

March 5, 2024

MEMORANDUM

TO: Ashley Featherstone, Director
James Raiford, Permitting Program
Manager

FROM: Betsy Brown, Air Quality
Coordinator

SUBJECT: Permit Annual and Application Fees for Calendar Year 2024

Attached are the official tables for the new Asheville-Buncombe Air Quality permit annual and application fees for calendar year 2024. In 2023, pursuant to AB Air Quality Code 17.0204, the Asheville-Buncombe Air Quality Agency increased the Title V fees by the Consumer Price Index (5.43149%). This annual inflation adjustment will go into effect starting January 1, 2024 for the Title V permit application fees.

As a historical note, Title V Fees were adjusted September 27, 2021, per rulemaking and AB Air Quality Board approved changes to 17.0203. Title V tonnage fees are adjusted by the AB Air Quality Board as part of the annual budget process.

More information regarding the Consumer Price Index and the 40 CFR Part 70 presumptive minimum fee can be found here: <https://www.epa.gov/title-v-operating-permits/permit-fees>. It is recommended that the Title V tonnage fee also be increased to \$62 per ton based on the EPA presumptive minimal fee of \$61.73 as part of the BCFY 2025 budget.

Attachments: AB Air Quality 2024 Title V Fee CPI Increase

Title V Facilities Fees CPI Increase 2024

5.43% CPI Increase

Application Fees

| | 2023 | 2024 |
|---|-------------------------------------|-------------------------------------|
| Initial Application or Major Modification or Renewal | \$11,092 | \$11,694 |
| Initial Application or Major Modification (PSD or NSR/NAA) | \$16,637 | \$17,541 |
| Initial Application or Major Modification (PSD and NSR/NAA) | \$33,274 | \$35,081 |
| Minor Modification | \$3,327 | \$3,508 |
| 17.0300 Permit | \$1,109 | \$1,169 |
| General Title V Air Curtain Incinerator (new proposed fee) | 10% of the Otherwise Applicable Fee | 10% of the Otherwise Applicable Fee |

Annual Source Fees

| | | |
|---|--|--|
| Title V (Base Fee + Title V Tonnage Fee) | \$11,092 | \$11,694 |
| Title V (Nonattainment Area Added Fee) | \$4,437 | \$4,678 |
| Title V (Added Medium Complex Facility Fee -3-5 Federal Programs) | \$2,773 | \$2,924 |
| Title V (Added Highly Complex Facility Fee -6 or more Federal Programs) | \$8,319 | \$8,771 |
| General Title V Air Curtain Incinerator (New Proposed Fee) | 10% Of the Otherwise Applicable Fee | 10% Of the Otherwise Applicable Fee |
| Title V Tonnage Fee *(no change to 100 ton minimum) | 59 | 62 |
| Synthetic Minor (no change) | \$4,000 Base Fee + Synthetic Minor Tonnage Fee | \$4,000 Base Fee + Synthetic Minor Tonnage Fee |
| Synthetic Minor Tonnage Fee (no change) | 53 | 53 |

*The annual Title V tonnage fee is determined each year by the Board as part of the budget process and the annual Consumer Price Index annual increase for Title V facilities. We are proposing to increase the tonnage fee to \$62 in Buncombe County FY25.

Projected Title V Permit Fees with Increased CPI and Tonnage Fee

| Facility | 2023 Permit Fee | Current Tonnage Fee (\$59) | Projected Tonnage Fee (\$62) | 2024 Projected Fee (Including CPI) | Tonnage Fee Increase | 2023 - 2024 Difference in Permit Fee (CPI and Tonnage Fee Increase) |
|-----------------------------|-------------------|----------------------------|------------------------------|------------------------------------|----------------------|---|
| Amcor Flexibles LLC | \$ 16,992 | \$ 5,900 | \$ 6,200 | \$ 17,894 | \$ 300 | \$ 902 |
| BorgWarner Turbo Systems | \$ 19,765 | \$ 5,900 | \$ 6,200 | \$ 20,806 | \$ 300 | \$ 1,041 |
| MSD | \$ 25,311 | \$ 5,900 | \$ 6,200 | \$ 26,629 | \$ 300 | \$ 1,318 |
| Duke Energy Progress, LLC | \$ 56,758 | \$ 37,347 | \$ 39,246 | \$ 59,675 | \$ 1,899 | \$ 2,917 |
| Buncombe County Landfill II | \$ 19,765 | \$ 5,900 | \$ 6,200 | \$ 20,806 | \$ 300 | \$ 1,041 |
| Low & Bonar, Inc. | \$ 16,992 | \$ 5,900 | \$ 6,200 | \$ 17,894 | \$ 300 | \$ 902 |
| Flint Group | \$ 29,736 | \$ 10,325 | \$ 10,850 | \$ 31,279 | \$ 525 | \$ 1,543 |
| Totals: | \$ 185,319 | \$ 77,172 | \$ 81,096 | \$ 194,983 | \$ 3,924 | \$ 9,664 |