

WSR 24-10-065
PERMANENT RULES
PUGET SOUND
CLEAN AIR AGENCY

[Filed April 26, 2024, 3:54 p.m., effective June 1, 2024]

Effective Date of Rule: June 1, 2024.

Purpose: Section 5.07: The registration program fees, like the other fee programs of the Puget Sound clean air agency (agency) (operating permit, notice of construction, and asbestos), are designed to recover the costs of implementing and administering the program. The last significant changes to the registration program fee schedule in Regulation I, Section 5.07 were made in 2023, and before that in 2012.

The agency reviews the registration program fee structure annually to determine if the fees collected are adequate to cover the costs of the program. This year, the proposed fee increases apply across the board to each fee category (excluding emission fees) to reflect the increases in total program costs. These increases are attributable to cost-of-living increases and inflationary impacts to other operational costs.

Increases in fees for the entire program were implemented in 2023. However, the fees remained unchanged from 2012 to 2023 due to, among other things, closely managing program administration, implementing efficiencies, and relatively low inflationary impacts to the program costs. In the last three years, inflation has significantly increased the costs to the program and an adjustment is necessary for the upcoming budget development.

The financial information for fiscal year (FY) 2024 and the projections for FY 2025 indicate that without an increase in the registration fees, the revenues generated by the existing fee levels would be less than the annual budget for the program in FY 2025. Current expenses are also reflecting the effects of inflation, as actual expenses are now projected to exceed the revenues invoiced for calendar year 2024. Left unchanged now, that would lead to deficits for the program that would continue to erode the funding for the program that would potentially produce a deficit at some point in FY 2025.

Based on the information discussed above, the proposed increase in registration fees is five percent across the board (all fee elements in the fee structure) except for emission fees. The emission fees, a \$/ton fee for reportable air pollutant emissions levels, are proposed to remain unchanged. This recommendation regarding emission fee charges remaining unchanged will keep the emission fee charges equivalent to those for operating permit sources.

Citation of Rules Affected by this Order: Amending Regulation I, Section 5.07 (Annual Registration Fees).

Statutory Authority for Adoption: Chapter 70A.15 RCW.

Adopted under notice filed as WSR 24-05-072 on February 20, 2024.

Date Adopted: April 25, 2024.

Christine Cooley
Executive Director

AMENDATORY SECTION

REGULATION I SECTION 5.07 ANNUAL REGISTRATION FEES

(a) The Agency shall assess annual fees as set forth in Section 5.07(c) of this regulation for services provided in administering the registration program. Fees received under the registration program

shall not exceed the cost of administering the program, which shall be defined as initial registration and annual or other periodic reports from the source owner providing information directly related to air pollution registration, on-site inspections necessary to verify compliance with registration requirements, data storage and retrieval systems necessary for support of the registration program, emission inventory reports and emission reduction credits computed from information provided by sources pursuant to registration program requirements, staff review, including engineering analysis for accuracy and currentness, of information provided by sources pursuant to registration program requirements, clerical and other office support provided in direct furtherance of the registration program, and administrative support provided in directly carrying out the registration program. Payment of these fees by the owner or operator of a source shall maintain its active registration status (even if it is not actively operating).

(b) Upon assessment by the Agency, registration fees are due and payable within 45 days of the date of the invoice. Registration fees shall be deemed delinquent if not fully paid within 45 days of the date of the invoice. Persons or sources that under-report emissions, fail to submit other information used to set fees, or fail to pay required fees within 90 days of the date of the invoice, may be subject to a penalty equal to 3 times the amount of the original fee owed (in addition to other penalties provided by chapter 70A.15 RCW).

(c) Except as specified in Section 5.07 (d) and (e) of this regulation, registered sources shall be assessed a fee of (~~(\$1,350)~~) \$1,418, plus the following fees:

(1) Sources subject to a federal emission standard as specified in Section 5.03 (a)(1) of this regulation shall be assessed (~~(\$2,450)~~) \$2,573 per subpart of 40 CFR Parts 60-63;

(2) Sources subject to a federally enforceable emission limitation as specified in Section 5.03 (a)(2) or meeting the emission thresholds specified in Section 5.03 (a)(3) of this regulation shall be assessed (~~(\$2,670)~~) \$2,804;

(3) Sources subject to the emission reporting requirements under Section 5.05(b) of this regulation shall be assessed \$30 for each ton of CO and \$60 for each ton of NOx, PM10, SOx, HAP, and VOC, based on the emissions reported during the previous calendar year;

(4) Sources with more than one coffee roaster installed on-site that are approved under a Notice of Construction Order of Approval shall be assessed (~~(\$2,670)~~) \$2,804;

(5) Sources of commercial composting with raw materials from off-site and with an installed processing capacity of <100,000 tons per year shall be assessed (~~(\$6,670)~~) \$7,004; and

(6) Sources of commercial composting with raw materials from off-site and with an installed processing capacity of ≥100,000 tons per year shall be assessed (~~(\$26,680)~~) \$28,014.

(d) Gasoline dispensing facilities shall be assessed the following fees based on their gasoline throughput during the previous calendar year (as certified at the time of payment):

- (1) More than 6,000,000 gallons. (~~(\$4,740)~~) \$4,977;
- (2) 3,600,001 to 6,000,000 gallons. (~~(\$2,355)~~) \$2,473;
- (3) 1,200,001 to 3,600,000 gallons. (~~(\$1,565)~~) \$1,643;
- (4) 840,001 to 1,200,000 gallons. (~~(\$785)~~) \$824;
- (5) 200,001 to 840,000 gallons. (~~(\$395)~~) \$415.

(e) The following registered sources shall be assessed an annual registration fee of (~~(\$165)~~) \$173, provided that they meet no other criteria listed in Section 5.03(a) of this regulation:

(1) Sources with spray-coating operations subject to Section 9.16 of this regulation that use no more than 4,000 gallons per year of total coatings and solvents;

(2) Gasoline dispensing facilities subject to Section 2.07 of Regulation II with gasoline annual throughput during the previous calendar year (as certified at the time of payment) of no more than 200,000 gallons;

(3) Motor vehicle and mobile equipment coating operations subject to Section 3.04 of Regulation II;

(4) Unvented dry cleaners using perchloroethylene; and

(5) Batch coffee roasters subject to notification under Section 6.03 (b) (11) of this regulation.