

IOWA DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROTECTION DIVISION

POLICY/PROCEDURE STATEMENT

TOPIC: Title V Fee Adjustments - Reimbursements and Requests for Additional Payment

Policy Procedure Number: 3-b-05

Replaces Number: New

Date: 03/27/98

Effective Date: Upon Approval: May 27, 1998

Preparer: Pete Hamlin

Reviewer: Pete Hamlin

Approval: Bureau Chief: Pete Hamlin

Date:

Division Administrator: Allan Stokes

Date: 5/27/98

Applicable Code of Iowa or Iowa Administrative Code Rule(s):

IAC 567-22.106 (455B)

Title V Permit Fees.

IAC 567-22.108(10) (455B)

Permit Content - Fees.

Attachments: None.

REASON OR BACKGROUND

Beginning in 1994, Title V applicants have been required to pay an annual fee based on their actual pollutant emissions from the previous calendar year. As Title V air quality operating permit applications are being reviewed by DNR staff, errors, in calculating the amounts of pollutants that are being emitted are being found. In preparing draft Title V permits, DNR staff has been working with each facility to obtain correct amounts of pollutants being emitted. Not until an application is reviewed by DNR staff are these discrepancies discovered between the emission amounts and subsequently a facility's payment. In some cases facilities have overestimated their emissions and overpaid; while others have underestimated their facility's emissions and consequently underpaid their fees.

In order to handle the overpayments and underpayments, the following is proposed:

- a reimbursement or a credit to an annual payment would be provided upon the facility's request if any annual payment was overpaid in excess of \$500 unless a request is made for reimbursement for a lesser amount.
- additional payment will be requested on any annual payment if a facility underestimated their actual emissions for any year and that underestimation was for a total of 200 or more tons.
- if a facility has failed to apply for a Title V permit and pay associated Title V fees then the fees, in full, shall be due.

DETAILS

Any person required to obtain a Title V operating permit must pay an annual fee based on the total tons of actual emissions of each regulated air pollutant. The regulated air pollutants include, SO₂, NO_x, PM-10 (particulate matter less than 10 microns), VOC's (volatile organic compounds) and HAPs (hazardous air pollutants). Each Title V applicant is required to submit an annual emission inventory (based on a calendar year) containing their actual emissions by March of the following year. The estimated total amount of emissions from the emissions inventory and the budget for the Air Quality program are compared. Each year the annual fee is adjusted as approved by the Environmental Protection Commission to cover all reasonable costs required to develop and administer the programs required by the Clean Air Act. Since 1994, the annual fee-per ton of pollutants has been as follows:

Year of Emissions	1993	1994	1995	1996	1997
\$ Per Ton	\$24.00	\$12.00	\$22.10	\$22.10	

Table 1 contains summary information on the number of facilities that have applied for a Title V permit and gives a break down of the fees paid.

Table 1 Title V - Fee Summary

Year	Number of Facilities	Average Fee Paid by a Facility	Median Fee Paid (Half paid more than this amount, half paid less)
1993	264	\$21,316	\$2,953
1994	272	\$10,295	\$1,590
1995	285	\$17,706	\$2,524
1996	292	\$17,012	\$2,295

The \$500.00 reimbursement level is considered as a reasonable amount because these facilities are "major sources" of air pollutants and generally represent large industries. This amount represents an overreporting of about 20-25 tons. The 200 ton level for seeking reimbursement represents a serious underreporting of air pollutants.

The payment of fees is a Title V permit condition. Fees collected and overpayment reimbursed would be applied or derived from the current fiscal year to the air quality Title V fund.