

FIXED FEES AND DOLLAR PER TON FEES FOR FY2019
FINAL DETERMINATION
March 12, 2018

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 FY19 is \$ 1,100,000. The Department collects \$28,000 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 \$ 1,072,000.
- The actual number of sources subject to the operating permit program in FY19 is 36.

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 FY17 the following values for F, y and x were used

F = \$1,100,000- 28,00000 = \$1,072,000
y = 11 - based on the most recent available inventory data (2016)
x = 1,819.88 - based on the most recent available inventory data (2016)

$$z = \frac{\$1,072,000}{10(11) + 1819.88} = \$555.47$$

The dollar per ton fee (z) = \$555.47

The fixed fee is equal to 10 times the dollar per ton fee = \$5554.75