

Rulemaking AM 10-23
Revising New Source Review (NSR) Fees
in NR 410

November 9, 2023

Agenda

- Background
- Current State of NSR Funding
- Rulemaking Objectives
- NSR Fee Structure Proposal
- Input Opportunities

Background

- The Clean Air Act (CAA) requires sources of air pollution to obtain a construction permit before being constructed, relocated, or modified. Air Program staff review applications, issue permits and revisions, determine exemptions, and assist facilities with this requirement.
- The department is authorized under s. 285.69 to promulgate rules to collect fees to review and act upon construction permit applications. The CAA requires this work to be adequately funded through the collection of permit fees.
- With few exceptions, a facility cannot begin to construct or modify a source of air pollution before a construction permit is issued. Timely permit review and issuance is critical for industry to react to business opportunities and facilitate economic development.

NSR Revenue vs. Chapter 20

	FY19	FY20	FY21	FY22	FY23	Projected
Revenue	\$ 1,483,350	\$ 1,736,750	\$ 1,806,800	\$ 1,278,000	\$ 1,127,250	\$ 1,127,250
Chapter 20	\$ 2,098,500	\$ 2,098,500	\$ 2,149,400	\$ 2,292,800	\$ 2,292,800	\$ 2,842,500
Revenue v. Chapter 20	\$ (615,150)	\$ (412,650)	\$ (342,600)	\$ (1,014,800)	\$ (1,165,550)	\$ (1,715,250)

Causes of Structural Deficit

- Inflation since fees were last increased in Jan 2011
- 2015 and 2020 permit streamlining rules resulted in more exemptions and revisions and less construction permits
- Permit complexity, rule updates, automation to create efficiencies for permit holders

Rulemaking Objectives

- Revise NSR fees to resolve structural deficit and ensure sustainable funding sufficient to meet Chapter 20 authorized funding amounts
- Ensure program has sufficient resources to issue timely permits and meet customer needs
- Have a revised rule in effect by August 2025

NSR Fee Structure Proposal

Raise fees to increase revenue by ~\$1.7M to meet Chapter 20.

- Increase all existing fees, by ~65-85%
- Increase selective fees
 - Ex: exemption determinations, construction permit revisions, construction permit-specific fees
- Create several new fees
 - Ex: incorporation of consent decrees, additional fees for construction permit revisions
- Include an annual inflation adjustment factor

Input Opportunities

Milestone	Date
Informational sessions (AMAG and permittees) – Intro to rulemaking objective and proposal	November 9
Technical Advisory Group Meeting – Share proposed fee structure	December 4
Quarterly AMAG meeting	December 14
Technical Advisory Group Meeting - Share updated fee structure	January 8
Begin 30-day comment period on economic impact of proposed rule	March 15

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