



of the NOx RECLAIM program, pursuant to the applicable rule. These facilities are located in all the four counties within SCAQMD's jurisdiction.

Staff has estimated that there would be five to 10 assessments subject to this fee per year, and the fee amount would not exceed the minimum processing fee as it is expected that no more than 10 hours of staff evaluation time would be required for each assessment. The fee impact for this proposed amendment is estimated based on the higher-end estimate of 10 assessments and the minimum fee of \$907.51, and is therefore estimated to be approximately \$9,075 per year.

5. Fees for Clean Air Solvent (CAS) and Clean Air Choice Cleaner (CACC) Voluntary Certification

In order to recover costs incurred by SCAQMD, staff is proposing to increase the fees charged when facilities voluntarily seek certification under the CAS and CACC programs administered by SCAQMD. The CAS certification fee will be increased from \$835.46 to \$1503.77, plus additional fees assessed at the rate of \$135.77 per hour for time spent on the analysis/certification process in excess of 12 hours. The CACC certification fee will be increased from \$880.18 to \$1503.77, plus an additional fee of \$300 for quantification of total nitrogen, total phosphorous, and trace metals by a contracting laboratory and additional fees assessed at the rate of \$135.77 per hour for time spent on the analysis/certification process in excess of 12 hours.

Based on information from past program participants, applicants with products for certification are formulators who buy off-the-shelf components and combine them in a manner suitable for the product's intended use. They may also be resellers or consultants who buy products from elsewhere and relabel them for use within SCAQMD's jurisdiction. Businesses involved in these types of operations are best classified as Chemical Manufacturers (NAICS 327) and Chemical and Allied Products Merchant Wholesalers (NAICS 4246). Past program information indicates that none of the applicants are facilities located within SCAQMD's jurisdiction.

The increase in certification fees for CAS and CACC samples is \$668.31 (\$1503.77-\$835.46) and \$623.59 (\$1503.77-\$880.18), respectively. CACC samples will be charged an additional \$300 fee for the additional analysis that is contracted out to a third-party lab. It is expected that all samples will be billed at the flat rates. Data from the past five years of the certification program shows an average of 10 CAS samples per year and average of 5 CACC samples per year. Based on this information the fee impact is estimated to be \$6,683 from CAS samples and \$4,618. Taken together this yields an estimate of \$11,301 as the annual fee impact for this proposed amendment.

6. Annual Review/Renewal of R1105.1, R1118, and R1123 Compliance Plans

In order to recover costs incurred by SCAQMD, staff is proposing new fees based on the addition of three types of compliance plans to Rule 306(h). The compliance plans being added to the rule include: Rule 1105.1 (Reduction of PM10 and Ammonia Emissions from Fluid Catalytic Cracking Units), Rule 1123 (Refinery Process Turnarounds), and Rule 1118 (Flare Monitoring and Recording Plan). Thus, non-Title V facilities with these newly

added plans will have to pay an annual fee of \$406.79; Title V facilities with these newly added plans would have to pay an annual fee of \$460.64 for FY 2018-19 and \$509.74 for FY 2019-20 and thereafter.

The potentially affected facilities are estimated based on the facilities with current plans that will begin to be billed annually under the proposed amendments. These facilities are all classified as Title V and are comprised of nine petroleum refineries (NAICS 324110) and three industrial gas manufacturing facilities (NAICS 325120). All facilities are located within Los Angeles county.

The fee impact of this proposed amendment is estimated based on the Title V fee rate, which is applicable to all twelve affected facilities. The fee impact is estimated to be \$5,528 for FY 2018-19 and increases to \$6,117 thereafter, due to the increase in the Title V fee rate.

#### 7. Public Notice Publication Fees

The proposed amendment to Rule 301 subparagraphs (j)(4)(A) and the proposed renumbered (m)(6)(A) would allow SCAQMD to bill the actual cost invoiced for public notice publication to a facility subject to the public noticing requirement and electing to pay SCAQMD to arrange for publication of its public notice. This is a change from the current fee schedule in Table IIB (Rule 301), which may not fully cover the invoiced amount of public notice publication.

Facilities potentially affected by this proposed amendment are any which may be subject to a public noticing requirement. Based on past data where SCAQMD arranged for publication of public notices, the affected industries are estimated. Table A1 in the Appendix shows number of affected facilities by industry that have had SCAQMD administer public notices for them during 2016-2107. The majority of facilities (59) are classified within the manufacturing sector (NAICS 31-33). This is followed by the services sector (NAICS 54-81), with 27 facilities, and the utilities sector with 15 facilities. These facilities are located within all the four counties within SCAQMD's jurisdiction.

The fee impact of this proposed amendment is estimated based on historical fee information from 2016 and 2017 (Table 5). These data show that the average revenue received from facilities over this two year period was about \$80,200, while the average amount paid to publishers was about \$111,000, implying a deficit of about \$31,000 on average to SCAQMD for public notice publication. As this proposed amendment would equate the amount SCAQMD pays to publishers to the revenue facilities pay, the fee impact is estimated to be the historical average amount of the deficit, or about \$31,000 per year.

**Table 5: Public Notice Publication Revenue and Cost**

	<b>2016</b>	<b>2017</b>	<b>Average</b>
Revenue from facilities	\$74,241	\$86,156	\$80,198
Payments to publishers (Cost)	\$81,945	\$140,164	\$111,055
<b>Deficit</b>	<b>-\$7,704</b>	<b>-\$54,008</b>	<b>-\$30,856</b>

### 8. Fees for Optional Catalyst Equivalency Evaluation

In order to recover costs incurred by SCAQMD, staff is proposing to add a new fee for work performed on Catalyst Equivalency Evaluations. The new fee proposed by this amendment will be based on time incurred, billed at the hourly rate of \$155.80 for non-Title V facilities, and for Title V facilities, the hourly rate would be \$176.42 in FY 2018-19 and \$195.23 in FY 2019-20 and thereafter.

The facilities affected by this proposed amendment are all facilities with active Selective Catalytic Reduction (SCR) permits. These facilities are classified within many sectors of the regional economy. Table A2 in the Appendix shows the number of affected facilities by industry classification. The greatest number of affected facilities are classified within the utilities sector (NAICS 22), this is followed by manufacturing sector (NAICS 31-33).

A typical review is expected to take approximately 15 hours. Therefore, the expected cost per evaluation is estimated to range between \$2,300 and \$3,000, depending on the applicable fee rate and the actual review time. Even though this is a new fee, it will serve to reduce overall costs for a facility over time. Without this proposal, facilities are currently required to submit a permit modification application every time they replace the catalyst on their SCRs. Though this new fee is expected to result in cost-savings over time for affected facilities, for purposes of the analysis it is conservatively assumed to result in no revenue change from the status quo.

### 9. AB 2588 Potentially High Risk Facilities Fees

In order to recover costs incurred by SCAQMD, staff is proposing to add new fees for the work undertaken by AB 2588 staff in determining Rule 1402 compliance for facilities designated as a Potentially High Risk Level Facility, as defined under Rule 1402. The proposed Potentially High Risk Level Facility Fees would be assessed on a T&M basis at the hourly rate of \$172.88. A maximum of \$100,000 per year per facility is also proposed for the Potentially High Risk Level Facility Fees to provide cost certainty for the affected facilities.

The facilities affected by this proposed amendment are those currently designated as Potentially High Risk Facilities, pursuant to Rule 1402. There are currently three facilities with this designation. These facilities are classified within the Fabricated Metal Manufacturing (NAICS 332) and Petroleum and Coal Products Manufacturing (NAICS 324) industries and are all located in Los Angeles county.

The fee impact will be based on the number of hours that are charged at the T&M fee rate of \$172.99, with a cap of \$100,000 per facility. Based on the review time for the three currently designated Potentially High Risk Level Facilities, it is not expected that staff would spend more than 600 hours of review time per year per facility. However, it is conservatively assumed here for purposes of socioeconomic analysis that the fee impact would be the \$100,000 maximum per facility resulting in an estimated \$300,000 per year for all three Potentially High Risk Level Facilities.

### 10. AB 2588 Special Reviews Fees

In order to recover costs incurred by SCAQMD, staff is proposing to add new fees related to the preparation or revision of an Air Toxics Inventory Report (ATIR) pursuant to Rule 1402, and to increase the current fee rate beyond the CPI adjustment for the preparation or revision of a Health Risk Assessment (HRA) pursuant to Rule 1402. The Fee would be assessed at the hourly rate of \$150.62.

The facilities potentially affected under this proposed amendment would be any AB 2588 facility with a submitted air toxics inventory report that is prepared or revised by District personnel or a contractor engaged by the district. AB2588 facilities belong to many different sectors of the regional economy. The number of these facilities by industry classification is provided in Table A1 of the Appendix. The greatest number of facilities (200) are classified within the manufacturing sector (NAICS 31-33), followed by the services sector (NAICS 54-81), with 64 facilities.

The fee impact for this proposed amendment is conservatively estimated to be \$20,000 per ATIR that needs to be prepared or revised by staff, based on a consultant's recent bid or about 150 hours of staff time. It is further conservatively assumed that there will be no more than three special reviews conducted during a year. Historically there has only been one HRA that has been subject to special review. Based on this information, the annual fee impact for this proposed amendment is estimated to be \$60,000.

## **SUMMARY OF FEE IMPACTS OF PAR III**

Of the ten proposed amendments with fee impacts, nine are estimated to result in positive fee increases for facilities, and one to result in fee savings for facilities. The fee impacts by proposed amendment are shown in Table 4 for FY 2018-19, FY 2019-20, FY 2020-21 and thereafter, and an annual average over 2018-2027. The average annual fee impact shown in Table 6 considers the cost over a 10-year period used for the analysis in this assessment. The annual average fee impacts over a 10-year horizon allows for comparison of the fee impacts of proposed amendments over a period of time by accounting for fees that may vary over time or are zero for certain years. The fee impacts in total are estimated be \$1.29 million in FY 2018-19, \$5.82 million in FY 2019-20, and \$4.99 million in FY 2020-21. The Refinery-related Community Air Monitoring System Annual O&M Fees is the proposed amendment with the greatest fee impact. Other proposed amendments result in small fee impacts relative to the community air monitoring fee.

**Table 6: Estimated Fee Impacts by Proposed Amendment**

<b>Proposed Amendment</b>	<b>Annual Fee Impact</b>			
	<b>FY 2018-2019</b>	<b>FY2019-2020</b>	<b>FY 2020-2021 and thereafter</b>	<b>Average Annual<sup>2</sup> (2018-2027)</b>
Refinery-Related Community Air Monitoring System Annual O&M Fees	\$0	\$4,573,202	\$4,573,202	\$4,115,881
Rule 1466 Notification Fee	\$629	\$629	\$629	\$629
Facility Permit Reissuance Fees for RECLAIM Transition <sup>1</sup>	\$874,953	\$831,636	\$0	\$177,330
Periodic Assessment Fees for an Existing Non-RECLAIM CEMS, FSMS, or ACEMS	\$9,075	\$9,075	\$9,075	\$9,075
CAS and CACC Certification Fees	\$11,301	\$11,301	\$11,301	\$11,301
Annual Review/Renewal Fee for Rule 1105.1, Rule 1118, and Rule 1123 Compliance Plans	\$5,528	\$6,117	\$6,117	\$6,058
Public Notice Publication Fees	\$31,000	\$31,000	\$31,000	\$31,000
Fees for Optional Catalyst Equivalency Evaluation <sup>3</sup>	\$0	\$0	\$0	\$0
AB2588 Potentially High Risk Level Facility Fees	\$300,000	\$300,000	\$300,000	\$300,000
AB2588 Special Review Fees	\$60,000	\$60,000	\$60,000	\$60,000
<b>Total</b>	<b>\$1,292,486</b>	<b>\$5,822,960</b>	<b>\$4,991,323</b>	<b>\$4,711,274</b>

<sup>1</sup> Fees incurred during RECLAIM transition only. The transition is expected to be completed by the end of FY 2019-20.

<sup>2</sup> This is the average of annual fee impacts over a ten year horizon. It accounts for fees that may vary over time or are zero for certain years.

<sup>3</sup> This proposed amendment is expected to result in fee reduction for affected facilities, but is conservatively assumed to have no fee impact here for purposes of analysis.

As discussed in the previous section, the fee impacts from PAR III are estimated to be incurred by all industries within the regional economy. Table 7 shows the distribution of these fee impacts by industry, by FY and on average annually over a 10-year horizon. The manufacturing sector as a whole would incur the largest increase in fees with \$0.84 million in FY 2018-19, \$5.39 million in FY 2019-2020, and \$4.93 million in FY 2020-21 and thereafter, which comprises a 97% share of the fee impacts of PAR III on average. Within the manufacturing sector the petroleum and coal products manufacturing industry (NAICS 324) will incur a 90% share of the fee impacts, primarily as a result of the refinery related community monitoring system O&M fees that will be incurred by facilities in this industry.

Table 7: Fee Impact of the PAR III by Industry

Industry	NAICS	Fee Impact of PAR III				
		FY 2018-2019	FY 2019-2020	FY 2020-2021 and thereafter	Average Annual (2018-2027)	Share of Fee Impact
<b>Agriculture, Forestry, Fishing &amp; Hunting</b>	<b>111-115</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Mining</b>	<b>21</b>	<b>\$63,526</b>	<b>\$60,395</b>	<b>\$277</b>	<b>\$12,613</b>	<b>0.3%</b>
Oil and Gas Extraction	211	\$45,902	\$43,640	\$221	\$9,131	0.2%
Mining (except oil and gas)	212-213	\$17,625	\$16,755	\$55	\$3,482	0.1%
<b>Construction</b>	<b>23</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Manufacturing</b>	<b>31-33</b>	<b>\$843,107</b>	<b>\$5,392,890</b>	<b>\$4,931,984</b>	<b>\$4,569,187</b>	<b>97.4%</b>
Food Manufacturing	311	\$37,011	\$35,271	\$1,872	\$8,726	0.2%
Wood Products Manufacturing	321	\$140	\$140	\$140	\$140	0.0%
Petroleum and Coal Products Mfg.	324	\$206,662	\$4,775,782	\$4,688,944	\$4,249,400	90.6%
Chemical Manufacturing	325	\$59,376	\$56,914	\$6,815	\$17,081	0.4%
Nonmetallic Mineral Product Mfg.	327	\$34,444	\$32,878	\$2,819	\$8,988	0.2%
Primary & Fabricated Metal Mfg.	331-332	\$312,152	\$307,281	\$213,764	\$232,954	5.0%
Machinery Manufacturing	333	\$3,686	\$3,512	\$172	\$858	0.0%
Computer and Electronic Product Mfg.	334	\$22,539	\$21,495	\$1,455	\$5,568	0.1%
Electrical Equipment & Appliance Mfg.	335	\$4,884	\$4,710	\$1,370	\$2,056	0.0%
Motor Vehicle & Trans. Equipment Mfg.	336	\$51,007	\$48,746	\$5,327	\$14,237	0.3%
Other Manufacturing	312-339	\$111,205	\$106,160	\$9,303	\$29,179	0.6%
<b>Utilities</b>	<b>22</b>	<b>\$163,168</b>	<b>\$155,861</b>	<b>\$15,585</b>	<b>\$44,371</b>	<b>0.9%</b>
<b>Transportation &amp; Warehousing</b>	<b>48-49</b>	<b>\$66,896</b>	<b>\$63,765</b>	<b>\$3,647</b>	<b>\$15,983</b>	<b>0.3%</b>
<b>Information</b>	<b>51</b>	<b>\$3,514</b>	<b>\$3,340</b>	<b>\$0</b>	<b>\$685</b>	<b>0.0%</b>
Publishing Industries, Except Internet	511	\$0	\$0	\$0	\$0	0.0%
Motion Picture & Sound Recording	512	\$0	\$0	\$0	\$0	0.0%
Internet Services and data processing	518, 519	\$0	\$0	\$0	\$0	0.0%
Other Information	Other in 51	\$3,514	\$3,340	\$0	\$685	0.0%
<b>Wholesale Trade</b>	<b>42</b>	<b>\$3,875</b>	<b>\$3,702</b>	<b>\$362</b>	<b>\$1,047</b>	<b>0.0%</b>
<b>Retail Trade</b>	<b>44-45</b>	<b>\$10,962</b>	<b>\$10,441</b>	<b>\$421</b>	<b>\$2,477</b>	<b>0.1%</b>
Car & Parts Dealers	441	\$0	\$0	\$0	\$0	0.0%
Gas Stations	447	\$0	\$0	\$0	\$0	0.0%
Other Retail Trade	Other in 44-45	\$10,962	\$10,441	\$421	\$2,477	0.1%
<b>Finance and Insurance</b>	<b>52</b>	<b>\$3,514</b>	<b>\$3,340</b>	<b>\$0</b>	<b>\$685</b>	<b>0.0%</b>
<b>Real Estate and Rental Leasing</b>	<b>53</b>	<b>\$7,364</b>	<b>\$7,016</b>	<b>\$336</b>	<b>\$1,707</b>	<b>0.0%</b>
<b>Services</b>	<b>54-81</b>	<b>\$58,782</b>	<b>\$56,868</b>	<b>\$20,129</b>	<b>\$27,668</b>	<b>0.6%</b>
Professional and Technical Services	54	\$8,170	\$7,822	\$1,143	\$2,513	0.1%
Accommodation	721	\$10,597	\$10,075	\$55	\$2,111	0.0%
Food Services & Drinking Places	722	\$0	\$0	\$0	\$0	0.0%
Automotive Repairs & Maintenance	8111	\$0	\$0	\$0	\$0	0.0%
Dry Cleaning & Laundry Services	8123	\$0	\$0	\$0	\$0	0.0%
Health Care & Social Assistance	62	\$6,761	\$6,761	\$6,761	\$6,761	0.1%
Other Services	Other in 54-81	\$33,254	\$32,210	\$12,170	\$16,283	0.3%
<b>Public Administration</b>	<b>92</b>	<b>\$13,545</b>	<b>\$13,023</b>	<b>\$3,003</b>	<b>\$5,059</b>	<b>0.1%</b>
<b>Unclassified**</b>	<b>N/A</b>	<b>\$42,303</b>	<b>\$40,390</b>	<b>\$3,651</b>	<b>\$11,190</b>	<b>0.2%</b>
<b>Totals</b>		<b>\$1,280,556</b>	<b>\$5,811,030</b>	<b>\$4,979,393</b>	<b>\$4,692,673</b>	<b>100.0%</b>

\*Excludes the fee impacts of R1466 Notification Fees, which are minimal, and CAS and CCAC fees, which are not expected to be incurred by facilities within SCAQMD's jurisdiction.

\*\*Facilities with no NAICS codes assigned are categorized as "unclassified."

## MACROECONOMIC IMPACTS ON THE REGIONAL ECONOMY

The REMI model (PI+ v2.1.2) was used to assess the total socioeconomic impacts of PAR III fee increases and the corresponding SCAQMD revenue increase. It links the economic activities in the counties of Los Angeles, Orange, Riverside, and San Bernardino, and for each county, it is comprised of five interrelated blocks: (1) output and demand, (2) labor and capital, (3) population and labor force, (4) wages, prices and costs, and (5) market shares.<sup>1</sup>

The assessment herein was performed relative to a baseline scenario where none of the PAR III fee increases are implemented. PAR III would create a policy scenario under which the affected facilities would incur additional estimated annual costs of \$1.29 million in FY 2018-19, \$5.82 million in FY 2019-20, and \$4.99 million in FY 2020-21 and following years (Table 6). As these fee increases are recommended for cost recovery purposes of mostly-mandated existing and future activities, the baseline scenario represents a situation where SCAQMD is not able to fully cover its costs and is in a deficit situation. For purposes of the macroeconomic impact analysis, the estimated fee increase was converted from FY to calendar year and was analyzed for a 10-year period from 2018 to 2027, where the highest level of fee increase is realized by 2021 and is held constant for following years of the analysis horizon. The macroeconomic impact analysis is based on the real dollar value of fees, therefore it assumes the implementation of Rule 320 in all years of the analysis horizon.

The impact of the proposed new fees and fee rate increases was simulated with the REMI model using estimates of the fee increase, along with the corresponding increase in SCAQMD revenue. The estimated increase in fees by industry (Table 7) were input into the REMI model as an increase in production cost for the affected industries.<sup>2</sup> The resulting increase in SCAQMD revenue was input in the REMI model as an increase in local government spending, distributed by the proportion of population in each of the four counties.<sup>3</sup> This modeling approach assumes a balanced government budget, where an increase in revenue, relative to the baseline scenario, must be equivalent to an increase in

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<sup>1</sup> Within each county, producers are made up of 66 private non-farm industries, three government sectors, and a farm sector. Trade flows are captured between sectors as well as across the four counties and the rest of U.S. Market shares of industries are dependent upon their product prices, access to production inputs, and local infrastructure. The demographic/migration component has 160 age/gender/race/ethnicity cohorts and captures population changes in births, deaths, and migration. (For details, please refer to REMI online documentation at <http://www.remi.com/products/pi>.)

<sup>2</sup> CAS & CACC fees and public notice publication fees may include cost elements that are associated with work performed by a third party. However, SCAQMD has been paying and will continue to pay the invoiced amount billed to the District by the third-party. Therefore, there will be no change in sales for the third-party.

<sup>3</sup> Instead of using the default “local government spending” policy variable in REMI, staff elected to use a “custom local government spending” policy variable that it considers to more accurately reflect the SCAQMD spending portfolio. This custom policy variable has a lower proportion of local government spending going into the construction industry and proportionately allocates the difference to local government and professional services sectors. The simulation using this custom policy variable results in a prediction of a lower net job gain than would have been found with the default policy variable. This follows the approach taken in the Socioeconomic Assessment of the PAR III Fees from June 2017.

government spending.<sup>4</sup> In addition, there are certain cost elements of the operation and maintenance of refinery-related community air monitoring systems that are not associated with work performed by SCAQMD staff, as described in Table 1. Accordingly, these costs are modeled as an increase in spending for corresponding industries. This includes spending on operational needs such as utilities, equipment rental, and real estate leases, which will increase sales (Table 8).

**Table 8: Community Monitoring Industries Incurring Cost vs. Benefiting from Spending**

Source of Recurring Community Monitoring Costs	REMI Industries Incurring Compliance Costs (NAICS)	REMI Industries Benefitting from Compliance Spending (NAICS)
Equipment Installation and Calibration	Petroleum Refineries (324110)	<i>Recurring Cost:</i> Professional, Scientific, and Technical Services (54)
Real estate lease		<i>Recurring Cost:</i> Real Estate (531)
Operations - Utilities		<i>Recurring Cost:</i> Utilities (21)
Operations - Equipment rental		<i>Recurring Cost:</i> Rental and lease (532)
Operations – Labor (community monitoring)		<i>Recurring Cost:</i> Public Administration (92) <sup>3</sup>

### Employment

Based on these inputs into the REMI model, the macroeconomic impacts of the estimated fee increases on the regional economy were simulated. The total effect on jobs consists of the effect on the directly affected sectors combined with the indirect and induced effects, which result as increased industry costs and government spending cascade through the regional economy. The overall PAR III fee increases are projected to lead to a net gain of 57 jobs on average per year above the baseline scenario job forecast from 2018 to 2027 (Table 9). The net gain of jobs is a result of a gain in jobs from increased SCAQMD spending and foregone jobs in the industries most affected by the proposed fee increases. The foregone jobs are most concentrated in the mining, oil and gas extraction sector with two jobs foregone followed by the manufacturing sector with one job foregone. These jobs foregone either occur in industries most significantly affected by the fee increase or industries which are significant intermediate suppliers to the affected industries. The jobs gained from the increase in SCAQMD spending are most highly concentrated in the local government sector, which includes SCAQMD and all other local government agencies in the region, along with gains in industries servicing the local government sector, such as professional, scientific, and technical services. It also includes job gains in sectors related to the O&M of refinery-related community monitoring sites, aside from the government sector.

<sup>4</sup> This increase in revenue and equivalent increase in spending is relative to the baseline scenario, where SCAQMD is not fully recovering cost and is in a deficit situation.



**Table 9: Projected Job Impacts of Proposed Fee Rate Increases by Sector**

Sector	NAICS	Jobs			Average Annual (2018-2027)		
		2019	2023	2027	Jobs	Baseline Jobs	% Change
Agriculture, Forestry, Fishing, and Related Activities	11	0	0	0	0	29,915	0.000%
Mining, Oil and Gas Extraction	21	0	-2	-3	-2	22,782	-0.008%
Utilities	22	0	0	0	0	19,655	0.000%
Construction	23	0	2	-1	1	509,373	0.000%
Manufacturing	33	-1	-1	-2	-1	619,897	0.000%
Wholesale Trade	42	0	0	0	0	520,619	0.000%
Retail Trade	44-45	0	2	1	2	1,019,074	0.000%
Transportation and Warehousing	48-49	0	1	0	1	418,732	0.000%
Information	51	0	0	0	0	345,931	0.000%
Finance and Insurance	52	0	2	1	2	493,492	0.000%
Real Estate and Rental and Leasing	53	0	2	2	2	596,142	0.000%
Professional, Scientific, and Technical Services	54	1	11	9	9	887,699	0.001%
Management of Companies and Enterprises	55	0	-1	-1	0	118,339	0.000%
Administrative and Waste Management Services	56	1	4	3	3	827,079	0.000%
Educational Services	61	0	1	1	1	258,452	0.000%
Health Care and Social Assistance	62	1	5	4	4	1,398,071	0.000%
Arts, Entertainment, and Recreation	71	0	0	0	0	362,362	0.000%
Accommodation and Food Services	72	0	3	3	3	816,264	0.000%
Other Services, except Public Administration	81	0	2	2	2	740,108	0.000%
State and Local Government	92	10	36	34	31	1,038,452	0.003%
<b>Total</b>		<b>13</b>	<b>68</b>	<b>54</b>	<b>57</b>	<b>11,042,436</b>	<b>0.001%</b>

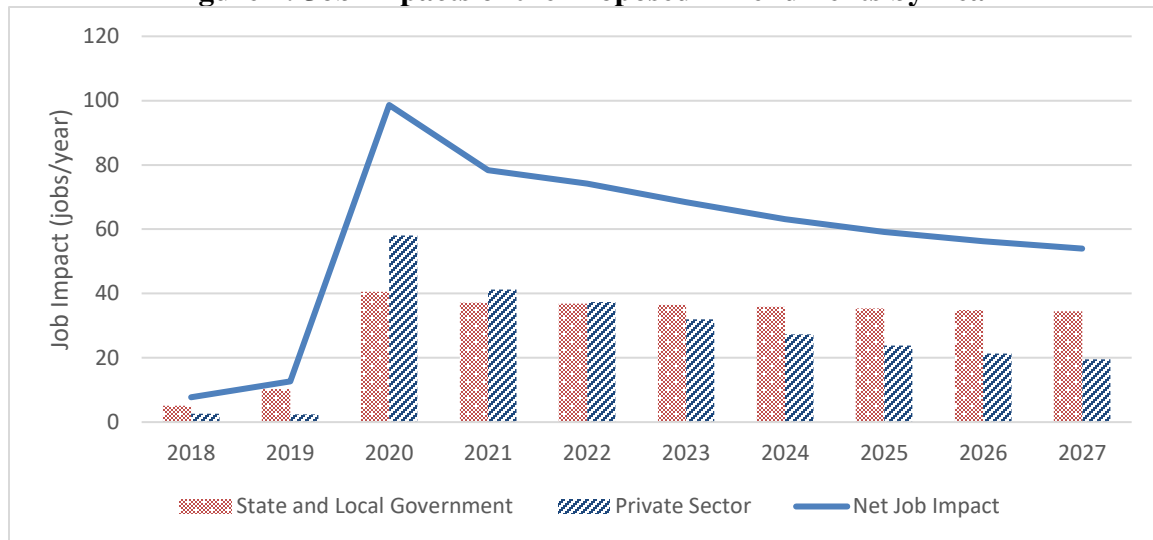
It should be noted that, as the baseline scenario represents a deficit situation for SCAQMD, direct job gains estimated for the local government sector include potentially prevented staffing reductions, which may occur if the deficit situation continues at SCAQMD. At the same time, the sector's direct job gains may also include new positions added to perform new and/or expanded program functions to meet recently adopted SCAQMD rules and state mandates. However, the potential employment impact pertinent to SCAQMD is not specifically considered in this job impact analysis due to modeling constraints.<sup>5</sup> Overall, these changes in jobs are very small relative to the size of the regional economy (11.1 million payroll and self-employment jobs), representing a change of about 0.001 percent.

Figure 1 illustrates the net change in jobs over the 2018-2027 time period. The first year impact of approximately eight job gains increases to about 99 jobs in the third year due to the increased spending from the community air monitoring O&M spending. Following

<sup>5</sup> As common in economic modelling, each economic sector is represented by the average behavior of all entities belonging to that sector. Therefore the REMI model's representation of an average local government agency will not precisely predict any specific staffing changes, timing of changes, nor specific labor costs of SCAQMD.

2020, the net job gains will diminish, as jobs foregone in the affected industries increase and local government job decrease.

**Figure 1: Job Impacts of the Proposed Amendments by Year**



## CONCLUSION

Based on the proposed amendments, the fee impact of PAR III is estimated to be \$1.29 million in FY 2018-19, \$5.82 million in FY 2019-20, and \$4.99 million in FY 2020-21 and thereafter. The manufacturing sector is estimated to incur the greatest increases in fees, followed by the utilities sector. Based on the estimated fee increases by industry and the corresponding increases in SCAQMD revenue, the macroeconomic job impact of the estimated fee increase was simulated. The job impact analysis projects a net gain in jobs over the 2018-2027 period relative to the baseline scenario, resulting primarily from prevented job losses and job gains in local government and jobs foregone in mining and oil and gas extraction and manufacturing. Ultimately, the projected job impact is very small relative to the regional economy, representing a change of about 0.001 percent.

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## APPENDIX

Table A1: Estimated Number of Affected Facilities by Proposed Amendment

Industry	NAICS	R1180 Community Monitoring Fees	RECLAIM Transition	Non- RECLAIM, CEMS, FSMS, ACEMS	R1105.1, 1118, 1123 Compliance Plans	Public Notice Publication	Optional Catalyst Equivalency Evaluation	AB2588 Potentially High Risk Facilities	AB2588 Special Review Fees
<b>Agriculture, Forestry, Fishing &amp; Hunting</b>	<b>111-115</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Mining</b>	<b>21</b>	<b>0</b>	<b>18</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>35</b>
Oil and Gas Extraction	211	0	13	4	0	0	4	0	24
Mining (except oil and gas)	212-213	0	5	1	0	0	0	0	11
<b>Construction</b>	<b>23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>
<b>Manufacturing</b>	<b>31-33</b>	<b>8</b>	<b>138</b>	<b>32</b>	<b>12</b>	<b>59</b>	<b>33</b>	<b>3</b>	<b>200</b>
Food Manufacturing	311	0	10	5	0	2	3	0	6
Wood Products Manufacturing	321	0	0	0	0	1	0	0	0
Petroleum and Coal Products Mfg.	324	8	26	11	9	21	15	1	27
Chemical Manufacturing	325	0	15	3	3	4	6	0	24
Nonmetallic Mineral Product Mfg.	327	0	9	4	0	3	1	0	11
Primary & Fabricated Metal Mfg.	331-332	0	28	0	0	9	3	2	66
Machinery Manufacturing	333	0	1	0	0	0	0	0	1
Computer and Electronic Product Mfg.	334	0	6	0	0	2	0	0	6
Electrical Equipment & Appliance Mfg.	335	0	1	1	0	1	0	0	6
Motor Vehicle & Trans. Equipment Mfg.	336	0	13	1	0	7	1	0	20
Other Manufacturing	312-339	0	29	7	0	12	4	0	33
<b>Utilities</b>	<b>22</b>	<b>0</b>	<b>42</b>	<b>43</b>	<b>0</b>	<b>15</b>	<b>39</b>	<b>0</b>	<b>53</b>
<b>Transportation &amp; Warehousing</b>	<b>48-49</b>	<b>0</b>	<b>18</b>	<b>2</b>	<b>0</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>14</b>
<b>Information</b>	<b>51</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>
Publishing Industries, Except Internet	511	0	0	0	0	0	0	0	0
Motion Picture & Sound Recording	512	0	0	0	0	0	0	0	5
Internet Services and data processing	518, 519	0	0	0	0	0	0	0	0
Other Information	Other in 51	0	1	0	0	0	0	0	0
<b>Wholesale Trade</b>	<b>42</b>	<b>0</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>19</b>
<b>Retail Trade</b>	<b>44-45</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>9</b>
Car & Parts Dealers	441	0	0	0	0	0	0	0	0

Industry	NAICS	R1180 Community Monitoring Fees	RECLAIM Transition	Non- RECLAIM, CEMS, FSMS, ACEMS	R1105.1, 1118, 1123 Compliance Plans	Public Notice Publication	Optional Catalyst Equivalency Evaluation	AB2588 Potentially High Risk Facilities	AB2588 Special Review Fees
Gas Stations	447	0	0	0	0	0	0	0	0
Other Retail Trade	Other in 44-45	0	3	0	0	2	2	0	9
<b>Finance and Insurance</b>	<b>52</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>Real Estate and Rental Leasing</b>	<b>53</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>2</b>
<b>Services</b>	<b>54-81</b>	<b>0</b>	<b>11</b>	<b>30</b>	<b>0</b>	<b>27</b>	<b>22</b>	<b>0</b>	<b>64</b>
Professional and Technical Services	54	0	2	0	0	1	1	0	5
Accommodation	721	0	3	1	0	0	0	0	0
Food Services & Drinking Places	722	0	0	0	0	0	0	0	0
Automotive Repairs & Maintenance	8111	0	0	0	0	0	0	0	0
Dry Cleaning & Laundry Services	8123	0	0	0	0	0	0	0	0
Health Care & Social Assistance	62	0	0	8	0	9	8	0	22
Other Services	Other in 54-81	0	6	21	0	17	13	0	37
<b>Public Administration</b>	<b>92</b>	<b>0</b>	<b>3</b>	<b>5</b>	<b>0</b>	<b>1</b>	<b>8</b>	<b>0</b>	<b>15</b>
<b>Unclassified*</b>	<b>N/A</b>	<b>0</b>	<b>11</b>	<b>42</b>	<b>0</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>2</b>
<b>Totals</b>		<b>8</b>	<b>249</b>	<b>164</b>	<b>12</b>	<b>111</b>	<b>115</b>	<b>3</b>	<b>421</b>

\*Facilities with no NAICS codes assigned are categorized as "unclassified."



# South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178  
(909) 396-2000 • www.aqmd.gov

**SUBJECT: NOTICE OF EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**PROJECT TITLE: PROPOSED AMENDED REGULATION III – FEES**

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the South Coast Air Quality Management District (SCAQMD) is the Lead Agency and has prepared a Notice of Exemption for the project identified above.

The proposed project is amending Regulation III – Fees (Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315) to incorporate fee updates, new fees, and amendments to multiple rules. SCAQMD staff has reviewed the proposed project pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA.

With respect to the proposed fee updates, new fees, amendments, and administrative changes in Proposed Amended Regulation (PAR) III that are strictly administrative in nature, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Thus, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule. Additionally, the entirety of the proposed project is statutorily exempt from CEQA requirements pursuant to CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, because the proposed fee updates, new fees, and amendments to Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315 involve charges by public agencies for the purpose of meeting operating expenses and financial reserve needs and requirements. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption. If the project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino counties.

Any questions regarding this Notice of Exemption should be sent to Barbara Radlein (c/o Planning, Rule Development and Area Sources) at the above address. Ms. Radlein can also be reached at (909) 396-2716. Ms. Elaine Shen is also available at (909) 396-2715 to answer any questions regarding the proposed amended regulation.

**Date:** April 10, 2018

**Signature:**

A handwritten signature in black ink, appearing to read 'Barbara Radlein', written over a horizontal line.

Barbara Radlein  
Program Supervisor, CEQA Section  
Planning, Rules, and Area Sources

## NOTICE OF EXEMPTION

<b>To:</b> County Clerks Counties of Los Angeles, Orange, Riverside and San Bernardino	<b>From:</b> South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765
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**Project Title:** Proposed Amended Regulation III – Fees

**Project Location:** The SCAQMD has jurisdiction over the four-county South Coast Air Basin (all of Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties), and the Riverside County portions of the Salton Sea Air Basin (SSAB) and Mojave Desert Air Basin (MDAB). The SCAQMD's jurisdiction includes the federal nonattainment area known as the Coachella Valley Planning Area, which is a sub-region of Riverside County and the SSAB.

**Description of Nature, Purpose, and Beneficiaries of Project:** Proposed Amended Regulation (PAR) III will: 1) pursuant to Rule 320, increase fees where applicable by 3.4% consistent with the Consumer Price Index; 2) add new fees which are necessary to meet the requirements of recently adopted rules and state mandates; 3) add new fees or increase fee rates which are necessary to provide more specific cost recovery for other regulatory actions taken by the agency; and 4) make other proposed amendments to Regulation III that will have no fee impact, but include clarifications, deletions, or corrections to existing rule language.

<b>Public Agency Approving Project:</b> South Coast Air Quality Management District	<b>Agency Carrying Out Project:</b> South Coast Air Quality Management District
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**Exempt Status:**

CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule  
CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges

**Reasons why project is exempt:** SCAQMD staff has reviewed the proposed project pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. With respect to the proposed fee updates, new fees, amendments, and administrative changes in PAR III that are strictly administrative in nature, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Thus, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule. Additionally, the entirety of the proposed project is statutorily exempt from CEQA requirements pursuant to CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, because the proposed fee updates, new fees, and amendments to Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315 involve charges by public agencies for the purpose of meeting operating expenses and financial reserve needs and requirements.

**Date When Project Will Be Considered for Approval (subject to change):**

SCAQMD Governing Board Hearing: May 4, 2018; SCAQMD Headquarters

<b>CEQA Contact Person:</b> Ms. Barbara Radlein	<b>Phone Number:</b> (909) 396-2716	<b>Email:</b> <a href="mailto:bradlein@aqmd.gov">bradlein@aqmd.gov</a>	<b>Fax:</b> (909) 396-3982
<b>Regulation Contact Person:</b> Ms. Elaine Shen	<b>Phone Number:</b> (909) 396-2715	<b>Email:</b> <a href="mailto:eshen@aqmd.gov">eshen@aqmd.gov</a>	<b>Fax:</b> (909) 396-3324

**Date Received for Filing:** \_\_\_\_\_ **Signature:** \_\_\_\_\_ *(Signed Upon Board Approval)*  
Barbara Radlein  
Program Supervisor, CEQA Section  
Planning, Rule Development & Area Sources

# FY 2018-19 SCAQMD Budget, Goals and Priority Objectives and Regulation III

Governing Board Meeting  
May 4, 2018





# FY 2018-19 Topics

- Goals and Priority Objectives
- General Fund Budget
- Reg. III Fee Adjustments

# Hierarchy

## Mission Statement

To clean the air and protect the health of all residents in the South Coast Air District through practical and innovative strategies.

### Goal I

Achieve clean  
air standards

Priority  
Objectives (8)

### Goal II

Enhance public  
education and  
equitable treatment  
for all communities

Priority  
Objectives (5)

### Goal III

Operate  
efficiently and  
transparently

Priority  
Objectives (7)

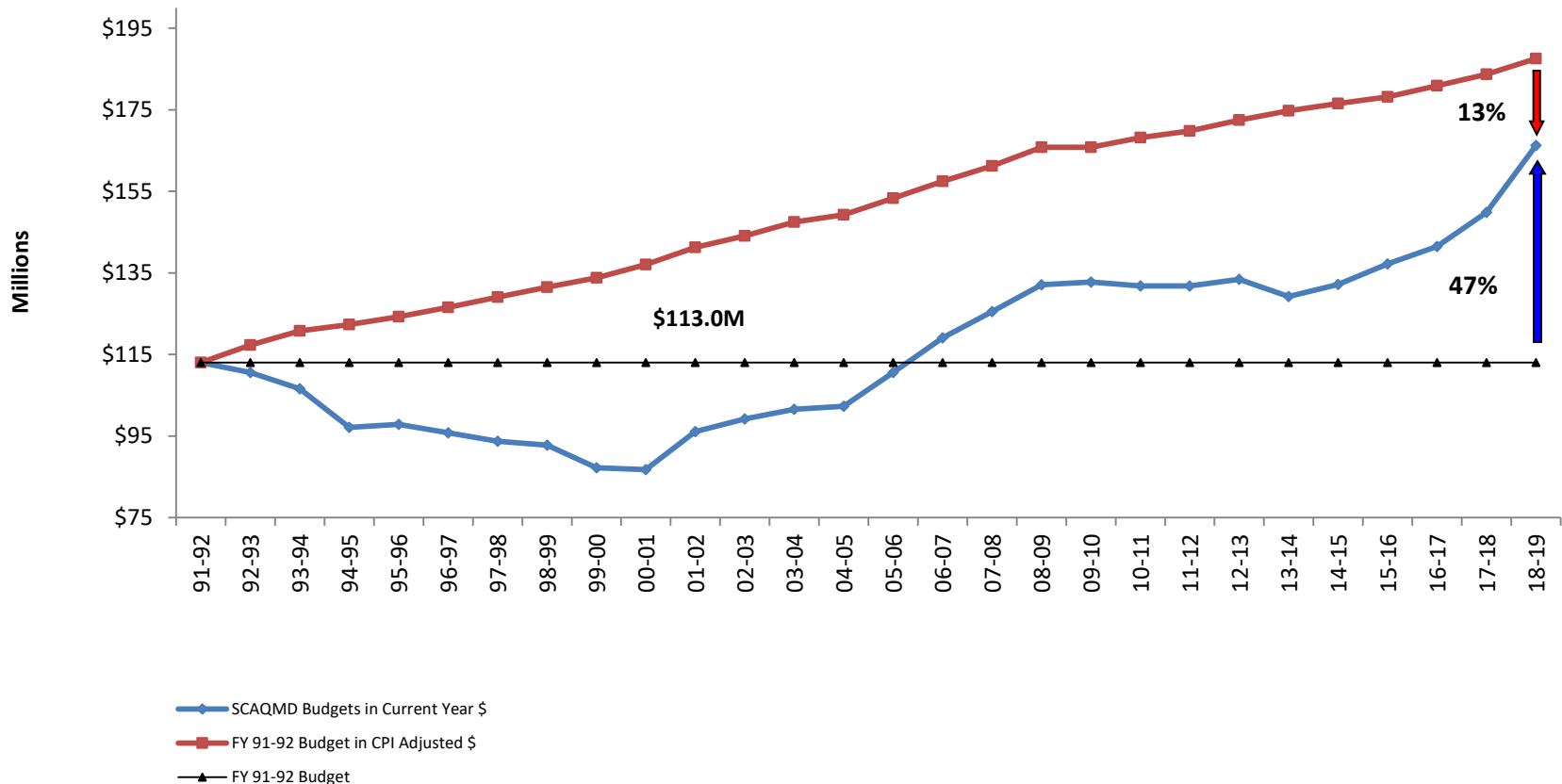
# FY 2018-19 General Fund Budget Summary

	FY 2017-18			FY 2018-19
	<u>Budget</u>	<u>Amended*</u>	<u>Estimate</u>	<u>Proposed</u>
<b>Revenue**</b>	\$147.0	\$157.7	\$150.4	\$162.6
<b>Program Cost</b>	<u>\$149.9</u>	<u>\$162.4</u>	<u>\$151.3</u>	<u>\$166.2</u>
<b>Change to Fund Balance</b>	<u>-\$2.9</u>	<u>-\$4.7</u>	<u>-\$0.9</u>	<u>-\$3.6</u>

\*Board approved changes through March 2018.

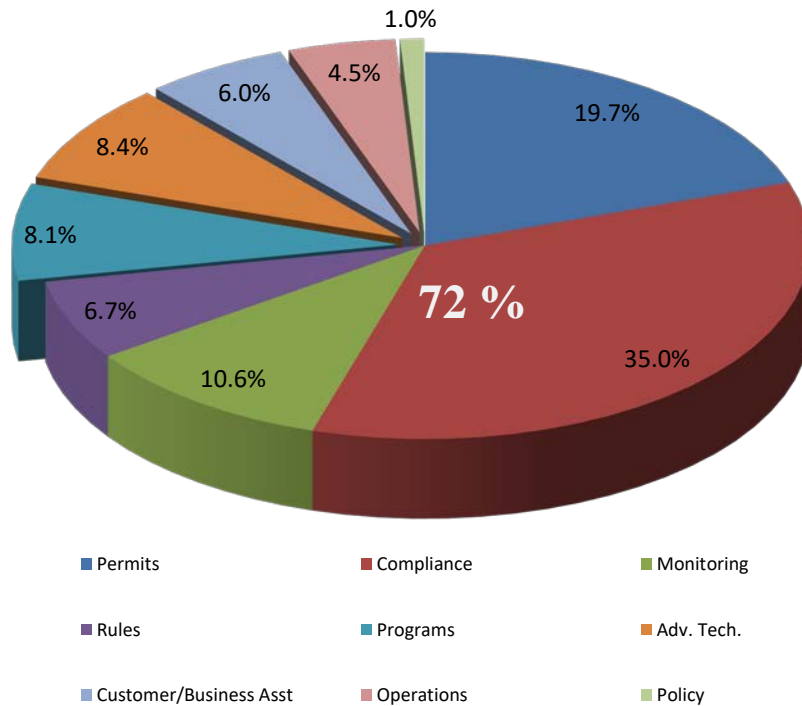
\*\*FY 2018-19 Proposed Revenue Budget includes a projected CPI fee increase of 3.4% with an additional 10.67% increase for Title V annual operating permit renewal and permit processing fees and an additional 4% for Non-Title V annual operating permit renewal and permit processing fees.

# Inflation Impact on SCAQMD Budgets FY 1991-92 through FY 2018-19



# Expenditures by Activity

## FY 2018-19 Proposed Budget



Program	Activities
Compliance	Inspections, Investigations, PERP, Arch Coatings
Customer/Business Assistance	Billings Services, Outreach, Public Records
Programs	AQMP, CEQA, Transportation
Rules	Rulemaking, Modeling
Monitoring	PM Sampling, Ambient Network/Air Analysis
Permits	Permit Processing/Services
Operations	Bldg Maint/Systems, Comp Ops, Fin, HR, Purchasing, Training
Policy	Outreach, Legislation, Advisory Groups/Governing Board
Advance Technology	Mobile Sources/Carl Moyer, Clean Fuels, Prop. 1B, MSRC

# FY 2018-19 General Fund Budget

## Five Year Projection

(\$ in millions)	FY 17-18 Estimated	FY 18-19 Projected	FY 19-20 Projected	FY 20-21 Projected	FY 21-22 Projected	FY 22-23 Projected
STAFFING		876.4	886	886	886	886
Revenues *	\$150.4	\$162.6	\$167.6	\$167.2	\$166.1	\$168.0
Program Costs	\$151.3	\$166.2	\$174.6	\$173.8	\$172.1	\$168.4
Change in Fund Balance	-\$0.9	-\$3.6	-\$7.0	-\$6.6	-\$6.0	-\$0.4
UNRESERVED FUND BALANCE (at Year-End)	\$44.2	\$40.6	\$33.6	\$27.0	\$21.0	\$20.6
% of REVENUE	29%	25%	20%	16%	13%	12%
<ul style="list-style-type: none"> <li>Includes projected CPI fee increase of 3.4% for FY 2018-19 with the second year of an additional fee increase approved by the Governing Board in June 2017,(10.67% for Title V annual operating permit renewal and permit processing fees and an additional 4% for non-Title V annual operating permit renewal). FY 19-20 includes CPI of 3% with the third year of the fee increase for Title V facilities approved in June 2017. FY 20-21, FY 21-22 and FY 22-23 have CPI fee increases of 2.9%, 2.9% and 2.8% respectively.</li> </ul>						

# Proposed Amended Regulation (PAR) III - Fees

- Annual CPI-based fee increase: 3.4% across the board
- 10 targeted proposals with new fees or fee increases
  - *Cost recovery to meet requirements of recently adopted rules and state mandates*
    - California H&SC Section 42705.6 & SCAQMD Rule 1180: Refinery-Related Community Air Monitoring System Annual O&M Fee
    - RECLAIM Sunset: Facility Permit Reissuance Fee for converting RECLAIM Facility Permit to a Command-and-Control Facility Permit; Fee for optional conversion of a Command-and-Control Facility Permit to traditional Permits to Operate
    - Rule 1402: Potentially High Risk Level Facility Fee; Special Review Fee
    - Rule 1466: Notification Fee
  - *More specific cost recovery for other regulatory actions/services*
    - Current rules do not provide cost recovery or provide insufficient cost recovery
- 23 proposals with no fee impact and/or administrative changes

# Recommended Actions:

- Adopt the Executive Officer's FY 2018-19 Proposed Goals and Priority Objectives;
- Adopt the FY 2018-19 Draft Budget; &
- Approve the Amendments to Regulation III