

## **Air Fee Funding Summary**

- ✓ Support 85 FTEs for ROP Program
- ✓ ROP Staffing at FY08 Level
- ✓ NSR Program Funded through General Funds
- ✓ Reduced Staffing from Previous Levels

## **Option 1 Summary**

- Set Fee at Federal Presumptive Minimum (FPM) Level Each Year. EPA Adjusts FPM Based on Consumer Price Index
- Set Emission Cap at Federal Level of 4,000 Tons Per Year per Regulated Pollutant
- Remove Special Formula for the Eight Municipal Power Generating Facilities and Classify as Category 1 Sources
- Raise \$12 million in FY10, Adjusted Yearly
- Raise \$50 million over FY10 - FY13
- CPI -Increased 2.8% Per Year, 10-Year Average

Section 502, Title V, Clean Air Act as Amended in 1990

## Option 2 Summary

- Decrease Fee to \$42.33
- Increase the Caps On Billable Emissions

From	To
4,000 Total Tons	8,000 Total Tons
1,000 Each Pollutant	2,000 Each Pollutant

- Remove Special Formula for the Eight Municipal Power Generating Facilities and Classify as Category 1 Sources
- Raise \$12.5 Million Each Year, FY10 - FY13
- Provides Sufficient Funding through Funding Cycle

## Option -3 Summary

- Increase Fee to \$56.75
- Remove Special Formula for the Eight Municipal Power Generating Facilities and Classify as Category 1 Sources
- Raise \$12.5 Million Each Year, FY10 - FY13
- Provides Sufficient Funding through Funding Cycle

## Fee Formula Comparison

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	Category	Category	Category	Per-ton	Billing Caps	
	1	2	3	Charoe	tons\	
Billing Years	Fee 1\\$	Fee (\$)	Fee (\$)	(\$)	Indiv.	Total
1995-1998	2,500	1,000	200	25.00	1,000	4,000
1999-2001	3,375	1,350	200	34.00	1,000	4,000
2002-2005	4,485	1,795	250	45.25	1,000	4,000
2006-2007	4,485	1,795	250	45.25	1,000	4,000
2008-2010	4,485	1,795	250	45.25	1,000	4,000
2010-2013 Oation 1	0	0	250	Federal Presumptive Minimum	4000	Nat Applicable
2010-2013 Oation 2	4,485	1,795	250	\$42.33	2,000	8,000
2010-2013 Oation .3	4,485	1,795	250	\$56.75	1,000	4,000

The Federal Presumptive Minimum is Adjusted Yearly. For FY09, the Federal Presumptive Minimum is \$43.75

Options 1, 2, and 3 Result in the Same Level of Funding

## Potential Consequences of Inadequate ROP Program

- Inadequate Compliance Inspections of Major Sources
- Increased EPA Oversight
- Untimely Reviews - Initial ROPs, Renewals, Modifications
- EPA Disapproval and Assumption of Program
- EPA Sanctions for Highway Funds

## Conclusions

- AQD Funding and Staffing Continues to Decrease
- Lack of Fee Adjustments in Previous Years has Caused Impacts
- Fee Options Retain Current Staffing Level
- Funding NSR through General Fund Provides Relief to Fee Payers, but also Subjects NSR Program to Funding Uncertainties

## Next Steps

- Provide Comments on Options

Questions - Contact Lynn Fiedler:

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- Another Meeting to Discuss?