

Title V Emissions Fees Stakeholder Meeting

Comparison of Emission Fee Scenarios

- 2016 scenarios from Slide 30 of the TDEC Presentation, "Title V Fee Stakeholders Webinar" dated 05/10/2017
- All data and estimated resultant fees derived from the "2019 Fee Analysis Worksheet" dated 05/19/2017.
- Focus on NEGU only (~95% Title V sources are NEGU)

2016 Scenarios (Current + #1 thru #4)

Scenario	Base fee	Min Fee	ACT to ALW ratio	EGU to non-EGU ratio	Number of Brackets	Size of Brackets	Bracket \$/Ton Increase	ALW \$ per Allowable Tons	ACT \$ per Actual Tons
Current	None	\$7500	1.323	1.2	None	n/a	n/a	\$32.50	\$43.00
1	None	\$7500	1.323	1.2	None	n/a	n/a	\$52.86	\$69.93
2	\$10,000	None	1.6	1.2	None	n/a	n/a	\$35.31	\$56.50
3	\$5000	\$10,000	1.6	1.2	None	n/a	n/a	\$42.03	\$67.25
4	\$5000	\$10,000	1.6	1.2	5	500	\$2	\$39.09 - \$47.09	\$62.54 - \$75.34

- At the Current Scenario collected revenue will be short of the \$6.9M needed for the Title V program. This is identified as “Current” in the scenario comparisons.
- The shortfall not covered in the base, minimum and/or bracket fees will be covered by increasing the \$/ton fees.

Comparison between chosen Facilities

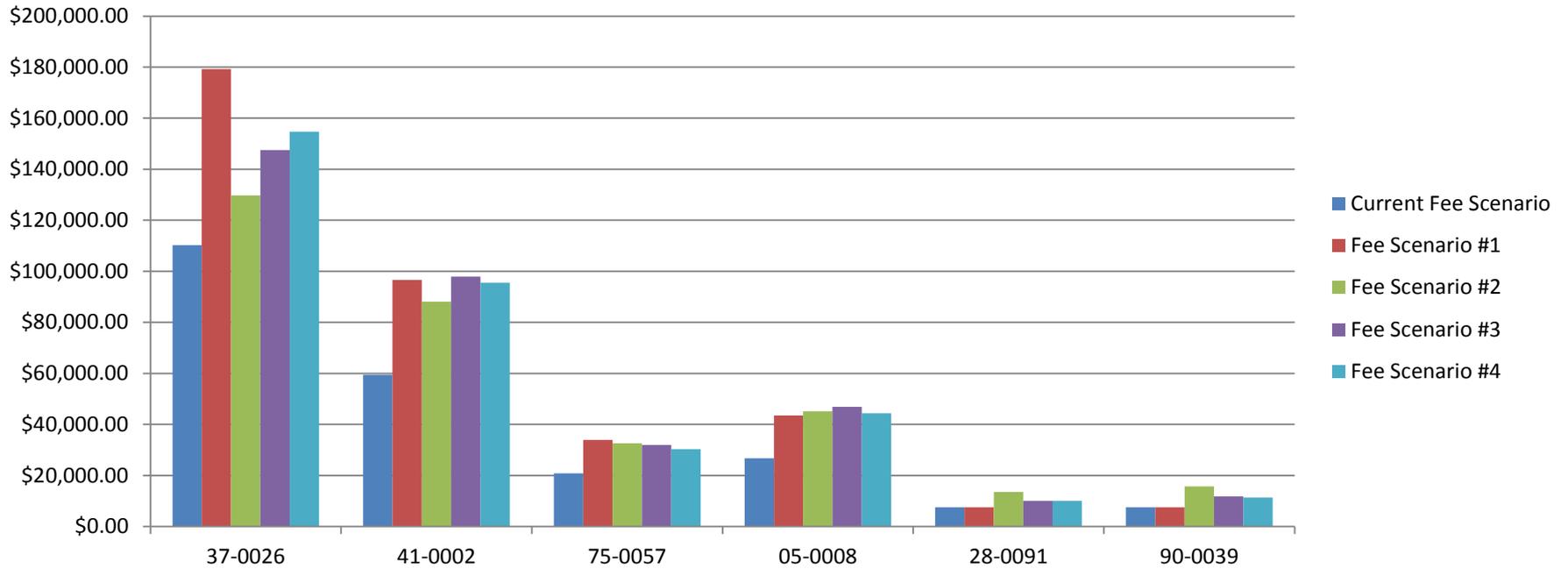
Picked 6 facilities;

- 2 facilities on the high fee end, one with all allowable and one with all actual fees. Did not pick facilities noted in the Webinar presentation that will change in the near future and did not pick facilities with mixed allowable and actual emission fees.
- 2 facilities toward the middle, one with all allowable and one with all actual fees.
- 2 facilities toward the low end, one with all allowable and one with all actual fees.

Facilities used for comparison

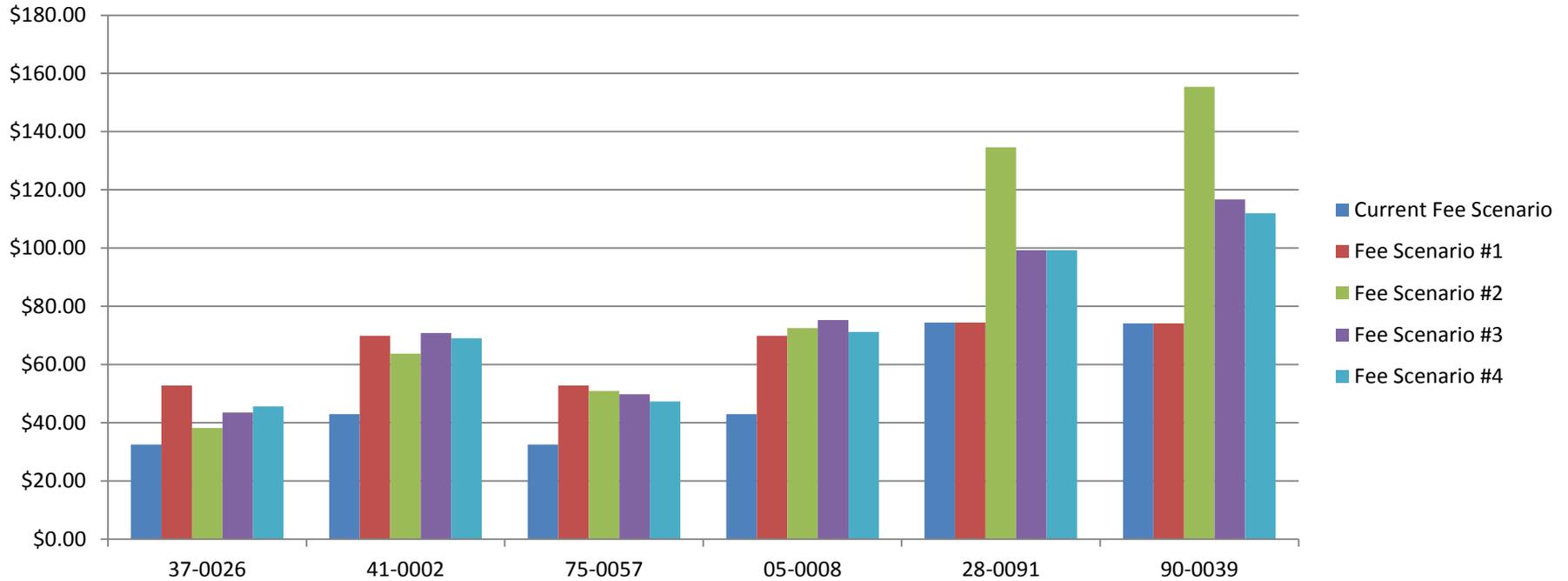
- High fee;
 - 37-0026; allowable 3,391.5 tons, Tier 5 - over 2,001 tons
 - 41-0002; actual 1,381.6 tons, Tier 3 - 1,001 and 1,500 tons
- Middle fee;
 - 75-0057; allowable 641.8 tons, Tier 2- 501 to 1,000 tons
 - 05-0008; actual 622.6 tons, Tier 2- 501 to 1,000 tons
- Low fee;
 - 28-0091; allowable 100.7 tons, Tier 1 – up to 500 tons
 - 90-0039, actual 101.1 tons, Tier 1 – up to 500 tons

Scenario vs Annual Fees



Scenario	Base fee	Min Fee	ACT to ALW ratio	EGU to non-EGU ratio	Number of Brackets	Size of Brackets	Bracket \$/Ton Increase	ALW \$ per Allowable Tons	ACT \$ per Actual Tons
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Scenario vs Annual Fees / Total Ton



Scenario	Base fee	Min Fee	ACT to ALW ratio	EGU to non-EGU ratio	Number of Brackets	Size of Brackets	Bracket \$/Ton Increase	ALW \$ per Allowable Tons	ACT \$ per Actual Tons
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% Change from Current Scenario

	37-0026	41-0002	75-0057	05-0008	28-0091	90-0039
Fee Scenario #1	63%	63%	63%	63%	0%	0%
Fee Scenario #2	18%	48%	57%	69%	81%	109%
Fee Scenario #3	34%	65%	53%	75%	33%	57%
Fee Scenario #4	40%	61%	46%	66%	33%	51%
	3,391.5 tons Tier 5 (~5%) Allowable	1,381.9 tons Tier 3 (~3%) Actual	641.8 tons Tier2 (~11%) Allowable	622.7 tons Tier 2 (~11%) Actual	100.7 tons Tier 1 (~80%) Allowable	101.1 tons Tier 1 (~80%) Actual

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Conclusion

- Scenario #4 appears to increase the additional costs more evenly than the other options. Bridgestone LaVergne prefers Scenario #4.