

**DEPARTMENT OF
ENVIRONMENTAL CONSERVATION**



18 AAC 50

Air Quality Control

Public Comment Draft

Comment Period Ends
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Mike Dunleavy
Governor

Jason W. Brune
Commissioner

The introductory language of 18 AAC 50.030(a) is amended to read:

(a) Volumes II and III of the *State Air Quality Control Plan* for implementing and enforcing the provisions of AS 46.14 and this chapter, revised as of {*adoption date of the regulations*} [DECEMBER 25, 2020], are adopted by reference. The plan includes the following documents that are also adopted by reference:

(Eff. 1/18/97, Register 141; am 6/21/98, Register 146; am 9/4/98, Register 147; am 1/1/2000, Register 152; am 12/30/2000, Register 156; am 9/21/2001, Register 159; am 1/27/2002, Register 161; am 3/27/2002, Register 161; am 5/3/2002, Register 162; am 2/20/2004, Register 169; am 6/24/2004, Register 170; am 10/1/2004, Register 171; am 12/14/2006, Register 180; am 12/30/2007, Register 184; am 5/17/2008, Register 186; am 7/25/2008, Register 187; am 11/9/2008, Register 188; am 5/6/2009, Register 190; am 11/4/2009, Register 192; am 4/1/2010, Register 193; am 10/29/2010, Register 196; am 4/13/2011, Register 198; am 9/17/2011, Register 199; am 8/1/2012, Register 203; am 5/8/2013, Register 206; am 2/5/2015, Register 213; am 4/17/2015, Register 214; am 3/2/2016, Register 217; am 11/26/2016, Register 220; am 12/29/2016, Register 220; am 1/12/2018, Register 225; am 9/15/2018, Register 227; am 1/8/2020, Register 233; am 11/7/2020, Register 236; add'l am 11/7/2020, Register 236; am 12/25/2020, Register 236; am __/__/____, Register ____; am __/__/____, Register ____; am __/__/____, Register ____)

Authority: AS 46.03.020 AS 46.14.030 Sec. 30, ch. 74, SLA 1993
AS 46.14.020 AS 46.14.140

18 AAC 50.400 is repealed and readopted to read:

18 AAC 50.400. Permit administration fees. (a) The permittee, owner, or operator of a Title V source described under 18 AAC 50.326 shall pay to the department the annual or one-time fees listed in this subsection. Permittees will be invoiced on or before July 15 for each annual period from July 1 through the following June 30 for annual fees. For an initial Title V permitted source, the annual fees are collected starting the first July after the permit is issued, and the administration fee for development of an initial Title V permit or a minor source specific permit associated with a Title V source will be calculated in accordance with (h) of this section and billed in accordance with 18 AAC 50.420(b). The following fees apply to Title V sources:

(1) for an oil-and-gas source with the potential to emit equal to or greater than 250 tons per year of any one pollutant, the

(A) annual administration fee is \$3,660; and

(B) annual compliance fee is \$4,679;

(2) for a large power plant, other than one described in (3) of this section, with the potential to emit equal to or greater than 250 tons per year of any one pollutant, the

(A) annual administration fee is \$2,436; and

(B) annual compliance fee is \$5,304;

(3) for a standard coal-fired plant with the potential to emit equal to or greater than 250 tons per year of any one pollutant, the

(A) annual administration fee is \$7,433; and

(B) annual compliance fee is \$8,219;

(4) for a small power plant with the potential to emit equal to or greater than 250 tons per year of any one pollutant, the

(A) annual administration fee is \$2,049; and

(B) annual compliance fee is \$2,983;

(5) for an oil-and-gas source or thermal soil remediation unit source with the potential to emit equal to or greater than 100 and less than 250 tons per year of any one pollutant, the

(A) annual administration fee is \$2,415; and

(B) annual compliance fee is \$4,399;

(6) a small power plant, with the potential to emit equal to or greater than 100 and less than 250 tons per year of any one pollutant, the

(A) annual administration fee is \$2,367; and

(B) annual compliance fee is \$3,460;

(7) for a Title V source that is operating under the department's general operating permit for diesel engines, permit type GPA, the

(A) general permit application fee as established in accordance with (c) of this section upon the permit effective date; and

(B) annual compliance fee is \$2,148;

(8) for a Title V source that is operating under the department's general operating permit for asphalt plants, permit type GP3, the

(A) general permit application fee as established in accordance with (c) of this section upon the permit effective date, and

(B) annual compliance fee is \$2,975;

(9) for a Title V source, other than one described in (1) - (8) of this subsection, and that has the potential to emit less than 250 tons per year of any one pollutant, the

(A) annual administration fee is \$2,065; and

(B) annual compliance fee is \$5,398.

(b) If the permittee, owner, or operator of a Title V source is subject to an annual administration fee listed in (a) of this section for renewal of a Title V permit, and does not apply to renew the Title V permit for that source, that person may request a refund in writing, and the department will refund any annual administration fees that had been paid for that renewal.

Annual compliance fees are not refundable.

(c) If the department prepares a new or renewed general operating permit or a new or revised general minor permit, the department will determine the fees for the permits as follows:

(1) the general permit application fee for that permit by multiplying the number of hours the department spent to develop the permit by the hourly rate of salary and benefits of the department employees who developed the permit, and by adding to the resulting amount any other direct costs. This cost will be divided by the number of permittees who receive or are expected to receive the permit to determine the permit administration fee; and

(2) until such time as an individualized routine compliance fee is established, the routine compliance fee:

(A) for a new general operating permit will be \$2,148;

(B) for a new general minor permit will be \$737, except that for a new general minor permit for drilling rigs will be calculated in accordance with 18 AAC 50.400(d)(2)(C); and

(C) for renewed general operating permits or revised general minor permits will be the same as the existing routine compliance fee for each permit type.

(d) The permittee, owner, or operator of a stationary source shall pay fees for a stationary source that is not classified as needing a Title V permit as follows:

(1) for a minor stationary source not associated with a Title V source

(A) the fee for development of the permit will be calculated in accordance with (h) of this section;

(B) an annual compliance fee of \$1,826;

(2) for minor general permits (under 100 tons per year), as follows:

(A) for construction, operation, or relocation of the hot-mix asphalt plant described in 18 AAC 50.502(b)(1), permit type MG3:

(i) the general permit application fee as established in accordance with (c) of this section upon the permit effective date;

(ii) an annual compliance fee of \$1,386;

(B) for construction, operation, or relocation of the rock crusher described in 18 AAC 50.502(b)(3), permit type MG9:

(i) the general permit application fee as established in accordance with (c) of this section upon the permit effective date;

(ii) annual compliance fee of \$737;

(3) for oil and gas drilling rigs, as follows:

(A) for sources that meet the definitions set out in the applicable permit application requirements, permit type MG1:

(i) the general permit application fee as established in accordance with (c) of this section upon the permit effective date;

(ii) annual compliance fee in accordance with 18 AAC 50.400(h);

(B) for sources that meet the definitions set out in the applicable permit application requirements, permit type MG2:

(i) the general permit application fee as established in accordance with (c) of this section upon the permit effective date;

(ii) annual compliance fee in accordance with 18 AAC 50.400(h);

(C) if the department prepares a new general minor permit for drilling rigs, the department will determine the permit application fee cost of that permit in accordance with (c) of this section. The routine compliance for such permit will be calculated in accordance with (h) of this section until such time that the regulations are updated to establish individualized routine compliance fee.

(e) After the department completes a review, action, or activity described in this subsection, and sought by the permittee, owner, or operator of a stationary source subject to 18 AAC 50.326 or 18 AAC 50.502, the permittee, owner, or operator will be invoiced for and shall pay a nonrefundable one-time fee for department intake and processing of an excess emission report or permit deviation report submitted in accordance with a stationary source's permit of \$45.

(f) The permittee, owner, or operator of a stationary source who requests an owner requested limit (ORL) under 18 AAC 50.225 or a preapproved emission limit under 18 AAC 50.230 must pay the following fees:

(1) for an ORL,

(A) a one-time administration fee of \$2,444, to be paid before the department takes action on any request received; and

(B) an annual compliance fee of \$409.

(2) for a preapproved emission limit for diesel engines under 18 AAC 50.230(c) or a preapproved emission limit for a gasoline distribution facility considered under 18 AAC 50.230(d) to be a bulk gasoline plant,

(A) a one-time administration fee of \$219, to be paid before the limit takes effect; and

(B) an annual compliance fee of \$117.

(g) The fee for department review of and routine compliance services for a request for open burning under 18 AAC 50.065 is \$387. If the department determines that smoke incursion into a public place, into an airport, into a Class I area, into any nonattainment area, or into any maintenance area is likely, all additional costs will be charged in accordance with (h) of this section.

(h) Unless the designated regulatory service is subject to a fixed fee set out in (a) - (g) of this section, or to the terms of a negotiated service agreement under AS 37.10.052(b) and 18 AAC 50.403, the permittee, owner, or operator shall pay an hourly administration or compliance fee for a designated regulatory service. The department will calculate the total amount due under this subsection by multiplying the number of hours spent to provide the designated regulatory service by the hourly rate of salary and benefits of the department employees who provided the designated regulatory service, and by adding to the resulting amount any other direct costs.

(i) In this section,

(1) "airport" has the meaning given in AS 02.25.110;

(2) "annual compliance fee" means the fee charged for routine compliance services, review of source test plans, and review of source test results;

(3) "annual administration fee" means the fee charged for services related to the renewal of a Title V permit and any administrative amendments;

(4) "large power plant";

(A) means a Title V source

(i) the purpose of which is to generate electricity, and that contains a combustion turbine electric generator or natural gas-fired steam plant; or

(ii) that has a potential to emit a total greater than or equal to 500 tons per year of regulated air pollutants in the aggregate, and that contains emissions units used to provide power to a mine or military base;

(B) does not include a Title V source that operates under the department's general permit for diesel engines;

(5) "oil-and-gas source";

(A) means a Title V source not described in (4)(A) of this subsection, the purpose of which is the exploration for, extraction of, processing of, transportation of, or storage of crude oil, natural gas, or other petroleum products, or related activities;

(B) does not include a petroleum refinery or liquefied natural gas (LNG) plant;

(6) "public place" has the meaning given in AS 46.06.150;

(7) "routine compliance services"

(A) means all direct services and costs necessary to accomplish the regularly scheduled onsite or offsite review of a stationary source's emissions units, records, and self-monitoring reports;

(B) includes annual compliance certifications (ACCs), facility operating reports (FORs), source test plans, source test results, notices and reports, federal emission standard periodic reports, and notices to determine the source's compliance with applicable requirements;

(C) does not include the unscheduled review of evidence in support of a complaint investigation or a compliance action;

(8) "small power plant"

(A) means a Title V source not described in (4)(A) or (5) of this subsection

(i) the purpose of which is to generate electricity, and that contains one or more diesel-fired internal combustion engines to generate power;

(ii) the purpose of which is seafood processing; or

(iii) that has a potential to emit a total less than 500 tons per year of regulated air pollutants in the aggregate, and that contains emissions units used to provide power to a mine or military base;

(B) does not include a Title V source that operates under the department's general permit for diesel engines;

(9) "standard coal-fired plant" means a Title V source that is not within 10 miles of Denali National Park, that contains a coal-fired boiler used for purposes of generating electrical power, to include cogeneration, and that has a potential to emit a total greater than or equal to 500 tons per year of regulated air pollutants in the aggregate.

(10) "general permit application fee" means the one-time fee that must be submitted with an application for general permits under 18 AAC 50.400;

(11) “one-time administration fee” means the one-time fee that must be submitted under 18 AAC 50.400(f).

(Eff. 1/18/97, Register 141; am 6/21/98, Register 146; am 10/1/2004, Register 171; am 12/1/2004, Register 172; am 1/29/2005, Register 173; am 12/30/2007, Register 184; am 7/25/2008, Register 187; am 7/1/2010, Register 194; am 9/14/2012, Register 203; am 9/26/2015, Register 215; am 9/15/2018, Register 227; am __/__/____, Register __)

Authority: AS 37.10.050 AS 44.46.025 AS 46.14.140
AS 37.10.052 AS 46.03.020 AS 46.14.240
AS 37.10.058

Editor’s note: General permit application fees calculated in accordance with 18 AAC 50.400(c) can be found on the department’s Air Permit Program’s permit specific application webpages found at <https://dec.alaska.gov/air/air-permit/>.

The introductory language of 18 AAC 50.410(a) is amended to read:

18 AAC 50.410. Emission fees. (a) For each period from July 1 through the following June 30, the permittee, owner, or operator shall pay to the department an annual emission fee based on the stationary source’s assessable emissions for that year for each stationary source that is subject to a permit under this chapter. The emissions fee is assessed per ton **for total tonnage projected, as reported on a per pollutant basis. All total projected tonnage will be billed emissions fees** [FOR EACH AIR POLLUTANT FOR WHICH PROJECTED EMISSIONS ARE 10 TONS PER YEAR OR GREATER].

...

18 AAC 50.410(b) is amended to read:

(b) Except as provided in (c) and (g) of this section, emission fees will be assessed as follows:

(1) for stationary sources required to obtain an operating permit under AS 46.14.130(b), an emission fee rate of **\$84.29** [\$42.95] per ton₂ [; OF THAT PER-TON AMOUNT, \$33.16 WILL] **which will** be allocated to the clean air protection fund under AS 46.14.260[, AND \$9.79 WILL BE ALLOCATED TO THE EMISSION CONTROL PERMIT RECEIPTS ACCOUNT UNDER AS 46.14.265];

(2) for stationary sources not subject to (1) of this subsection but otherwise required to obtain a permit under AS 46.14.130, the emission fee rate of **\$17.70** [\$9.79] per ton; the amount will be allocated to the emissions control permit receipts account under AS 46.14.265.

...

18 AAC 50.410(g)(3) is amended to read:

(3) at the following rates for a single portable oil and gas operation for which the owner or operator submits a new application or notification for operation under the general minor permits on or after December 3, 2005:

(A) for a portable oil and gas operation north of 69 degrees, 30 minutes North latitude,

(i) **\$2,556** [\$1,414] for operation at one or more ice pads during a winter drilling season;

(ii) **\$7,668** [\$4,241] for operation during a state fiscal year at one or more sites not including a seasonal ice pad;

(B) for a portable oil and gas operation outside the area described in (A) of this paragraph,

(i) **\$2,382** [\$1,318] for drilling five or fewer wells under the same application or notification during a state fiscal year;

(ii) **\$4,764** [\$2,635] for drilling no fewer than six and no more than 10 wells under the same application or notification during a state fiscal year;

(iii) **\$7,146** [\$3,953] for drilling 11 or more wells under the same application or notification during a state fiscal year.

(Eff. 1/18/97, Register 141; am 5/3/2002, Register 162; am 10/16/2003, Register 168; am 10/1/2004, Register 171; am 1/29/2005, Register 173; am 12/3/2005, Register 176; am 12/14/2006, Register 180; am 6/18/2009, Register 190; am 7/1/2010, Register 194; add'l am 7/1/2010, Register 194; am 9/26/2015, Register 215; am 8/20/2016, Register 219; am 9/15/2018, Register 227; am __/__/____, Register ____)

Authority: AS 44.46.025 AS 46.14.140 AS 46.14.250
AS 46.03.020

The introductory language of 18 AAC 50.420(a) is amended to read:

18 AAC 50.420. Billing procedures. (a) The department will send supplemental bills for emission fees and fixed permit administration fees after *{effective date of the regulations,}*

[SEPTEMBER 26, 2015] to bill or credit for the prorated difference between bills sent for state fiscal year {*effective FY before effective date of the regulations,*} [2016 BEFORE SEPTEMBER 26, 2015] and the rates in effect as of {*effective date of the regulations*} [SEPTEMBER 26, 2015]. The department will bill emission fees assessed under 18 AAC 50.410(a) on or before July 1 of each year in a manner consistent with AS 46.14.250. The department will bill [FIXED PERMIT] **annual** administration fees under AS 46.14.240 and 18 AAC 50.400(a) - (g) **and annual compliance fees under AS 46.14.240 and 18 AAC 50.400(a), (d), and (f)** (Eff. 1/18/97, Register 141; am 10/16/2003, Register 168; am 10/1/2004, Register 171; am 1/29/2005, Register 173; am 7/1/2010, Register 194; am 9/26/2015, Register 215; am __/__/__, Register ____)

Authority:	AS 44.46.025	AS 46.14.140	AS 46.14.250
	AS 46.03.020	AS 46.14.240	AS 46.14.255