

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 1089

53rd Legislature
1993 Regular Session

Passed by the House April 19, 1993
Yeas 85 Nays 11

**Speaker of the
House of Representatives**

Passed by the Senate April 14, 1993
Yeas 40 Nays 2

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Alan Thompson, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 1089** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 1089

AS AMENDED BY THE SENATE

Passed Legislature - 1993 Regular Session

State of Washington 53rd Legislature 1993 Regular Session

By House Committee on Environmental Affairs (originally sponsored by Representatives J. Kohl, Horn, Rust and Pruitt; by request of Department of Ecology)

Read first time 02/24/93.

1 AN ACT Relating to fee structures of the air quality stationary
2 source permit programs; amending RCW 70.94.015, 70.94.030, 70.94.151,
3 70.94.152, and 70.94.161; and adding new sections to chapter 70.94 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 70.94.015 and 1991 c 199 s 228 are each amended to
6 read as follows:

7 (1) The air pollution control account is established in the state
8 treasury. All receipts collected by or on behalf of the department
9 from RCW 70.94.151(2), and receipts from nonpermit program sources
10 under RCW 70.94.152(1) and section 8(7) of this act, and all receipts
11 from RCW 70.94.650, 70.94.660, 82.44.020(3), and 82.50.405 shall be
12 deposited into the account. Moneys in the account may be spent only
13 after appropriation. Expenditures from the account may be used only to
14 develop and implement the provisions of (~~this act and~~) chapters 70.94
15 and 70.120 RCW.

16 (2) The amounts collected and allocated in accordance with this
17 section shall be expended upon appropriation except as otherwise
18 provided in this section and in accordance with the following
19 limitations:

1 Portions of moneys received by the department of ecology from the
2 air pollution control account shall be distributed by the department to
3 local authorities based on:

4 (a) The level and extent of air quality problems within such
5 authority's jurisdiction;

6 (b) The costs associated with implementing air pollution regulatory
7 programs by such authority; and

8 (c) The amount of funding available to such authority from other
9 sources, whether state, federal, or local, that could be used to
10 implement such programs.

11 (3) The air operating permit account is created in the custody of
12 the state treasurer. All receipts (~~((paid to the department of
13 revenue))~~) collected by or on behalf of the department from permit
14 program sources under RCW 70.94.152(1), 70.94.161, and sections 6 and
15 8(7) of this act shall be deposited into the account. Expenditures
16 from the account may be used only for the (~~((direct and indirect costs
17 of implementing the air operating permit program under))~~) activities
18 described in RCW 70.94.152(1), 70.94.161, and sections 6 and 8(7) of
19 this act. (~~((Only the director of the department of ecology or the
20 director's designee may authorize expenditures from the account. The
21 account is subject to the allotment procedures under chapter 43.88 RCW,
22 but no))~~) Moneys in the account may be spent only after appropriation
23 ((is required for such expenditures))).

24 **Sec. 2.** RCW 70.94.030 and 1991 c 199 s 103 are each amended to
25 read as follows:

26 Unless a different meaning is plainly required by the context, the
27 following words and phrases as hereinafter used in this chapter shall
28 have the following meanings:

29 (1) "Air contaminant" means dust, fumes, mist, smoke, other
30 particulate matter, vapor, gas, odorous substance, or any combination
31 thereof.

32 (2) "Air pollution" is presence in the outdoor atmosphere of one or
33 more air contaminants in sufficient quantities and of such
34 characteristics and duration as is, or is likely to be, injurious to
35 human health, plant or animal life, or property, or which unreasonably
36 interfere with enjoyment of life and property. For the purpose of this
37 chapter, air pollution shall not include air contaminants emitted in
38 compliance with chapter 17.21 RCW.

1 (3) "Air quality standard" means an established concentration,
2 exposure time, and frequency of occurrence of an air contaminant or
3 multiple contaminants in the ambient air which shall not be exceeded.

4 (4) "Ambient air" means the surrounding outside air.

5 (5) "Authority" means any air pollution control agency whose
6 jurisdictional boundaries are coextensive with the boundaries of one or
7 more counties.

8 (6) "Best available control technology" (BACT) means an emission
9 limitation based on the maximum degree of reduction for each air
10 pollutant subject to regulation under this chapter emitted from or that
11 results from any new or modified stationary source, that the permitting
12 authority, on a case-by-case basis, taking into account energy,
13 environmental, and economic impacts and other costs, determines is
14 achievable for such a source or modification through application of
15 production processes and available methods, systems, and techniques,
16 including fuel cleaning, clean fuels, or treatment or innovative fuel
17 combustion techniques for control of each such a pollutant. In no
18 event shall application of "best available control technology" result
19 in emissions of any pollutants that will exceed the emissions allowed
20 by any applicable standard under 40 C.F.R. Part 60 and Part 61, as they
21 exist on the effective date of this act, or their later enactments as
22 adopted by reference by the director by rule. Emissions from any
23 source utilizing clean fuels, or any other means, to comply with this
24 subsection shall not be allowed to increase above levels that would
25 have been required under the definition of BACT as it existed prior to
26 enactment of the clean air act amendments of 1990.

27 (7) "Best available retrofit technology" (BART) means an emission
28 limitation based on the degree of reduction achievable through the
29 application of the best system of continuous emission reduction for
30 each pollutant that is emitted by an existing stationary facility. The
31 emission limitation must be established, on a case-by-case basis,
32 taking into consideration the technology available, the costs of
33 compliance, the energy and nonair quality environmental impacts of
34 compliance, any pollution control equipment in use or in existence at
35 the source, the remaining useful life of the source, and the degree of
36 improvement in visibility that might reasonably be anticipated to
37 result from the use of the technology.

38 (8) "Board" means the board of directors of an authority.

1 ~~((7))~~ (9) "Control officer" means the air pollution control
2 officer of any authority.

3 ~~((8))~~ (10) "Department" or "ecology" means the department of
4 ecology.

5 ~~((9))~~ (11) "Emission" means a release of air contaminants into
6 the ambient air.

7 ~~((10))~~ (12) "Emission standard" ~~((means a limitation on the
8 release of an air contaminant or multiple contaminants into the ambient
9 air))~~ and "emission limitation" mean a requirement established under
10 the federal clean air act or this chapter that limits the quantity,
11 rate, or concentration of emissions of air contaminants on a continuous
12 basis, including any requirement relating to the operation or
13 maintenance of a source to assure continuous emission reduction, and
14 any design, equipment, work practice, or operational standard adopted
15 under the federal clean air act or this chapter.

16 ~~((11))~~ (13) "Lowest achievable emission rate" (LAER) means for
17 any source that rate of emissions that reflects:

18 (a) The most stringent emission limitation that is contained in the
19 implementation plan of any state for such class or category of source,
20 unless the owner or operator of the proposed source demonstrates that
21 such limitations are not achievable; or

22 (b) The most stringent emission limitation that is achieved in
23 practice by such class or category of source, whichever is more
24 stringent.

25 In no event shall the application of this term permit a proposed
26 new or modified source to emit any pollutant in excess of the amount
27 allowable under applicable new source performance standards.

28 (14) "Modification" means any physical change in, or change in the
29 method of operation of, a stationary source that increases the amount
30 of any air contaminant emitted by such source or that results in the
31 emission of any air contaminant not previously emitted. The term
32 modification shall be construed consistent with the definition of
33 modification in Section 7411, Title 42, United States Code, and with
34 rules implementing that section.

35 (15) "Multicounty authority" means an authority which consists of
36 two or more counties.

37 ~~((12))~~ (16) "New source" means (a) the construction or
38 modification of a stationary source that increases the amount of any
39 air contaminant emitted by such source or that results in the emission

1 of any air contaminant not previously emitted, and (b) any other
2 project that constitutes a new source under the federal clean air act.

3 (17) "Permit program source" means a source required to apply for
4 or to maintain an operating permit under RCW 70.94.161.

5 (18) "Person" means an individual, firm, public or private
6 corporation, association, partnership, political subdivision of the
7 state, municipality, or governmental agency.

8 ~~((+13+))~~ (19) "Reasonably available control technology" (RACT)
9 means the lowest emission limit that a particular source or source
10 category is capable of meeting by the application of control technology
11 that is reasonably available considering technological and economic
12 feasibility. RACT is determined on a case-by-case basis for an
13 individual source or source category taking into account the impact of
14 the source upon air quality, the availability of additional controls,
15 the emission reduction to be achieved by additional controls, the
16 impact of additional controls on air quality, and the capital and
17 operating costs of the additional controls. RACT requirements for a
18 source or source category shall be adopted only after notice and
19 opportunity for comment are afforded.

20 (20) "Silvicultural burning" means burning of wood fiber on forest
21 land consistent with the provisions of RCW 70.94.660.

22 (21) "Source" means all of the emissions units including
23 quantifiable fugitive emissions, that are located on one or more
24 contiguous or adjacent properties, and are under the control of the
25 same person, or persons under common control, whose activities are
26 ancillary to the production of a single product or functionally related
27 group of products.

28 (22) "Stationary source" means any building, structure, facility,
29 or installation that emits or may emit any air contaminant.

30 **Sec. 3.** RCW 70.94.151 and 1987 c 109 s 37 are each amended to read
31 as follows:

32 (1) The board of any activated authority or the department, may
33 classify air contaminant sources, by ordinance, resolution, rule or
34 regulation, which in its judgment may cause or contribute to air
35 pollution, according to levels and types of emissions and other
36 characteristics which cause or contribute to air pollution, and may
37 require registration or reporting or both for any such class or
38 classes. Classifications made pursuant to this section may be for

1 application to the area of jurisdiction of such authority, or the state
2 as a whole or to any designated area within the jurisdiction, and shall
3 be made with special reference to effects on health, economic and
4 social factors, and physical effects on property.

5 (2) Any person operating or responsible for the operation of air
6 contaminant sources of any class for which the ordinances, resolutions,
7 rules or regulations of the department or board of the authority,
8 require registration and reporting shall register therewith and make
9 reports containing information as may be required by such department or
10 board concerning location, size and height of contaminant outlets,
11 processes employed, nature of the contaminant emission and such other
12 information as is relevant to air pollution and available or reasonably
13 capable of being assembled. The department or board may require that
14 such registration be accompanied by a fee and may determine the amount
15 of such fee for such class or classes: PROVIDED, That the amount of
16 the fee shall only be to compensate for the costs of administering such
17 registration program which shall be defined as initial registration and
18 annual or other periodic reports from the source owner providing
19 information directly related to air pollution registration, on-site
20 inspections necessary to verify compliance with registration
21 requirements, data storage and retrieval systems necessary for support
22 of the registration program, emission inventory reports and emission
23 reduction credits computed from information provided by sources
24 pursuant to registration program requirements, staff review, including
25 engineering analysis for accuracy and currentness, of information
26 provided by sources pursuant to registration program requirements,
27 clerical and other office support provided in direct furtherance of the
28 registration program, and administrative support provided in directly
29 carrying out the registration program: PROVIDED FURTHER, That any such
30 registration made with either the board or the department shall
31 preclude a further registration with any other board or the department.

32 All registration program fees collected by the department shall be
33 deposited in the air pollution control account. All registration
34 program fees collected by the local air authorities shall be deposited
35 in their respective treasuries.

36 **Sec. 4.** RCW 70.94.152 and 1991 c 199 s 302 are each amended to
37 read as follows:

1 (1) The department of ecology or board of any authority may require
2 notice of the establishment of any proposed new sources except single
3 family and duplex dwellings. The department of ecology or board may
4 require such notice to be accompanied by a fee and determine the amount
5 of such fee: PROVIDED, That the amount of the fee may not exceed the
6 cost of reviewing the plans, specifications, and other information and
7 administering such notice: PROVIDED FURTHER, That any such notice
8 given or notice of construction application submitted to either the
9 board or to the department of ecology shall preclude a further
10 submittal of a duplicate application to any board or to the department
11 of ecology.

12 (2) The department shall, after opportunity for public review and
13 comment, adopt rules that establish a workload-driven process for
14 determination and review of the fee covering the direct and indirect
15 costs of processing a notice of construction application and a
16 methodology for tracking revenues and expenditures. All new source
17 fees collected by the department from permit program sources shall be
18 deposited in the air operating permit account. All new source fees
19 collected by the delegated local air authorities from permit program
20 sources shall be deposited in the dedicated accounts of their
21 respective treasuries. All new source fees collected by the department
22 from nonpermit program sources shall be deposited in the air pollution
23 control account. All new source fees collected by local air
24 authorities from nonpermit program sources shall be deposited in their
25 respective treasuries.

26 (3) Within thirty days of receipt of a notice of construction
27 application, the department of ecology or board may require, as a
28 condition precedent to the establishment of the new source or sources
29 covered thereby, the submission of plans, specifications, and such
30 other information as it deems necessary to determine whether the
31 proposed new source will be in accord with applicable rules and
32 regulations in force under this chapter. If on the basis of plans,
33 specifications, or other information required under this section the
34 department of ecology or board determines that the proposed new source
35 will not be in accord with this chapter or the applicable ordinances,
36 resolutions, rules, and regulations adopted under this chapter, it
37 shall issue an order denying permission to establish the new source.
38 If on the basis of plans, specifications, or other information required
39 under this section, the department of ecology or board determines that

1 the proposed new source will be in accord with this chapter, and the
2 applicable rules and regulations adopted under this chapter, it shall
3 issue an order of approval for the establishment of the new source or
4 sources, which order may provide such conditions as are reasonably
5 necessary to assure the maintenance of compliance with this chapter and
6 the applicable rules and regulations adopted under this chapter. Every
7 order of approval under this chapter must be reviewed prior to issuance
8 by a professional engineer or staff under the supervision of a
9 professional engineer in the employ of the department of ecology or
10 board.

11 ~~((+2))~~ (4) The determination required under subsection ~~((+1))~~ (3)
12 of this section shall include a determination of whether the operation
13 of the new air contaminant source at the location proposed will cause
14 any ambient air quality standard to be exceeded.

15 ~~((+3))~~ (5) New source review of a modification shall be limited to
16 the emission unit or units proposed to be modified and the air
17 contaminants whose emissions would increase as a result of the
18 modification.

19 ~~((+4))~~ (6) Nothing in this section shall be construed to authorize
20 the department of ecology or board to require the use of emission
21 control equipment or other equipment, machinery, or devices of any
22 particular type, from any particular supplier, or produced by any
23 particular manufacturer.

24 ~~((+5))~~ (7) Any features, machines, and devices constituting parts
25 of or called for by plans, specifications, or other information
26 submitted pursuant to subsection (1) or (3) of this section shall be
27 maintained and operate in good working order.

28 ~~((+6))~~ (8) The absence of an ordinance, resolution, rule, or
29 regulation, or the failure to issue an order pursuant to this section
30 shall not relieve any person from his or her obligation to comply with
31 applicable emission control requirements or with any other provision of
32 law.

33 ~~((+7))~~ (9) Within thirty days of receipt of a notice of
34 construction application the department of ecology or board shall
35 either notify the applicant in writing that the application is complete
36 or notify the applicant in writing of all additional information
37 necessary to complete the application. Within sixty days of receipt of
38 a complete application the department or board shall either (a) issue
39 a final decision on the application, or (b) for those projects subject

1 to public notice, initiate notice and comment on a proposed decision,
2 followed as promptly as possible by a final decision. A person seeking
3 approval to construct or modify a source that requires an operating
4 permit may elect to integrate review of the operating permit
5 application or amendment required by RCW 70.94.161 and the notice of
6 construction application required by this section. A notice of
7 construction application designated for integrated review shall be
8 processed in accordance with operating permit program procedures and
9 deadlines.

10 (10) Best available control technology (BACT) is required for new
11 sources except where the federal clean air act requires compliance with
12 the lowest achievable emission rate (LAER).

13 **Sec. 5.** RCW 70.94.161 and 1991 c 199 s 301 are each amended to
14 read as follows:

15 The department of ecology, or board of an authority, shall require
16 renewable permits for the operation of air contaminant sources subject
17 to the following conditions and limitations:

18 ~~(1) ((Unless a different meaning is plainly required by the~~
19 ~~context, the following words and phrases shall have the following~~
20 ~~meanings:~~

21 ~~(a) "Lowest achievable emission rate" (LAER) means for any source~~
22 ~~that rate of emissions which reflects:~~

23 ~~(i) The most stringent emission limitation that is contained in the~~
24 ~~implementation plan of any state for such class or category of source,~~
25 ~~unless the owner or operator of the proposed new or modified source~~
26 ~~demonstrates that such limitations are not achievable; or~~

27 ~~(ii) The most stringent emission limitation that is achieved in~~
28 ~~practice by such class or category of source, whichever is more~~
29 ~~stringent.~~

30 ~~In no event shall the application of this term permit a proposed~~
31 ~~new or modified source to emit any pollutant in excess of the amount~~
32 ~~allowable under applicable new source performance standards.~~

33 ~~(b) "Best available control technology" (BACT) means technology~~
34 ~~that will result in an emission limitation, including a visible~~
35 ~~emission standard, based on the maximum degree of reduction for each~~
36 ~~air pollutant subject to this regulation that would be emitted from any~~
37 ~~proposed new or modified source that the permitting authority, on a~~
38 ~~case-by-case basis, taking into account energy, environmental, and~~

1 economic impacts and other costs, determines is achievable for such
2 sources or modification through application of production processes,
3 available methods, systems, and techniques, including fuel cleaning or
4 treatment or innovative fuel combustion techniques for control of such
5 air pollutant. In no event shall application of the best available
6 technology result in emissions of any air pollutant that would exceed
7 the emissions allowed by any applicable standard under 40 C.F.R. Part
8 60 and Part 61. If the reviewing agency determines that technological
9 or economic limitations on the application of measurement methodology
10 to a particular class of sources would make the imposition of an
11 emission standard infeasible, it may instead prescribe a design,
12 equipment, work practice, or operational standard, or combination
13 thereof, to meet the requirement of best available control technology.
14 Such standard shall, to the degree possible, set forth the emission
15 reduction achievable by implementation of such design, equipment, work
16 practice, or operation and shall provide for compliance by means that
17 achieve equivalent results. The term "all known available and
18 reasonable methods of emission control" is interpreted to mean the same
19 as best available control technology.

20 (c) "Reasonably available control technology" (RACT) means the
21 lowest emission limit that a particular source or source category is
22 capable of meeting by the application of control technology that is
23 reasonably available considering technological and economic
24 feasibility. RACT is determined on a case by case basis for an
25 individual source or source category taking into account the impact of
26 the source upon air quality, the availability of additional controls,
27 the emission reduction to be achieved by additional controls, the
28 impact of additional controls on air quality, and the capital and
29 operating costs of the additional controls. RACT requirements for any
30 source or source category shall be adopted only after notice and
31 opportunity for comment are afforded.

32 (d) "Source" means all of the emissions units including
33 quantifiable fugitive emissions, that are located on one or more
34 contiguous or adjacent properties, and are under the control of the
35 same person, or persons under common control, whose activities are
36 ancillary to the production of a single product or functionally related
37 group of products.

38 (e) "New source" means (i) the construction or modification of a
39 stationary source that increases the amount of any air contaminant

1 emitted by such source or that results in the emission of any air
2 contaminant not previously emitted, and (ii) any other project that
3 constitutes a new source under the federal clean air act.

4 (f) "Stationary source" means any building, structure, facility, or
5 installation that emits or may emit any air contaminant.

6 (g) "Modification" means any physical change in, or change in the
7 method of operation of, a stationary source that increases the amount
8 of any air contaminant emitted by such source or that results in the
9 emission of any air contaminant not previously emitted. The term
10 modification shall be construed consistent with the definition of
11 modification in Section 7411, Title 42, United States Code, and with
12 rules implementing that section.

13 (2)) Permits shall be issued for a term of five years. A permit
14 may be modified or amended during its term at the request of the
15 permittee, or for any reason allowed by the federal clean air act. The
16 rules adopted pursuant to subsection ((3)) (2) of this section shall
17 include rules for permit amendments and modifications. The terms and
18 conditions of a permit shall remain in effect after the permit itself
19 expires if the permittee submits a timely and complete application for
20 permit renewal.

21 ((3)) (2)(a) Rules establishing the elements for a state-wide
22 operating permit program and the process for permit application and
23 renewal consistent with federal requirements shall be established by
24 the department by January 1, 1993. The rules shall provide that every
25 proposed permit must be reviewed prior to issuance by a professional
26 engineer or staff under the direct supervision of a professional
27 engineer in the employ of the permitting authority. The permit program
28 established by these rules shall be administered by the department and
29 delegated local air authorities. Rules developed under this subsection
30 shall not preclude a delegated local air authority from including in a
31 permit its own more stringent emission standards and operating
32 restrictions.

33 (b) The board of any local air pollution control authority may
34 apply to the department of ecology for a delegation order authorizing
35 the local authority to administer the operating permit program for
36 sources under that authority's jurisdiction. The department shall, by
37 order, approve such delegation, if the department finds that the local
38 authority has the technical and financial resources, to discharge the
39 responsibilities of a permitting authority under the federal clean air

1 act. A delegation request shall include adequate information about the
2 local authority's resources to enable the department to make the
3 findings required by this subsection; provided, any delegation order
4 issued under this subsection shall take effect ninety days after the
5 environmental protection agency authorizes the local authority to issue
6 operating permits under the federal clean air act.

7 (c) Except for the authority granted the energy facility site
8 evaluation council to issue permits for the new construction,
9 reconstruction, or enlargement or operation of new energy facilities
10 under chapter 80.50 RCW, the department may exercise the authority, as
11 delegated by the environmental protection agency, to administer Title
12 IV of the federal clean air act as amended and to delegate such
13 administration to local authorities as applicable pursuant to (b) of
14 this subsection.

15 (~~((4) "Best available control technology" (BACT) is required for~~
16 ~~new sources except where LAER is required.~~

17 ~~Until July 1, 1993, "lowest achievable emission rate" (LAER) is~~
18 ~~required solely for those sources required by the federal clean air~~
19 ~~act. By December 1, 1992, the department shall recommend control~~
20 ~~technology requirements for new sources to the appropriate standing~~
21 ~~committees of the legislature.~~

22 ~~Except as otherwise provided in RCW 70.94.331(9), "reasonably~~
23 ~~available control technology" (RACT) is required for existing~~
24 ~~sources.))~~

25 (3) In establishing technical standards, defined in ((subsection
26 ~~(2) of this section)) RCW 70.94.030, the permitting authority shall
27 consider and, if found to be appropriate, give credit for waste
28 reduction within the process.~~

29 (~~((5))) (4) Operating permits shall apply to all sources (a) where
30 required by the federal clean air act, and (b) for any source that may
31 cause or contribute to air pollution in such quantity as to create a
32 threat to the public health or welfare. Subsection (b) of this
33 subsection is not intended to apply to small businesses except when
34 both of the following limitations are satisfied: (i) The source is in
35 an area exceeding or threatening to exceed federal or state air quality
36 standards; and (ii) the department provides a reasonable justification
37 that requiring a source to have a permit is necessary to meet a federal
38 or state air quality standard, or to prevent exceeding a standard in an
39 area threatening to exceed the standard. For purposes of this~~

1 subsection "areas threatening to exceed air quality standards" shall
2 mean areas projected by the department to exceed such standards within
3 five years. Prior to identifying threatened areas the department shall
4 hold a public hearing or hearings within the proposed areas.

5 ~~((+6))~~ (5) Sources operated by government agencies are not exempt
6 under this section.

7 ~~((+7) By October 1, 1993, or ninety)~~ (6) Within one hundred eighty
8 days after the United States environmental protection agency approves
9 the state operating permit program, ~~((whichever is later, any))~~ a
10 person required to have a permit shall submit to the permitting
11 ~~((agency))~~ authority a compliance plan and permit application, signed
12 by a responsible official, certifying the accuracy of the information
13 submitted. Until permits are issued, existing sources shall be allowed
14 to operate under presently applicable standards and conditions provided
15 that such sources submit complete and timely permit applications.

16 ~~((+8))~~ (7) All ~~((proposed))~~ draft permits shall be subject to
17 public notice and comment. The rules adopted pursuant to subsection
18 ~~((+3))~~ (2) of this section shall specify procedures for public notice
19 and comment. Such procedures shall provide the permitting agency with
20 an opportunity to respond to comments received from interested parties
21 prior to the time that the proposed permit is submitted to the
22 environmental protection agency for review pursuant to section 505(a)
23 of the federal clean air act. In the event that the environmental
24 protection agency objects to a proposed permit pursuant to section
25 505(b) of the federal clean air act, the permitting authority shall not
26 issue the permit, unless the permittee consents to the changes required
27 by the environmental protection agency.

28 ~~((+9))~~ (8) The procedures contained in chapter 43.21B RCW shall
29 apply to permit appeals. The pollution control hearings board may stay
30 the effectiveness of any permit issued under this section during the
31 pendency of an appeal filed by the permittee, if the permittee
32 demonstrates that compliance with the permit during the pendency of the
33 appeal would require significant expenditures that would not be
34 necessary in the event that the permittee prevailed on the merits of
35 the appeal.

36 ~~((+10))~~ (9) After the effective date of any permit program
37 promulgated under this section, it shall be unlawful for any person to:
38 (a) Operate a permitted source in violation of any requirement of a
39 permit issued under this section; or (b) fail to submit a permit

1 application at the time required by rules adopted under subsection
2 (~~((3))~~) (2) of this section.

3 (~~((11))~~) (10) Each air operating permit shall state the origin of
4 and specific legal authority for each requirement included therein.
5 Every requirement in an operating permit shall be based upon the most
6 stringent of the following requirements:

7 (a) The federal clean air act and rules implementing that act,
8 including provision of the approved state implementation plan;

9 (b) This chapter and rules adopted thereunder; (~~and~~)

10 (c) In permits issued by a local air pollution control authority,
11 the requirements of any order or regulation adopted by that authority;

12 (d) Chapter 70.98 RCW and rules adopted thereunder; and

13 (e) Chapter 80.50 RCW and rules adopted thereunder.

14 (~~((12))~~) (11) Consistent with the provisions of the federal clean
15 air act, the permitting authority may issue general permits covering
16 categories of permitted sources, and temporary permits authorizing
17 emissions from similar operations at multiple temporary locations.

18 (~~((13) Permitted)~~) (12) Permit program sources within the
19 territorial jurisdiction of an authority delegated the operating permit
20 program shall file their permit applications with that authority,
21 except that permit applications for sources regulated on a state-wide
22 basis pursuant to RCW 70.94.395 shall be filed with the department.

23 (~~Permitted~~) Permit program sources outside the territorial
24 jurisdiction of a delegated authority shall file their applications
25 with the department. Permit program sources subject to chapter 80.50
26 RCW shall, irrespective of their location, file their applications with
27 the energy facility site evaluation council.

28 (~~((14))~~) (13) When issuing operating permits to coal fired electric
29 generating plants, the permitting authority shall (~~give consideration~~
30 ~~to the federal time lines for the implementation of required control~~
31 ~~technology~~) establish requirements consistent with Title IV of the
32 federal clean air act.

33 (~~((15))~~) (14)(a) The department and the local air authorities are
34 authorized to assess and to collect, and each source emitting one
35 hundred tons or more per year of a regulated pollutant shall pay an
36 interim assessment (~~of ten dollars per ton multiplied by the annual~~
37 ~~process-related emissions of each regulated pollutant emitted during~~
38 ~~calendar years 1990 and 1991.~~ "Regulated pollutant" shall have the
39 same meaning as defined in section 502(b) of the federal clean air act

1 ~~amendments of 1990)) to fund the development of the operating permit~~
2 ~~program during fiscal year 1994.~~

3 ~~(b) ((Fees collected under (a) of this subsection shall be~~
4 ~~distributed as follows: Eighty percent to the department and twenty~~
5 ~~percent to local air authorities.~~

6 ~~(c)) The department shall conduct a workload analysis and prepare~~
7 ~~an operating permit program development budget for fiscal year 1994.~~
8 ~~The department shall allocate among all sources emitting one hundred~~
9 ~~tons or more per year of a regulated pollutant during calendar year~~
10 ~~1992 the costs identified in its program development budget according~~
11 ~~to a three-tiered model, with each of the three tiers being equally~~
12 ~~weighted, based upon:~~

13 ~~(i) The number of sources;~~

14 ~~(ii) The complexity of sources; and~~

15 ~~(iii) The size of sources, as measured by the quantity of each~~
16 ~~regulated pollutant emitted by the source.~~

17 ~~(c) Each local authority and the department shall collect from~~
18 ~~sources under their respective jurisdictions the interim fee determined~~
19 ~~by the department and shall remit the fee to the department.~~

20 ~~(d) Each local authority may, in addition, allocate its fiscal year~~
21 ~~1994 operating permit program development costs among the sources under~~
22 ~~its jurisdiction emitting one hundred tons or more per year of a~~
23 ~~regulated pollutant during calendar year 1992 and may collect an~~
24 ~~interim fee from these sources. A fee assessed pursuant to this~~
25 ~~subsection (14)(d) shall be collected at the same time as the fee~~
26 ~~assessed pursuant to (c) of this subsection.~~

27 ~~(e) The fees assessed to a source under ((a) of)) this subsection~~
28 ~~((and any fees enacted under subsection (16) of this section)) shall be~~
29 ~~limited to the first seven thousand five hundred tons for each~~
30 ~~regulated pollutant per year.~~

31 ~~((16) On or before November 1, 1992, the department, in~~
32 ~~consultation with the department of revenue, shall report to the~~
33 ~~appropriate standing committees of the legislature recommendations on~~
34 ~~air operating permit fees. The department shall recommend a level of~~
35 ~~fees to cover the direct and indirect costs of implementing the~~
36 ~~operating permit program required under the 1990 federal clean air act.~~
37 ~~In making such recommendations, the department shall address:~~

1 ~~(a) The costs of the permit program elements as identified in~~
2 ~~regulations promulgated by the United States environmental protection~~
3 ~~agency, including, as applicable:~~

4 ~~(i) Oversight of a delegated local air authority;~~

5 ~~(ii) Ambient air monitoring, modeling, and reporting;~~

6 ~~(iii) Training;~~

7 ~~(iv) Data management and quality assurance;~~

8 ~~(v) Development of state implementation plans;~~

9 ~~(vi) Emission inventories;~~

10 ~~(vii) Technical assistance;~~

11 ~~(viii) Rule making and guidelines; and~~

12 ~~(ix) Any other activities, consistent with the federal clean air~~
13 ~~act, that may be identified by the department;~~

14 ~~(b) The appropriate division of fees with delegated local air~~
15 ~~authorities; and~~

16 ~~(c) A methodology for tracking revenues and expenditures from fees~~
17 ~~paid under this chapter.~~

18 ~~(17))~~ (15) The department shall determine the persons liable for
19 the fee imposed by subsection ~~((15))~~ (14) of this section, compute
20 the fee, and provide by November 1 of ~~((1991 and 1992,))~~ 1993 the
21 identity of the fee payer with the computation of the fee to each local
22 authority and to the department of revenue for collection. The
23 department of revenue shall collect the fee computed by the department
24 from the fee payers ~~((identified by))~~ under the jurisdiction of the
25 department. The administrative, collection, and penalty provisions of
26 chapter 82.32 RCW shall apply to the collection of the fee by the
27 department of revenue. The department shall provide technical
28 assistance to the department of revenue for decisions made by the
29 department of revenue pursuant to RCW 82.32.160 and 82.32.170. All
30 interim fees collected by the department of revenue on behalf of the
31 department and all interim fees collected by local authorities on
32 behalf of the department shall be deposited in the air operating permit
33 account. The interim fees collected by the local air authorities to
34 cover their permit program development costs under subsection (14)(d)
35 of this section shall be deposited in the dedicated accounts of their
36 respective treasuries.

37 All fees identified in this section shall be due and payable on
38 March 1 of ~~((1992 and 1993))~~ 1994, except that the local air pollution
39 control authorities may adopt by rule an earlier date on which fees are

1 to be due and payable. The 1993 amendments to RCW 70.94.161 contained
2 in section 5 of this act do not have the effect of terminating, or in
3 any way modifying, any liability, civil or criminal, incurred pursuant
4 to the provisions of RCW 70.94.161 (15) and (17) as they existed prior
5 to the effective date of this act.

6 ~~((18))~~ (16) For sources or source categories not required to
7 obtain permits under subsection ~~((5))~~ (4) of this section, the
8 department or local authority may establish by rule control technology
9 requirements. If control technology rule revisions are made by the
10 department or local authority under this subsection, the department or
11 local authority shall consider the remaining useful life of control
12 equipment previously installed on existing sources before requiring
13 technology changes. The department or any local air authority may
14 issue a general permit, as authorized under the federal clean air act,
15 for such sources.

16 ~~((19))~~ (17) RCW 70.94.151 shall not apply to any permit program
17 source ((for which a permit under this section has been issued)) after
18 the effective date of United States environmental protection agency
19 approval of the state operating permit program.

20 NEW SECTION. Sec. 6. A new section is added to chapter 70.94 RCW
21 to read as follows:

22 (1) The department and delegated local air authorities are
23 authorized to determine, assess, and collect, and each permit program
24 source shall pay, annual fees sufficient to cover the direct and
25 indirect costs of implementing a state operating permit program
26 approved by the United States environmental protection agency under the
27 federal clean air act. However, a source that receives its operating
28 permit from the United States environmental protection agency shall not
29 be considered a permit program source so long as the environmental
30 protection agency continues to act as the permitting authority for that
31 source. Each permitting authority shall develop by rule a fee schedule
32 allocating among its permit program sources the costs of the operating
33 permit program, and may, by rule, establish a payment schedule whereby
34 periodic installments of the annual fee are due and payable more
35 frequently. All operating permit program fees collected by the
36 department shall be deposited in the air operating permit account. All
37 operating permit program fees collected by the delegated local air
38 authorities shall be deposited in their respective air operating permit

1 accounts or other accounts dedicated exclusively to support of the
2 operating permit program. The fees assessed under this subsection
3 shall first be due not less than forty-five days after the United
4 States environmental protection agency delegates to the department the
5 authority to administer the operating permit program and then annually
6 thereafter.

7 The department shall establish, by rule, procedures for
8 administrative appeals to the department regarding the fee assessed
9 pursuant to this subsection.

10 (2) The fee schedule developed by each permitting authority shall
11 fully cover and not exceed both its permit administration costs and the
12 permitting authority's share of state-wide program development and
13 oversight costs.

14 (a) Permit administration costs are those incurred by each
15 permitting authority, including the department, in administering and
16 enforcing the operating permit program with respect to sources under
17 its jurisdiction. Costs associated with the following activities are
18 fee eligible as these activities relate to the operating permit program
19 and to the sources permitted by a permitting authority, including,
20 where applicable, sources subject to a general permit:

21 (i) Preapplication assistance and review of an application and
22 proposed compliance plan for a permit, permit revision, or renewal;

23 (ii) Source inspections, testing, and other data-gathering
24 activities necessary for the development of a permit, permit revision,
25 or renewal;

26 (iii) Acting on an application for a permit, permit revision, or
27 renewal, including the costs of developing an applicable requirement as
28 part of the processing of a permit, permit revision, or renewal,
29 preparing a draft permit and fact sheet, and preparing a final permit,
30 but excluding the costs of developing BACT, LAER, BART, or RACT
31 requirements for criteria and toxic air pollutants;

32 (iv) Notifying and soliciting, reviewing and responding to comment
33 from the public and contiguous states and tribes, conducting public
34 hearings regarding the issuance of a draft permit and other costs of
35 providing information to the public regarding operating permits and the
36 permit issuance process;

37 (v) Modeling necessary to establish permit limits or to determine
38 compliance with permit limits;

1 (vi) Reviewing compliance certifications and emissions reports and
2 conducting related compilation and reporting activities;

3 (vii) Conducting compliance inspections, complaint investigations,
4 and other activities necessary to ensure that a source is complying
5 with permit conditions;

6 (viii) Administrative enforcement activities and penalty
7 assessment, excluding the costs of proceedings before the pollution
8 control hearings board and all costs of judicial enforcement;

9 (ix) The share attributable to permitted sources of the development
10 and maintenance of emissions inventories;

11 (x) The share attributable to permitted sources of ambient air
12 quality monitoring and associated recording and reporting activities;

13 (xi) Training for permit administration and enforcement;

14 (xii) Fee determination, assessment, and collection, including the
15 costs of necessary administrative dispute resolution and penalty
16 collection;

17 (xiii) Required fiscal audits, periodic performance audits, and
18 reporting activities;

19 (xiv) Tracking of time, revenues and expenditures, and accounting
20 activities;

21 (xv) Administering the permit program including the costs of
22 clerical support, supervision, and management;

23 (xvi) Provision of assistance to small businesses under the
24 jurisdiction of the permitting authority as required under section 507
25 of the federal clean air act; and

26 (xvii) Other activities required by operating permit regulations
27 issued by the United States environmental protection agency under the
28 federal clean air act.

29 (b) Development and oversight costs are those incurred by the
30 department in developing and administering the state operating permit
31 program, and in overseeing the administration of the program by the
32 delegated local permitting authorities. Costs associated with the
33 following activities are fee eligible as these activities relate to the
34 operating permit program:

35 (i) Review and determinations necessary for delegation of authority
36 to administer and enforce a permit program to a local air authority
37 under RCW 70.94.161(2) and 70.94.860;

- 1 (ii) Conducting fiscal audits and periodic performance audits of
2 delegated local authorities, and other oversight functions required by
3 the operating permit program;
- 4 (iii) Administrative enforcement actions taken by the department on
5 behalf of a permitting authority, including those actions taken by the
6 department under RCW 70.94.785, but excluding the costs of proceedings
7 before the pollution control hearings board and all costs of judicial
8 enforcement;
- 9 (iv) Determination and assessment with respect to each permitting
10 authority of the fees covering its share of the costs of development
11 and oversight;
- 12 (v) Training and assistance for permit program administration and
13 oversight, including training and assistance regarding technical,
14 administrative, and data management issues;
- 15 (vi) Development of generally applicable regulations or guidance
16 regarding the permit program or its implementation or enforcement;
- 17 (vii) State codification of federal rules or standards for
18 inclusion in operating permits;
- 19 (viii) Preparation of delegation package and other activities
20 associated with submittal of the state permit program to the United
21 States environmental protection agency for approval, including ongoing
22 coordination activities;
- 23 (ix) General administration and coordination of the state permit
24 program, related support activities, and other agency indirect costs,
25 including necessary data management and quality assurance;
- 26 (x) Required fiscal audits and periodic performance audits of the
27 department, and reporting activities;
- 28 (xi) Tracking of time, revenues and expenditures, and accounting
29 activities;
- 30 (xii) Public education and outreach related to the operating permit
31 program, including the maintenance of a permit register;
- 32 (xiii) The share attributable to permitted sources of compiling and
33 maintaining emissions inventories;
- 34 (xiv) The share attributable to permitted sources of ambient air
35 quality monitoring, related technical support, and associated recording
36 activities;
- 37 (xv) The share attributable to permitted sources of modeling
38 activities;

1 (xvi) Provision of assistance to small business as required under
2 section 507 of the federal clean air act as it exists on the effective
3 date of this act or its later enactment as adopted by reference by the
4 director by rule;

5 (xvii) Provision of services by the department of revenue and the
6 office of the state attorney general and other state agencies in
7 support of permit program administration;

8 (xviii) A one-time revision to the state implementation plan to
9 make those administrative changes necessary to ensure coordination of
10 the state implementation plan and the operating permit program; and

11 (xix) Other activities required by operating permit regulations
12 issued by the United States environmental protection agency under the
13 federal clean air act.

14 (3) The responsibility for operating permit fee determination,
15 assessment, and collection is to be shared by the department and
16 delegated local air authorities as follows:

17 (a) Each permitting authority, including the department, acting in
18 its capacity as a permitting authority, shall develop a fee schedule
19 and mechanism for collecting fees from the permit program sources under
20 its jurisdiction; the fees collected by each authority shall be
21 sufficient to cover its costs of permit administration and its share of
22 the department's costs of development and oversight. Each delegated
23 local authority shall remit to the department its share of the
24 department's development and oversight costs.

25 (b) Only those local air authorities to whom the department has
26 delegated the authority to administer the program pursuant to RCW
27 70.94.161(2) (b) and (c) and 70.94.860 shall have the authority to
28 administer and collect operating permit fees. The department shall
29 retain the authority to administer and collect such fees with respect
30 to the sources within the jurisdiction of a local air authority until
31 the effective date of program delegation to that air authority.

32 (c) The department shall allocate its development and oversight
33 costs among all permitting authorities, including the department, in
34 proportion to the number of permit program sources under the
35 jurisdiction of each authority, except that extraordinary costs or
36 other costs readily attributable to a specific permitting authority may
37 be assessed that authority. For purposes of this subsection, all
38 sources covered by a single general permit shall be treated as one
39 source.

1 (4) The department and each delegated local air authority shall
2 adopt by rule a general permit fee schedule for sources under their
3 respective jurisdictions after such time as the department adopts
4 provisions for general permit issuance. Within ninety days of the time
5 that the department adopts a general permit fee schedule, the
6 department shall report to the relevant standing committees of the
7 legislature regarding the general permit fee schedules adopted by the
8 department and by the delegated local air authorities. The permit
9 administration costs of each general permit shall be allocated
10 equitably among only those sources subject to that general permit. The
11 share of development and oversight costs attributable to each general
12 permit shall be determined pursuant to subsection (3)(c) of this
13 section.

14 (5) The fee schedule developed by the department shall allocate
15 among the sources for whom the department acts as a permitting
16 authority, other than sources subject to a general permit, those
17 portions of the department's permit administration costs and the
18 department's share of the development and oversight costs which the
19 department does not plan to recover under its general permit fee
20 schedule or schedules as follows:

21 (a) The department shall allocate its permit administration costs
22 and its share of the development and oversight costs not recovered
23 through general permit fees according to a three-tiered model based
24 upon:

25 (i) The number of permit program sources under its jurisdiction;

26 (ii) The complexity of permit program sources under its
27 jurisdiction; and

28 (iii) The size of permit program sources under its jurisdiction, as
29 measured by the quantity of each regulated pollutant emitted by the
30 source.

31 (b) Each of the three tiers shall be equally weighted.

32 (c) The department may, in addition, allocate activities-based
33 costs readily attributable to a specific source to that source under
34 RCW 70.94.152(1) and section 8(7) of this act.

35 The quantity of each regulated pollutant emitted by a source shall
36 be determined based on the annual emissions during the most recent
37 calendar year for which data is available.

38 (6) The department shall, after opportunity for public review and
39 comment, adopt rules that establish a process for development and

1 review of its operating permit program fee schedule, a methodology for
2 tracking program revenues and expenditures and, for both the department
3 and the delegated local air authorities, a system of fiscal audits,
4 reports, and periodic performance audits.

5 (a) The fee schedule development and review process shall include
6 the following:

7 (i) The department shall conduct a biennial workload analysis. The
8 department shall provide the opportunity for public review of and
9 comment on the workload analysis. The department shall review and
10 update its workload analysis during each biennial budget cycle, taking
11 into account information gathered by tracking previous revenues, time,
12 and expenditures and other information obtained through fiscal audits
13 and performance audits.

14 (ii) The department shall prepare a biennial budget based upon the
15 resource requirements identified in the workload analysis for that
16 biennium. In preparing the budget, the department shall take into
17 account the projected operating permit account balance at the start of
18 the biennium. The department shall provide the opportunity for public
19 review of and comment on the proposed budget. The department shall
20 review and update its budget each biennium.

21 (iii) The department shall develop a fee schedule allocating the
22 department's permit administration costs and its share of the
23 development and oversight costs among the department's permit program
24 sources using the methodology described in subsection (5) of this
25 section. The department shall provide the opportunity for public
26 review of and comment on the allocation methodology and fee schedule.
27 The department shall provide procedures for administrative resolution
28 of disputes regarding the source data on which allocation
29 determinations are based; these procedures shall be designed such that
30 resolution occurs prior to the completion of the allocation process.
31 The department shall review and update its fee schedule annually.

32 (b) The methodology for tracking revenues and expenditures shall
33 include the following:

34 (i) The department shall develop a system for tracking revenues and
35 expenditures that provides the maximum practicable information. At a
36 minimum, revenues from fees collected under the operating permit
37 program shall be tracked on a source-specific basis and time and
38 expenditures required to administer the program shall be tracked on the
39 basis of source categories and functional categories. Each general

1 permit will be treated as a separate source category for tracking and
2 accounting purposes.

3 (ii) The department shall use the information obtained from
4 tracking revenues, time, and expenditures to modify the workload
5 analysis required in subsection (6)(a) of this section.

6 (iii) The information obtained from tracking revenues, time, and
7 expenditures shall not provide a basis for challenge to the amount of
8 an individual source's fee.

9 (iv) On or before December 1, 1996, the department shall report to
10 the appropriate standing committees of the legislature recommendations
11 on the administrative feasibility and benefits of source-specific
12 tracking of time and expenditures. The report may include findings
13 from demonstration projects wherein time and expenditures are tracked
14 on a source-specific basis.

15 (c) The system of fiscal audits, reports, and periodic performance
16 audits shall include the following:

17 (i) The department and the delegated local air authorities shall
18 prepare annual reports and shall submit the reports to, respectively,
19 the appropriate standing committees of the legislature and the board of
20 directors of the local air authority.

21 (ii) The department shall arrange for fiscal audits and routine
22 performance audits and for periodic intensive performance audits of
23 each permitting authority and of the department.

24 (7) Each local air authority requesting delegation shall, after
25 opportunity for public review and comment, publish regulations which
26 establish a process for development and review of its operating permit
27 program fee schedule, and a methodology for tracking its revenues and
28 expenditures. These regulations shall be submitted to the department
29 for review and approval as part of the local authority's delegation
30 request.

31 (8) As used in this section and in RCW 70.94.161(14), "regulated
32 pollutant" shall have the same meaning as defined in section 502(b) of
33 the federal clean air act as it exists on the effective date of this
34 act, or its later enactment as adopted by reference by the director by
35 rule.

36 (9) The department shall report to the appropriate standing
37 committees of the legislature by December 1, 1995, regarding the
38 appropriateness of the fee structures authorized under this section for
39 those sources not subject to permit program requirements as of the

1 effective date of this act but which later become subject to such
2 permit program requirements. In preparing the report, the department
3 shall consult with representatives of such sources, local air
4 authorities, environmental groups, and other interested parties. Fee
5 structures as authorized under this section shall remain in effect
6 until such time as the legislature authorizes an alternative structure
7 following receipt of the report required by this subsection.

8 NEW SECTION. **Sec. 7.** A new section is added to chapter 70.94 RCW
9 to read as follows:

10 (1) The department of health shall have all the enforcement powers
11 as provided in RCW 70.94.332, 70.94.425, 70.94.430, 70.94.431(1)
12 through (7), and 70.94.435 with respect to emissions of radionuclides.
13 This section does not preclude the department of ecology from
14 exercising its authority under this chapter.

15 (2) Permits for energy facilities subject to chapter 80.50 RCW
16 shall be issued by the energy facility site evaluation council.
17 However, the permits become effective only if the governor approves an
18 application for certification and executes a certification agreement
19 under chapter 80.50 RCW. The council shall have all powers necessary
20 to administer an operating permits program pertaining to such
21 facilities, consistent with applicable air quality standards
22 established by the department or local air pollution control
23 authorities, or both, and to obtain the approval of the United States
24 environmental protection agency. The council's powers include, but are
25 not limited to, all of the enforcement powers provided in RCW
26 70.94.332, 70.94.425, 70.94.430, 70.94.431 (1) through (7), and
27 70.94.435 with respect to permit program sources required to obtain
28 certification from the council under chapter 80.50 RCW. To the extent
29 not covered under RCW 80.50.071, the council may collect fees as
30 granted to delegated local air authorities under RCW 70.94.152,
31 70.94.161 (14) and (15), and sections 6 and 8(7) of this act with
32 respect to permit program sources required to obtain certification from
33 the council under chapter 80.50 RCW. The council and the department
34 shall each establish procedures that provide maximum coordination and
35 avoid duplication between the two agencies in carrying out the
36 requirements of this chapter.

1 NEW SECTION. **Sec. 8.** A new section is added to chapter 70.94 RCW
2 to read as follows:

3 (1) RACT as defined in RCW 70.94.030 is required for existing
4 sources except as otherwise provided in RCW 70.94.331(9).

5 (2) RACT for each source category containing three or more sources
6 shall be determined by rule except as provided in subsection (3) of
7 this section.

8 (3) Source-specific RACT determinations may be performed under any
9 of the following circumstances:

10 (a) As authorized by RCW 70.94.153;

11 (b) When required by the federal clean air act;

12 (c) For sources in source categories containing fewer than three
13 sources;

14 (d) When an air quality problem, for which the source is a
15 contributor, justifies a source-specific RACT determination prior to
16 development of a categorical RACT rule; or

17 (e) When a source-specific RACT determination is needed to address
18 either specific air quality problems for which the source is a
19 significant contributor or source-specific economic concerns.

20 (4) By January 1, 1994, ecology shall develop a list of sources and
21 source categories requiring RACT review and a schedule for conducting
22 that review. Ecology shall review the list and schedule within six
23 months of receiving the initial operating permit applications and at
24 least once every five years thereafter. In developing the list to
25 determine the schedule of RACT review, ecology shall consider emission
26 reductions achievable through the use of new available technologies and
27 the impacts of those incremental reductions on air quality, the
28 remaining useful life of previously installed control equipment, the
29 impact of the source or source category on air quality, the number of
30 years since the last BACT, RACT, or LAER determination for that source
31 and other relevant factors. Prior to finalizing the list and schedule,
32 ecology shall consult with local air authorities, the regulated
33 community, environmental groups, and other interested individuals and
34 organizations. The department and local authorities shall revise RACT
35 requirements, as needed, based on the review conducted under this
36 subsection.

37 (5) In determining RACT, ecology and local authorities shall
38 utilize the factors set forth in RCW 70.94.030 and shall consider RACT
39 determinations and guidance made by the federal environmental

1 protection agency, other states and local authorities for similar
2 sources, and other relevant factors. In establishing or revising RACT
3 requirements, ecology and local authorities shall address, where
4 practicable, all air contaminants deemed to be of concern for that
5 source or source category.

6 (6) Emission standards and other requirements contained in rules or
7 regulatory orders in effect at the time of operating permit issuance or
8 renewal shall be considered RACT for purposes of permit issuance or
9 renewal. RACT determinations under subsections (2) and (3) of this
10 section shall be incorporated into operating permits as provided in RCW
11 70.94.161 and rules implementing that section.

12 (7) The department and local air authorities are authorized to
13 assess and collect a fee to cover the costs of developing,
14 establishing, or reviewing categorical or case-by-case RACT
15 requirements. The fee shall apply to determinations of RACT
16 requirements as defined under this section and RCW 70.94.331(9). The
17 amount of the fee may not exceed the direct and indirect costs of
18 establishing the requirement for the particular source or the pro rata
19 portion of the direct and indirect costs of establishing the
20 requirement for the relevant source category. The department shall,
21 after opportunity for public review and comment, adopt rules that
22 establish a workload-driven process for determination and review of the
23 fee covering the direct and indirect costs of its RACT determinations
24 and a methodology for tracking revenues and expenditures. All such
25 RACT determination fees collected by the department from permit program
26 sources shall be deposited in the air operating permit account. All
27 such RACT determination fees collected by the delegated local air
28 authorities from permit program sources shall be deposited in the
29 dedicated accounts of their respective treasuries. All such RACT fees
30 collected by the department from nonpermit program sources shall be
31 deposited in the air pollution control account. All such RACT fees
32 collected by local air authorities from nonpermit program sources shall
33 be deposited in their respective treasuries.

--- END ---