



Department of
**Environment &
Conservation**

Title V Fee Stakeholder Meeting

January 6, 2016

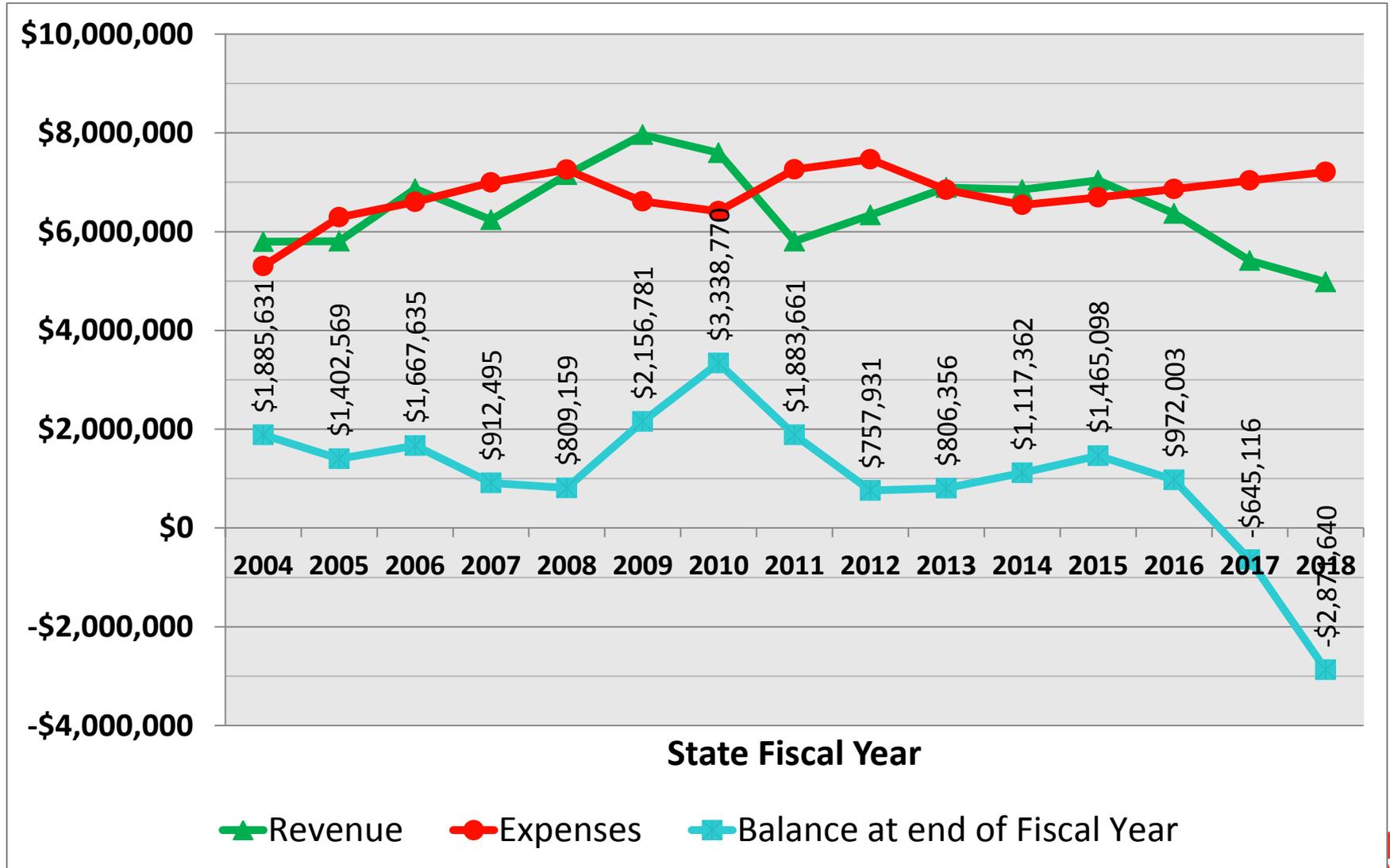
Title V Revenue and Expenses

- All figures based on state fiscal year
- Historical Revenue, Expenses, and Balance from 2015-2016 Workload Analysis
- 2016 through 2018 Expenses based 2015 expenses with 2.5%/yr increase to account for inflation

Title V Revenue Projections

- 2016 (\$6,371,405)
 - Change to new rates
 - Change from Base Fee to Minimum Fee
- 2017 (\$5,407,467)
 - Assume pollutants w. actual > 4000 tpy & allowable < 4000 tpy change to Actual basis
 - 96% SO₂ reduction at Gallatin
 - Resolute change to actual (Boiler MACT)
 - UT Knoxville conversion to gas (set SO₂ = 0)
 - Tate & Lyle – replacing coal boiler with NGCC (1000 tpy SO₂ reduction)
 - Viskase - replacing coal boiler with gas (250 tpy SO₂ reduction)
 - Holston switching to actual emissions (draft permit)
- 2018 (\$4,973,885)
 - 85% NO_x reduction at Gallatin
 - Retirement of Johnsonville

Title V Revenue & Expenses



4000 tpy CAP information

- Nine Facilities utilized CAP in 2014
 - One (Eastman) had 3 pollutants capped
 - Six (Bull Run, Johnsonville, Kingston, Cumberland, Gallatin and Holston, and Resolute) had 2 pollutants capped
 - One (Jack Daniel) had one pollutant capped
- Of 18 capped pollutants 9 had 2014 CY actual emissions less than 4000 tpy
 - Bull Run (SO₂ and NO_x), Holston (SO₂ and NO_x), Johnsonville (NO_x), Resolute (SO₂ and NO_x), Kingston (SO₂ and NO_x)
 - Holston and Resolute pay on fiscal year, not calendar year, but calendar year emissions well below 4000 tons
 - Resolute – 322 tons SO₂, 961 tons NO_x
 - Holston – 1711 tons SO₂, 366 tons NO_x
 - These sources projected to switch to actual in 2017

From: [James Johnston](#)
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Cc: [Michelle B. Walker](#); [Barry Stephens](#); [Lacey Hardin](#)
Subject: Excel Spreadsheet for the 2014 fee scenarios presented on Wednesday.
Date: Friday, January 08, 2016 9:00:47 AM
Attachments: [fee project.1.6.2016.for industry use.xlsx](#)
[image001.png](#)

Attached is an active spreadsheet that we presented on Wednesday which includes the supporting data used in the calculations. The actual calculations are contained in the "2014 Scenarios" tab. Since each of the "no cap" and "raised cap" scenarios include holding the base fee constant at \$7500, the rates have to be adjusted manually in order to result in a revenue-neutral scenario. This is done by adjusting the yellow highlighted numbers on row 218 of the spreadsheet.

Please note that while we have conducted a significant amount of quality assurance on the data used in these calculations, there is no guarantee that it does not contain inaccuracies. We are still working on additional information regarding a few companies and will be conducting follow-up based on our initial quality assurance review.

Please let me know if you have any questions.

Amy – could you please forward this information to Greg Mark as I don't have his email address.



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