



PUBLIC HEARING NOTICE

April 2, 2007

TO: INTERESTED PARTIES
 FROM: EXECUTIVE OFFICER / APCO
 SUBJECT: **PUBLIC HEARING: PROPOSED AMENDMENTS TO REGULATION 3: FEES**

On **Wednesday, May 2, 2007**, the Board of Directors of the Bay Area Air Quality Management District will conduct a public hearing to consider adoption of proposed amendments to **Regulation 3: Fees**, and to approve the filing of a Notice of Exemption from the California Environmental Quality Act (CEQA). The hearing will be held in the 7th floor Board Room of the District Office, 939 Ellis Street, San Francisco. **District Board meetings commence at 9:45 a.m.**

On **Wednesday, June 6, 2007**, the Board of Directors will conduct a second public hearing pursuant to California Health and Safety Code Section 41512.5 to consider any further testimony regarding proposed amendments to Regulation 3, Schedule L: Asbestos Operations and Schedule Q: Excavation of Contaminated Soil and Removal of Underground Storage Tanks, and proposed adoption of Schedule R: Commercial Cooking Operations and Schedule S: Naturally Occurring Asbestos Operations.

The amendments to the District's fee regulation would be effective on July 1, 2007, and would increase fee revenue in order to help the District recover a greater share of the costs the District incurs related to implementing and enforcing regulatory programs for stationary sources of air pollution. The following changes in the District's Fee Schedules are proposed:

Schedule A	Hearing Board	15% increase
Schedule B	Combustion of Fuels	3% increase
Schedule C	Stationary Containers for the Storage of Organic Liquids	No change
Schedule D	Gasoline Transfer at Gasoline Dispensing Facilities, Bulk Plants and Terminals	15% increase
Schedule E	Solvent Evaporating Sources	15% increase
Schedule F	Miscellaneous Sources	15% increase
Schedule G1	Miscellaneous Sources	15% increase
Schedule G2	Miscellaneous Sources	3% increase
Schedule G3	Miscellaneous Sources	No change
Schedule G4	Miscellaneous Sources	No change

Schedule G5	Miscellaneous Sources	New Schedule
Schedule H	Semiconductor and Related Operations	15% increase
Schedule I	Dry Cleaners	15% increase
Schedule K	Solid Waste Disposal Sites	15% increase
Schedule L	Asbestos Operations	5% increase
Schedule M	Major Stationary Source Fees	15% increase
Schedule N	Toxic Inventory Fees	3% increase
Schedule P	Major Facility Review Fees	15% increase
Schedule Q	Excavation of Contaminated Soil and Removal of Underground Storage Tanks	5% increase
Schedule R	Commercial Cooking Equipment	New schedule
Schedule S	Naturally Occurring Asbestos Operations	New schedule

In addition, the following specific fees listed in Regulation 3 would be increased by 5 percent:

- Section 3-302: New and modified source filing fee
- Section 3-309: Duplicate permit fee
- Section 3-311: Banking filing fee and withdrawal fee
- Section 3-312: Regulation 2, Rule 9 Alternative Compliance Plan fee
- Section 3-327: Permit to Operate renewal processing fee

Finally, the following additional changes are proposed:

- Reduce the base fee assessed under Schedule N: Toxic Inventory Fees, from \$125 to \$75 for facilities emitting greater than or equal to 50 weighted pounds per year and less than 1000 weighted pounds per year. This change is proposed because the District will begin to assess Toxic Inventory Fees based on the established cancer Unit Risk Factor for diesel particulate matter. As a result, the number of facilities paying fees under Schedule N will increase significantly. Most facilities with a single diesel engine backup generator will be assessed the revised \$75 base fee under Schedule N.
- Increase the permit fees for compost operations that require District permits (i.e., facilities with throughputs of biomass equal to greater than 500 tons per year) to more appropriately recover the District's costs associated with these sources by listing compost operations in Schedule G-1 (compost operations are currently treated as miscellaneous sources under Schedule F). The annual permit to operate fee for each permitted composting operation would be increased to \$826.
- Increase the permit fees for refinery flares subject to Regulations 12-11 and 12-12 by 50 percent to more appropriately recover the District's costs associated with these sources. The annual permit to operate fee for each affected refinery flare would be increased to \$12,423.
- Create new fees for operation of any conveyORIZED (chain-driven) charbroiler, or an under-fired charbroiler of 10 square feet or more in size, to recover the costs associated with a proposed new rule, Regulation 6, Rule 2: Commercial Cooking

Equipment. The proposed fee is \$475 for an initial registration and \$135 annually thereafter.

- Create a new fee of \$225 for construction or grading operations that require an Asbestos Dust Mitigation Plan (ADMP) to be approved by the District under the State Airborne Toxic Control Measure for Construction, Grading, Quarrying, and Surface Mining Operations. For an ADMP that includes ambient air monitoring, the fee would be \$2000.

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 can be seen with certainty to have no possibility of causing significant environmental effects. The District intends to file a Notice of Exemption pursuant to State CEQA Guidelines, Section 15062.

Interested persons are invited to send written comments regarding this proposed rulemaking to Brian Bateman, Bay Area Air Quality Management District, 939 Ellis Street, San Francisco, California 94109, telephone (415) 749-4653. **Written comments must be received by the District prior to 5:00 p.m. on Monday, April 23, 2007.**

PUBLIC TRANSPORTATION

MUNI -- #47 AND 49 NORTH AND SOUTH ON VAN NESS AVENUE

BART -- CIVIC CENTER STATION 8TH AND MARKET STREETS

Attendees are encouraged to ride public transit, rideshare, bicycle, walk or use other non-motorized modes to and from the District.