

**NOTICE OF PUBLIC HEARING
BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**PROPOSED AMENDMENTS TO DISTRICT REGULATION 3: FEES AND
APPROVAL OF THE FILING OF A NOTICE OF EXEMPTION FROM CEQA**

Notice is hereby given that the Board of Directors of the Bay Area Air Quality Management District will conduct a public hearing on April 20, 2016, in the 7th floor District Headquarters Board Room, 939 Ellis Street, San Francisco, California, at 9:45 a.m., or as soon thereafter as the matter may be heard, to receive testimony on proposed amendments to District Regulation 3: Fees.

Notice is also given that the Board of Directors will conduct a second public hearing on June 1, 2016 to consider adoption of the proposed amendments to Regulation 3: Fees and to approve the filing of a Notice of Exemption from CEQA. California Health and Safety Code Section 41512.5 requires a district board, prior to adopting or revising fees applicable to emission sources that are not permitted, to hold a public hearing at least 30 days prior to the meeting of the district board at which the fees are adopted or revised. Fee Schedules L, Q, R, S, U, and V pertain to fees from these sources.

The proposed amendments to the District's fee regulation would be effective on July 1, 2016 and would increase fee revenue in order to allow the District to meet budgetary needs for the upcoming fiscal year ending (FYE) 2017.

The fee rates in the following Fee Schedules would be amended as follows: (1) 2.2% increase: Schedule B: Combustion of Fuels, Schedule C: Storage of Organic Liquids, Schedule G5: Miscellaneous Sources, Schedule L: Asbestos Operations, Schedule M: Major Stationary Sources, Schedule N: Toxic Inventory, Schedule Q: Excavation of Contaminated Soil and Removal of Underground Storage Tanks, and Schedule U: Indirect Sources; (2) 7% increase: Schedule T: Greenhouse Gas Fees; (3) 8% increase: Schedule F: Miscellaneous Sources, Schedule G3: Miscellaneous Sources, and Schedule P: Major Facility Review Fees; (4) 9% increase: Schedule A: Hearing Board Fees, Schedule D: Gasoline Transfer at Gasoline Dispensing Facilities, Bulk Plants and Terminals, Schedule E: Solvent Evaporating Sources, Schedule G1: Miscellaneous Sources, Schedule G2: Miscellaneous Sources, Schedule G4: Miscellaneous Sources, Schedule H: Semiconductor and Related Operations, Schedule I: Dry Cleaners, Schedule K: Solid Waste Disposal Sites, Schedule R: Equipment Registration Fees, Schedule S: Naturally Occurring Asbestos Operations, and Schedule V: Open Burning. The following specific fees in Regulation 3 would be increased by 2.2%: New and modified source filing fees, Transfer fees, Duplicate permit or registration fees, Emissions banking filing and withdrawal fees, Regulation 2, Rule 9 Alternative Compliance Plan fees, School public notice fees, Toxic inventory maximum fees, Permit to operate renewal processing fees, and Exemption fees.

In addition, the following additional amendments are proposed: (1) Create a new Schedule W: Petroleum Refining Emissions Tracking Fees that would apply to the five Bay Area petroleum refineries. The proposed refinery emissions inventory and crude slate report submittal fees are \$60,000 initially and \$30,000 for subsequent annual submittals. Also, a one-time fee of \$7,500 is proposed for each Air Monitoring Plan submitted; (2) Create a new Schedule X: Major Stationary Source Community Air Monitoring Fees that would

apply to Major Stationary Sources with emissions above 35 tons per year within the vicinity of the community air monitors. The proposed fees are: \$60.61 per ton of organic compounds, sulfur oxides, nitrogen oxides, PM10 and/or carbon monoxide emissions; (3) Update the Global Warming Potential Values in Schedule T (Greenhouse Gas Fees) and references; (4) Set the maximum fee for abatement device only permit applications at \$10,000; and (5) Set the alteration fee for gasoline dispensing facilities at 1.75 times the filing fee.

The District has determined that these amendments to Regulation 3 are exempt from provisions of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) pursuant to State CEQA Guidelines, Sections 15061, subd. (b)(3) and 15273. The amendments increase District fees that are used to meet District operating expenses. The amendments are administrative in nature, do not affect air emissions from any sources, and have no possibility of causing significant environmental effects. The District intends to file a Notice of Exemption pursuant to State CEQA Guidelines, Section 15062.

A copy of the proposed amendments may be viewed on the District's website at <http://www.baaqmd.gov/rules-and-compliance/rule-development/public-hearings> . Copies are also available by calling the Engineering Division at (415) 749-4990. Staff will accept written comments on the proposed amendments until May 11, 2016. Please direct comments or questions to Barry G. Young, Senior Advanced Projects Advisor, at (415) 749-4721, or electronically at byoung@baaqmd.gov.

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Bay Area Air Quality Management District