

## Title V Operating Permit Application Fee Memo

### History

The Air Contaminant Fund (455B.133B) was modified in 2015 granting the Department authority to impose fees for Title V operating permit applications submitted by major sources.<sup>1</sup> These fees pay for the costs associated with reviewing and acting on initial and renewal operating permit applications, including the determination of all applicable requirements, permitting assistance, and general administration of the program. Fees are not charged for work on permit modifications.

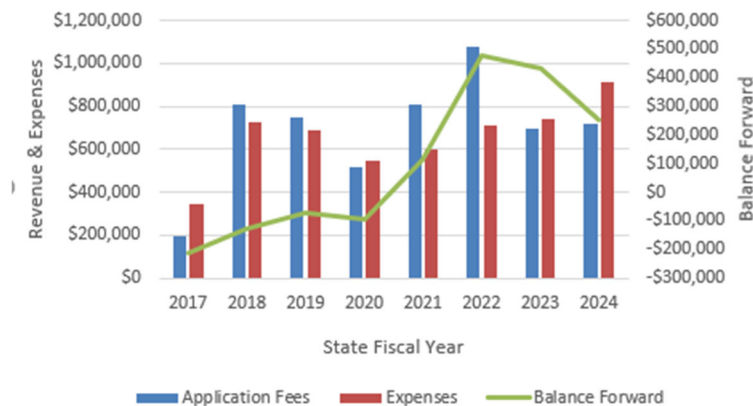
The account cannot project revenue greater than \$1,250,000 during any state fiscal year (FY) (455B.133B(6)). The fee adopted by the Environmental Protection Commission (EPC) became effective on January 15, 2016, and has not changed since inception.

### Title V Operating Permit Program Application Fees

The current Fee Schedule approved by the EPC specifies a \$100/hour fee for operating permit initial and renewal applications. The fee amount is at the maximum amount currently allowed in 567 IAC Chapter 30. Setting a higher fee amount would require a rulemaking followed by a change in the fee schedule, both of which would have to be approved by the EPC.

Chart 1 shows the revenues and expenses from FY 2017 to FY 2023. The revenues were less than expenses in FY 2023, primarily due to work to reduce the modification backlog. The account had a negative balance in FY 2017. A positive balance forward started in FY 2021 but began to decline in FY 2022.

Chart 1: Title V Operating Permit Application Fee Revenue & Expenses FY 2017-FY 2024



### Proposed Fee Revision

The purpose of the budget calculator spreadsheet is to provide a user-friendly tool to explore alternate funding mechanisms for FY 2026 and beyond. Each tab contains a row called “Estimated Expenses” that reflects the expenses for FY 2025 and future years using known programmatic costs and a 3.5% annual increase in personnel expense. No increases in current staffing levels are proposed. Details on how to use the spreadsheet are located on the first tab.

<sup>1</sup> A major stationary source is a facility that has the potential to emit 100 tons per year (tpy) or more of any air pollutant; or the potential to emit 10 tpy or more of any individual hazardous air pollutant; or the potential to emit 25 tpy or more of any combination of hazardous air pollutants.