

June 29, 1998

MEMORANDUM

SUBJECT: Regional Tracking Systems for Part 71 Fee Receipts

FROM: Steven J. Hitte, Group Leader /s/
Operating Permits Group (MD-12)

TO: Air Program Manager, Regions I-X

As you know, on May 6, 1998, representatives from Headquarters (OAQPS, OPMO, and EPA's Washington Financial Management Center) and the Regions participated in a conference call to discuss how to establish a system for tracking receipt of part 71 fees. The objective of the conference call, as outlined in my memorandum to you dated April 20, 1998, was to reach a decision on whether the Regions would seek assistance from the Washington Financial Management Center in tracking part 71 fee receipts. This memorandum summarizes the results of that call.

The Regions decided against using the national tracking system model currently used by the Office of Mobile Sources that relies on assistance from the Washington Financial Management Center. Instead, the Regions elected to use their own existing "lock box" systems in which payments are routed through a commercial bank. The basics of the process are summarized below. Note that the same basic process applies to fees paid by all part 71 sources (e.g., sources receiving part 71 permits subsequent to EPA objections, sources located on the Outer Continental Shelf, and Indian country sources).

Part 71 permit applicants will send fees and a "fee filing form" to the Region's lock box (bank) address. My staff has developed this form which asks the applicant to provide information sufficient to identify the source and amount of payment. A copy is attached. The form will be added to the standard part 71 application form, and the instructions for the standard part 71 application form will be revised to alert applicants to send fees to the appropriate bank address. The fee filing form and revised instructions are available at the OPG website (<http://www.epa.gov/oar/oaqps/permits>).

Each applicant will send its permit application (including a fee calculation work sheet) and a photocopy of its check to the Regional Office.

The bank will send photocopies of the applicant's check and fee filing form to the Region. The Regional staff will enter the deposit information into the Integrated Financial Management System, crediting account **685295**, Licensing and Other Fees. [This information will show up in IFMS by Region, because each Region will be entering their own collections into IFMS.] Should any Region require any additional identifying account coding, they should contact the Financial Management Divisions's Financial Systems Branch (Bill Faustman at 202-564-4929).

After receipt of the photocopies of the check and the fee filing form from the bank, Regions need to determine if fees were properly calculated and remitted. If so, the Region should proceed to process an initial application if it is otherwise complete. However, note that if the source becomes subject to the part 71 program because the permitting authority has not responded appropriately to an EPA objection to a proposed part 70 permit, fees are not due with the part 71 application, but are due within 3 months following the date of the issuance of the part 71 permit [40 CFR 71.9(g)]. In such a case, the application could be determined to be complete absent fee payment.

The procedures for tracking receipt of part 71 fees outlined above will also apply to the annual fees remitted by part 71 sources. Regions will need to consider some type of invoice or billing procedure to assure that fees are paid regularly and on time. Sources are required to submit annual emissions reports and annual fee calculation work sheets, as per 40 CFR 71.9(h). Fee payment corresponding to the fee calculation work sheet should be sent to the Region's lock box address with a fee filing form.

Should you have questions, please contact Candace Carraway of my staff at (919)541-3189.

cc: Loiscene Watson
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Bill Faustman
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May 6, 1998 Conference Call Participants