312-966-00

1 A bill to be entitled 2 An act relating to pollution control; amending 3 s. 403.0872, F.S.; repealing obsolete 4 provisions relating to operation permits for 5 major sources of air pollution; providing an effective date. 6 7 8 Be It Enacted by the Legislature of the State of Florida: 9 Section 1. Subsection (11) of section 403.0872, 10 Florida Statutes, is amended to read: 11 12 403.0872 Operation permits for major sources of air pollution; annual operation license fee. -- Provided that 13 program approval pursuant to 42 U.S.C. s. 7661a has been 14 received from the United States Environmental Protection 15 Agency, beginning January 2, 1995, each major source of air 16 17 pollution, including electrical power plants certified under s. 403.511, must obtain from the department an operation 18 19 permit for a major source of air pollution under this section, 20 which is the only department operation permit for a major 21 source of air pollution required for such source. Operation 22 permits for major sources of air pollution, except general permits issued pursuant to s. 403.814, must be issued in 23 accordance with the following procedures and in accordance 24 25 with chapter 120; however, to the extent that chapter 120 is 26 inconsistent with the provisions of this section, the 27 procedures contained in this section prevail: 28 (11) Commencing in 1993, Each major source of air pollution permitted to operate in this state must pay between 29 30 January 15 and March 1 of each year, upon written notice from 31 the department, an annual operation license fee in an amount

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determined by department rule. The annual operation license fee shall be terminated immediately in the event the United States Environmental Protection Agency imposes annual fees solely to implement and administer the major source air-operation permit program in Florida under 40 C.F.R. s. 70.10(d).

- The annual fee must be assessed based upon the (a) source's previous year's emissions and must be calculated by multiplying the applicable annual operation license fee factor times the tons of each regulated air pollutant (except carbon monoxide) allowed to be emitted per hour by specific condition of the source's most recent construction or operation permit, times the annual hours of operation allowed by permit condition; provided, however, that:
- For 1993 and 1994, the license fee factor is \$10. For 1995, the license fee factor is \$25. In succeeding years, The license fee factor is \$25 or another amount determined by department rule which ensures that the revenue provided by each year's operation license fees is sufficient to cover all reasonable direct and indirect costs of the major stationary source air-operation permit program established by this section. The license fee factor may be increased beyond \$25 only if the secretary of the department affirmatively finds that a shortage of revenue for support of the major stationary source air-operation permit program will occur in the absence of a fee factor adjustment. The annual license fee factor may never exceed \$35. The department shall retain a nationally recognized accounting firm to conduct a study to determine the reasonable revenue requirements necessary to support the development and administration of the major source 31 | air-operation permit program as prescribed in paragraph (b).

 The results of that determination must be considered in assessing whether a \$25-per-ton fee factor is sufficient to adequately fund the major source air-operation permit program. The results of the study must be presented to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Public Service Commission, including the Public Counsel's Office, by no later than October 31, 1994.

- 2. For any source that operates for fewer hours during the calendar year than allowed under its permit, the annual fee calculation must be based upon actual hours of operation rather than allowable hours if the owner or operator of the source documents the source's actual hours of operation for the calendar year. For any source that has an emissions limit that is dependent upon the type of fuel burned, the annual fee calculation must be based on the emissions limit applicable during actual hours of operation.
- 3. For any source whose allowable emission limitation is specified by permit per units of material input or heat input or product output, the applicable input or production amount may be used to calculate the allowable emissions if the owner or operator of the source documents the actual input or production amount. If the input or production amount is not documented, the maximum allowable input or production amount specified in the permit must be used to calculate the allowable emissions.
- 4. For any new source that does not receive its first operation permit until after the beginning of a calendar year, the annual fee for the year must be reduced pro rata to reflect the period during which the source was not allowed to operate.

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- For any source that emits less of any regulated air pollutant than allowed by permit condition, the annual fee calculation for such pollutant must be based upon actual emissions rather than allowable emissions if the owner or operator documents the source's actual emissions by means of data from a department-approved certified continuous emissions monitor or from an emissions monitoring method which has been approved by the United States Environmental Protection Agency under the regulations implementing 42 U.S.C. ss. 7651 et seq., or from a method approved by the department for purposes of this section.
- The amount of each regulated air pollutant in excess of 4,000 tons per year allowed to be emitted by any source, or group of sources belonging to the same Major Group as described in the Standard Industrial Classification Manual, 1987, may not be included in the calculation of the fee. Any source, or group of sources, which does not emit any regulated air pollutant in excess of 4,000 tons per year, is allowed a one-time credit not to exceed 25 percent of the first annual licensing fee for the prorated portion of existing air-operation permit application fees remaining upon commencement of the annual licensing fees.
- If the department has not received the fee by February 15 of the calendar year, the permittee must be sent a written warning of the consequences for failing to pay the fee by March 1. If the fee is not postmarked by March 1 of the calendar year, commencing with calendar year 1997, the department shall impose, in addition to the fee, a penalty of 50 percent of the amount of the fee, plus interest on such amount computed in accordance with s. 220.807. The department 31 | may not impose such penalty or interest on any amount

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underpaid, provided that the permittee has timely remitted payment of at least 90 percent of the amount determined to be due and remits full payment within 60 days after receipt of notice of the amount underpaid. The department may waive the collection of underpayment and shall not be required to refund overpayment of the fee, if the amount due is less than 1 percent of the fee, up to \$50. The department may revoke any major air pollution source operation permit if it finds that the permitholder has failed to timely pay any required annual operation license fee, penalty, or interest.

8. During the years 1993 through 1999, inclusive, no fee shall be required to be paid under this section with respect to emissions from any unit which is an affected unit under 42 U.S.C. s. 7651c.

8.9. Notwithstanding the computational provisions of this subsection, the annual operation license fee for any source subject to this section shall not be less than \$250, except that the annual operation license fee for sources permitted solely through general permits issued under s. 403.814 shall not exceed \$50 per year.

9.10. Notwithstanding the provisions of s. 403.087(6)(a)4.a., authorizing air pollution construction permit fees, the department may not require such fees for changes or additions to a major source of air pollution permitted pursuant to this section, unless the activity triggers permitting requirements under Title I, Part C or Part D, of the federal Clean Air Act, 42 U.S.C. ss. 7470-7514a. Costs to issue and administer such permits shall be considered direct and indirect costs of the major stationary source air-operation permit program under s. 403.0873. The department 31 | shall, however, require fees pursuant to the provisions of s.

403.087(6)(a)4.a. for the construction of a new major source of air pollution that will be subject to the permitting requirements of this section once constructed and for activities triggering permitting requirements under Title I, Part C or Part D, of the federal Clean Air Act, 42 U.S.C. ss. 7470-7514a.

- (b) Annual operation license fees collected by the department must be sufficient to cover all reasonable direct and indirect costs required to develop and administer the major stationary source air-operation permit program, which shall consist of the following elements to the extent that they are reasonably related to the regulation of major stationary air pollution sources, in accordance with United States Environmental Protection Agency regulations and quidelines:
- 1. Reviewing and acting upon any application for such a permit.
- 2. Implementing and enforcing the terms and conditions of any such permit, excluding court costs or other costs associated with any enforcement action.
 - 3. Emissions and ambient monitoring.
- 4. Preparing generally applicable regulations or guidance.
 - 5. Modeling, analyses, and demonstrations.
 - 6. Preparing inventories and tracking emissions.
- 7. Implementing the Small Business Stationary Source Technical and Environmental Compliance Assistance Program.
- 8. The study conducted under subparagraph (a)1. and any audits conducted under paragraph (c).
- 30 (c) An audit of the major stationary source
 31 air-operation permit program must be conducted 2 years after

the United States Environmental Protection Agency has given full approval of the program, or by the end of 1996, whichever comes later, to ascertain whether the annual operation license fees collected by the department are used solely to support any reasonable direct and indirect costs as listed in paragraph (b). A program audit must be performed biennially after the first audit. Section 2. This act shall take effect upon becoming a law. ********** SENATE SUMMARY Repeals obsolete provisions relating to operation permits for major sources of air pollution.