

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR RESOURCES

NOTICE OF PRELIMINARY FEE DETERMINATION

250-RICR-120-05-28, *Operating Permit Fees*, § 250-RICR-120-05-28.7(A) provides that stationary sources subject to the operating permit program must pay an annual emissions fee. Sources whose actual air pollution emissions are less than 10 tons per year pay a fixed fee. Fees for sources with actual emissions greater than or equal to 10 tons per year will be assessed on a per ton basis. The fee must generate at least enough revenue to cover the direct and indirect costs of running the Operating Permit Program.

The Office of Air Resources (OAR) has made a preliminary determination that the fixed fee and dollar per ton fee to be used for the state fiscal year 2021 (July 1, 2020 - June 30, 2021) are:

Fixed fee: \$ 3,774.50

Dollar per ton fee: \$ 377.45

The Office will determine the final fees by adjusting the preliminary fee determination to account for actual expenditures from the previous fiscal year.

The fact sheet that provides the supporting documentation for the fee determinations is available from the OAR website via the following link: <http://www.dem.ri.gov/programs/air/>. For more information, contact Joe Carola of the OAR at 401-222-2808, ext. 7155 or joe.carola@dem.ri.gov.

Signed this 5th day of March 2020



Karen Slattery
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Office of Air Resources

FIXED FEES AND DOLLAR PER TON FEES FOR FY2021
FINAL DETERMINATION

March 5, 2020

Revenue required to cover the direct and indirect costs of running the Operating Permit Program

- The total funding needed for the operating permit program for FY21 is \$805,195, based on the FY21 enacted budget. The Department collects \$30,800 from emission cap sources for the yearly compliance/ assurance fee. Therefore, the total amount, which the Department needs to collect from the operating permit sources to fund the program, is \$774,395.
- The actual number of sources subject to the operating permit program in FY21 is 32.

Fixed fee and dollar per ton charge

The dollar per ton charge (z) can be calculated as follows:

$$z = \frac{F}{10y + x}$$

where:

F = Total funding needed for the operating permit program
y = Actual number of sources with emissions less than 10 tons per year
x = Total tons of emissions from those sources with actual emissions greater than or equal to 10 tons per year

- For FY21 the following values for F, y and x were used

F = \$805,195 - \$30,800 = \$774,395
y = 8 - based on the most recent available inventory data (2018)
x = 1,971.67 - based on the most recent available inventory data (2018)

$$z = \frac{\$774,395}{10(8) + 1,971.67} = \$377.45$$

The dollar per ton fee (z) = \$377.45

The fixed fee is equal to 10 times the dollar per ton fee = \$3,774.50