TENTATIVE AGENDA
STATE OF TENNESSEE
REGULAR MEETING
AIR POLLUTION CONTROL BOARD
Nashville Room, 3rd Floor Tennessee Tower
312 Rosa L. Parks Avenue
In Person and
Remote Access Via WebEx link

Wednesday, June 14, 2023
9:30 A.M.

	Item	Presenter	Page
1.	Roll Call		
2.	Approval of the May 10, 2023, Board Meeting Minutes		2
3.	2023-2024 Workload Analysis, Board Order 23-0003	James Johnston	8
4.	General Business 1. Title V Funding Diversification Briefing	James Johnston	47
5.	Public Comments		

Air Pollution Control Board
of the
State of Tennessee
Regular Meeting

On Wednesday May 10, 2023, at 9:37 A.M., the Air Pollution Control Board of the State of Tennessee, (hereinafter, referred to as the "Board"), began its meeting on the 3rd Floor of the Tennessee Tower in the Nashville Room. The following Board members were physically present.

Dr. Ronne' Adkins
Mr. Mike Haverstick
Mr. Richard Holland
Ms. Caitlin Jennings
Mr. Stephen Moore
Mr. Nicholas Ramos
Ms. Amy Spann
Mr. Jimmy West

The following Board members joined the meeting via WebEx

Dr. Joshua Fu

The following Board member were absent:

Dr. John Benitez
Dr. Shawn Hawkins
Dr. Chunrong Jia
Mayor Ken Moore
Mayor Larry Waters

Since the Chairman, David Salyers, P.E., could not attend the meeting, Dr. Ronne' Adkins represented the Chairman by proxy. In the absence of Mrs. Michelle Owenby, Director, Division of Air Pollution Control. Mr. Alvin Pratt Deputy Director, Division of Air Pollution Control, served as Technical Secretary.

Mr. Alvin Pratt Deputy Director, Division of Air Pollution Control, introduced Mr. Nicholas Ramos with Bridgestone Americas, Inc. as a newly appointed board member to the board.

In the absence of Vice-Chairman, Mayor Larry Waters. The board elected Dr. Ronne' Adkins as Vice-Chairman for the May 10, 2023, meeting. Mr. Alvin Pratt called for a vote for the Vice Chair and the vote was as follows:

Dr. Adkins	Abstain	Dr. Fu	Yes
Mr. Haverstick	Yes	Mr. Holland	Yes
Ms. Jennings	Yes	Mr. Moore	Yes
Mr. Ramos	Yes	Ms. Spann	Yes
Mr. West	Yes		

The nomination carried with Eight (8) affirmative votes.

The Vice-Chairman, Dr. Ronne' Adkins, called the meeting to order and asked for a roll call and the response was as follows:

Dr. Adkins	Present	Dr. Benitez	Absent
Dr. Fu	Webex	Mr. Haverstick	Present
Dr. Hawkins	Absent	Mr. Holland	Present
Ms. Jennings	Present	Dr. Jia	Absent
Mayor Moore	Absent	Mr. Moore	Present
Mr. Ramos	Present	Ms. Spann	Present
Mayor Waters	Absent	Mr. West	Present

Eight (8) Board members were present, One (1) participated via WebEx and Five (5) were absent.

The next item on the agenda was the approval of the minutes from the February 8, 2023, Board meeting. The Vice-Chairman, Dr. Ronne' Adkins requested a motion to approve the minutes. Ms. Amy Spann made a motion to approve the minutes and Dr. Chunrong Fu seconded the motion. The Vice-Chairman asked if there were any additions or corrections to the minutes. Hearing none, the Vice-Chair asked for a roll call and the response was as follows:

Dr. Adkins	Yes	Dr. Benitez	Absent
Dr. Fu	Yes	Mr. Haverstick	Yes
Dr. Hawkins	Absent	Mr. Holland	Yes
Ms. Jennings	Yes	Dr. Jia	Absent
Mayor Moore	Absent	Mr. Moore	Yes
Mr. Ramos	Abstain	Ms. Spann	Yes
Mayor Waters	Absent	Mr. West	Yes

The motion carried with Eight (8) affirmative votes and One (Abstain); the minutes were approved as presented.

Mr. Travis Blake presented revisions to TAPCR 1200-03-07-.07 and new rule 0400-30-39-.03 to the Board for adoption. The new rule establishes standards of performance for existing landfills in Tennessee, and the revision deletes landfill requirements that were made obsolete by the new rule.

The Vice-Chairman, Dr. Ronne' Adkins requested a motion to approve the APC Chapters (0400-30-39) -(1200-03-07) Municipal Solid Waste Landfills. Mr. Richard Holland made a motion to approve and Mr. Mike Haverstick seconded the motion.

The Vice-Chair asked for a Roll Call and the response was as follows:

Dr. Adkins	Yes	Dr. Benitez	Absent
Dr. Fu	Yes	Mr. Haverstick	Yes

Dr. Hawkins	Absent	Mr. Holland	Yes
Ms. Jennings	Yes	Dr. Jia	Absent
Mayor Moore	Absent	Mr. Moore	Yes
Mr. Ramos	Yes	Ms. Spann	Yes
Mayor Waters	Absent	Mr. West	Yes

The motion carried with Nine (9) affirmative votes; the revisions to TAPCR 1200-03-07 and New Rule 0400-30-39.03 was approved.

The Vice-Chairman, Dr. Ronne' Adkins called on Mr. Mark Reynolds with the Division of Air Pollution Control to present the Knoxville 03 Maintenance Plan.

Mr. Mark Reynolds, Division of Air Pollution Control, briefed the Board members on the Second Knoxville Area Ozone Maintenance Plan. Mr. Reynolds gave a brief history of the Knoxville area's attainment status. After EPA promulgated a revised 8-hour ozone NAAQS of 75 ppb in 2008, EPA designated the Knoxville area as nonattainment in 2012. Ozone concentrations improved and in 2014, TDEC requested that EPA redesignate the Knoxville Area to attainment. EPA approved the redesignation request and maintenance plan with an effective date of August 12, 2015. Current ambient monitoring data is below 65ppb. The Division is currently working on an emission inventory of NOx and VOC emissions. Maintenance will be demonstrated if 2035 emissions are less than 2011 emissions. The Maintenance Plan will include contingency measures, which are control measures that could be put in place if air quality violated the NAAQS. Mr. Reynolds concluded by showing a timeline for the completion of the Maintenance Plan.

The Vice-Chairman Dr. Ronne' Adkins called on Mr. Marc Corrigan with the Division of Air Pollution Control to present the Shelby County 3rd Quarter Report.

Also, the Board directed Shelby County Health Department to prepare quarterly reports to the Technical Secretary to show progress being made. The 3rd quarter report is included in your Board packet beginning on page 58.

Mr. Corrigan stated that the Division had reviewed the Shelby County Health Department's 3rd quarter Progress Report and made the following comments:

- The 3rd quarter Progress Report demonstrates continued progress by Shelby County Health Department to satisfy items listed in Board Order 22-008, Section III-I, concerning EPA's 2019 TSA. In fact, Shelby County Health Department has submitted all of the outdated SOPs to EPA, as well as a revised Quality Assurance Project Plan, or QAPP, on or before March 23, 2023. You can find more details in the table on page 66 of your Board packet.
- The Shelby County Health Department received comments on the SOPs and QAPP from EPA and is working to address those comments, as well as document use of the new SOPs.
- Also, the Shelby County Health Department has awarded a bid for a contract for temporary staffing assistance with the operation of the air quality monitoring network.

The 3rd progress report demonstrates progress has been made by Shelby County Health Department to satisfy the concern noted in Board Order 22-008, Section III-II, concerning Title 5 permitting activities:

- The table on page 67 of your Board packet indicates all backlogged Title 5 permits have been issued and no permits are beyond their regulatory issue deadline.

Then Mr. Corrigan welcomed to the podium Kasia Smith-Alexander, Bureau Director of Environmental Health Services at the Shelby County Health Department. Mrs. Alexander provide updated details for Q3 report and answer any questions the Board might have.

There being no further business to discuss before the Board, nor members of the public wishing to address the Board, the meeting was adjourned at 10:11am.

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(Signed) Michelle Owenby, Technical Secretary
Tennessee Air Pollution Control Board

Approved at Nashville, Tennessee on June 14, 2023

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(Signed) Mayor Larry Waters, Vice-Chairman

Tennessee Air Pollution Control Board

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(Signed) David Salyers, Chairman
Tennessee Air Pollution Control Board

Title V

Workload Analysis

Fiscal Year 2023-2024

Division of Air Pollution Control
June 14, 2023

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Executive Summary

Title V Workload Analysis
By the
State of Tennessee
Department of Environment and Conservation
Division of Air Pollution Control

Title V of the Clean Air Act (CAA) and its implementing regulations in 40 CFR Part 70 require the Division of Air Pollution Control to operate a Title V Operating Permit Program. Paragraph 502(b)(3) of the CAA and 40 CFR 70.9 require the collection of fees sufficient to fully fund the program. The proposed methods for implementation and the evidence of financial adequacy to implement and operate a federally approved CAA Title V Operating Permit Program (Title V Program) are described herein.

The CAA Amendments of 1990 included many changes and substantive differences in the body of regulations that comprise the CAA. None are as far reaching in effect as the regulations that detail the procedures for an operating permit program for air contaminant sources and for assessment and collection of fees to allow the regulated sources to pay for the permitting related activities. Each permitting authority identifies, inventories, assesses, and issues permits to all affected sources. Title V fee collection must provide the means for each state air pollution program or permitting authority to fully fund Title V work efforts.

The Division of Air Pollution Control (the Division or APC) within the Tennessee Department of Environment and Conservation (TDEC or the Department) is responsible for permitting air contaminant sources in Tennessee. Upon review and acceptance of the Title V permitting program by the United States Environmental Protection Agency (EPA) on August 28, 1996, the Division became the State's major source Title V permitting authority in 91 of 95 counties in Tennessee. Davidson, Hamilton, Knox and Shelby counties have local air pollution control programs that operate under Certificates of Exemption from the Tennessee Air Pollution Control Board (APC Board). These agencies regulate the Title V sources within their jurisdictions that are not owned by the State of Tennessee. Local air program activities are not addressed in this plan. TDEC retains the permitting authority for state-owned sources in these counties.

Title V related activities are projected to require 50.4 full-time equivalent (FTE) positions in fiscal year 2023-2024 (FY2024).

This Implementation Plan consists of eleven (11) separate functional units within the Division, plus the Small Business Environmental Assistance Program[1], which has various responsibilities and functions related to Title V. Briefly, these units are:

Administrative Services
Director's Office
Small Business Environmental Assistance
Compliance Validation
Enforcement
Field Services
Permitting
Regulatory Development
Emissions Inventory and Special Projects
Ambient Monitoring Quality Control
Ambient Monitoring Quality Assurance

The activities of each of these units are described in this Workload Analysis. Each functional unit has identified the portion of total workload that can be attributed to Title V activities. In addition to the activities described in this plan, support services are provided to the Division by other bureaus, divisions, and offices within TDEC and the Bureau of Environment (BOE). Each of the divisions and offices within TDEC are charged for these services in accordance with formulae established by TDEC and BOE. A portion of these TDEC General and Administrative (G&A) expenses are charged to Title V fees. Further descriptions of these support services are described in the section of this plan entitled "TDEC General and Administrative Expenses".

The part 70 presumptive fee rate ($/ton) effective for the 12-month period of September 1, 2022, through August 31, 2023, is $58.55. This fee rate represents an increase of 7.68582% (or $4.18) from the fee rate in effect for the prior 12-month period ($54.37). This increase is based on a calculation of the average monthly change in the Consumer Price Index (All Urban Consumers) for the 12-month period of September 2021 through August 2022 as reported by the U.S. Bureau of Labor Statistics. This information is included for reference purposes only, since Tennessee's Title V fees are not currently based on the federal presumptive minimum fee rate.

[1] Subparagraph 502(b)(3)(A) of the CAA requires that the costs of programs established to fulfill the requirements of section 507 of the CAA (i.e., small business stationary source technical and environmental compliance assistance programs) be funded by Title V fees.

INTRODUCTION

Title V of the CAA mandates that states develop a major source operating permit program, commonly called the Title V Operating Permit Program. The CAA further mandates that the program be funded solely through fees collected from affected sources. Additionally, the CAA requires that the activities of a Small Business Assistance Program must be paid through these fee collections. Subparagraph 502(b)(3)(A) of the CAA requires that a state must establish a fee schedule that results in the collection and retention of revenues sufficient to cover the permit program costs. Subparagraph 502(b)(3)(B) of the CAA states that a fee program shall be deemed adequate if the amount of fees collected is no less than $25 per ton of actual emission, as adjusted by the percentage, if any, by which the Consumer Price Index for the most recent calendar year ending before the beginning of such year exceeds the Consumer Price Index for the calendar year 1989 (i.e., the "presumptive minimum" fee). Should a state elect to establish a fee schedule that would result in the collection and retention of an amount less than the amount that would be presumed to be adequate using the presumptive minimum fee approach, the state must provide a detailed accounting that its fee schedule meets the requirements of 502(b)(3)(A). The Tennessee Air Pollution Control Board has historically elected to prepare an annual workload analysis and set the fees for the current and upcoming year(s) instead of using the presumptive minimum approach.

EPA regulations promulgated to implement and more thoroughly describe Title V may be found at 40 CFR Part 70. Section 70.9 of the federal regulations.

The workload analysis is prepared in accordance with Tennessee Air Pollution Control Regulation (TAPCR) 1200-03-26-.02(9)(d) to provide justification of fees to the public, the regulated community and the EPA. Additionally, disclosure of this information leads to the development of informed consent and, therefore, acceptance of the program by stakeholders.

On November 10, 2021, the APC Board approved a Title V workload analysis that covered fiscal year 2022-2023 (FY2023). This workload analysis reflects projected workload for fiscal year 2023-2024 (FY2024).

Many complex requirements are mandated in the CAA and the Part 70 regulations that serve to demonstrate that the state permitting agency will be able to carry out its responsibilities. Section 70.4(b)(8) calls for a description of the program, a demonstration of fiscal soundness of the planned program based on fee projections, and planning for adequate personnel to administer the program.

Several things could happen to require the workload analysis be revised and subsequently modified. These possibilities include but are not limited to:

- Changes in the air contaminant source population will alter the workload. Many sources have obtained "conditional major" status wherein they opt out of Title V by limiting their potential to emit via a federally enforceable limitation. The Division views the work effort to make a Title V source a conditional major source as Title V work. These sources require more frequent inspections and record reviews to verify that they are operating below the Title V thresholds; and

- Changes in applicable requirements mandated by EPA will also alter the workload.

- Increased workload due to increased business activities at existing facilities and new facilities locating in the state.

The workload analysis is provided for each functional unit of the Division. The work of each unit plus the Title V work from the Small Business Environmental Assistance Program is described as it relates to the requirements of Title V. Estimated hours necessary to accomplish the task and, for some functional units, the numbers of tasks to be completed per year are projected.

Combining the hours projected to complete the Title V work and dividing it by 1,609 hours per employee available work time yields the total number of full-time equivalents (FTEs) needed to conduct Title V work.

The 1,609 hours of work time per employee was derived as follows:

Scheduled Payroll Hours per Year	=	1950
Less: Holiday, Vacation & Sick Leave Hours (12.5 Days + 21 Days + 12 Days) X 7.5 hrs./day	=	- 341
Total Work Hours per Employee	=	1609

For many of the work units described in the following sections, the Title V eligible work associated with members of each work unit are estimated as a percentage of total time. All employees are required to enter work time into the Department's personnel management system known as Edison for payroll purposes. Starting with FY2018, the Division made changes to the Edison system that tied all time and other expenses, such as travel expenses, directly to the appropriate funding source. For the Division of Air Pollution Control, available funding types include Title V, non-Title V[2], and EPA's fine particulate matter grant. This system also allows the Division to track time and expenses on a program and location level. For all work activities that could not be directly related to a funding type, such as training, administrative functions, and leave, time is charged to a pre-set Title V/non-Title V "split" ratio. The split ratio was initially set based on a historical ratio of 52% Title V/48% non-Title V. For most of the work units described in this workload analysis, Title V and non-Title V workload estimates for FY2024 are based on actual data obtained during FY2022 as specified in following sections of this analysis. These changes to Edison have resulted in a significant improvement in assessing the percentage of each work unit's time, Title V work.

In addition to Edison, most of these work units track Title V and non-Title V time on a daily basis using the Division's database known as Smog Log. Smog Log allows some work units to track time spent on specific projects, such as a permit or inspection.

[2] Non-Title V funding includes annual emissions fees paid by non-Title V facilities, construction permit application fees, modification permit application fees, visible emissions certification fees, section 105 air quality grant funds received from EPA, state appropriations, and civil penalties.

ADMINISTRATIVE SERVICES

Administration involves activities both directly and indirectly associated with support of the Title V Program. These activities include permit and report tracking, issuance of Notices of Authorization to construct and operate under permits-by-rule, training coordination, processing travel claims, website management, APC board support, fee support, procurement, database management and support, and customer inquiries. The Administrative Services section also provides general administrative support for the entire Division including personnel activities, grants support, management of supplies, reception desk, etc.

Workload supports 3.8 FTEs of Title V work for Administrative Services.

CALCULATION BASIS	Except for work that is directly related to the Permit-by-Rule program (which encompasses only non-Title V sources), Title V administrative activities are based on billing data compiled from FY2021 through FY2022 for the Administrative Services program and the procurement staff member. The workload for this work unit includes the head of the Administrative Services team and staff including a procurement staff member who reports to a different member of the Division's leadership team.
ASSUMPTIONS	The percentage of work that is Title V is assumed to be the same as historical workload.

Table 1 – Administrative Services Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
APC Data Management – Smog Log	2236	1.39
Administrative Support & Management	2787	1.73
Product Procurement	544	0.34
Office Supply Management	167	0.10
Record Maintenance	416	0.26
Training	31	0.02
TOTAL	**6181**	**3.84**

DIRECTOR'S OFFICE

The office of the Director is responsible for overseeing the operation of the functions necessary for the development and performance of the Division, including the Title V Program. The Director serves as the Technical Secretary of the Air Pollution Control Board. The Director's Office is also responsible for coordinating and providing technical support to the Air Pollution Control Board, as well as providing support to the Tennessee Emergency Management Agency during emergency events, both natural and manmade, that impact ambient air quality. The Director's office provides program direction and oversight, coordinating Departmental goals with Division programs and providing reporting, support documents and informational documents for the Department and legislature concerning the operation of the Division. The Director's Office is also responsible for the financial performance of the Division and all associated grant management and support. Included in the Director's Office are individuals who provide management and technical support for multiple programs within the Division. For the purpose of this workload analysis, the Director's Office includes the Director, the Deputy Director of Permitting and Regulatory Development, the Deputy Director of Environmental Measurement and Compliance Assurance, the technical lead for Environmental Measurement and Compliance Assurance, the Environmental Fellow, and the Business Administrator. Activities of the Deputy Director for Field Services and the Field Services technical lead are included in the Field Services portion of this analysis. Activities of the technical lead for Permitting and Regulatory Development are included in the Permitting portion of this analysis.

Workload supports 3.0 FTEs of Title V work for the Director's Office.

CALCULATION BASIS	Title V workload was calculated by the number of existing staff assigned to the Director's Office in this Workload Analysis times the percentage of their workload that is estimated to be Title V related. Percent Title V workload for the Deputy Director for Permitting and Regulatory Development is the average of three programs (Permitting, Regulatory Development, and Emissions Inventory; average = 51.3%) and the Deputy Director and the technical lead (EC4) for Environmental Measurement and Compliance Assurance is the average of four programs, excluding PM2.5 funded time (Technical Services, Quality Assurance, Compliance Validation, and Enforcement; average = 50.8%). The Title V percentage for each of these programs is based on billing data gathered during FY2019 through FY2022. Title V time for all other positions is based billing data compiled from FY2019 through FY2022 for the Administrative Services and Directors Office staff.
ASSUMPTIONS	It is assumed that the Title V activities of the Deputy Director of Permitting and Regulatory Development , Deputy Director and the technical lead of the Environmental Measurement and Compliance Assurance programs are the same percentage as the average of the programs in which they lead. For all other positions, the percentage of work that is Title V is assumed to be the same as historical workload.

Table 2 – Director's Office Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Deputy Director of Permitting and Regulatory Development	821	0.51
Deputy Director and Technical Lead of Environmental Measurement and Compliance Assurance	1641	1.02
Three Other Director's Office Positions	2365	1.47
TOTAL	**4827**	**3.00**

SMALL BUSINESS ENVIRONMENTAL ASSISTANCE PROGRAM

Program Overview

Section 507 of the CAA requires an environmental compliance assistance program in each state to support small businesses in understanding and complying with air quality regulations. The CAA also requires this program to be funded entirely with Title V fees. Tennessee's program provides confidential assistance free of charge to small businesses. Services include permitting assistance, onsite visits, training, a toll-free hotline, regulatory notifications, outreach, and guidance in preventing and eliminating non-compliance situations. A small business is defined as one that has 100 or fewer employees, is not a major stationary source, and meets the federal Small Business Act's definition of a small business.

Required Program Components

(1) State Ombudsman
The Small Business Ombudsman represents small business in regulatory matters, identifies, and proposes solutions to small business technical and compliance problems.
(2) Environmental Technical Assistance
Staff members provide technical, administrative, and permitting assistance. Staff members inform businesses of regulatory requirements in easy-to-understand language. When needed, staff members conduct on-site visits and provide training opportunities.
(3) Compliance Advisory Panel (CAP)
An advisory panel comprised of individuals appointed by the Governor and the legislature, plus one Department representative, is required. The Panel advises and provides technical, administrative and evaluation assistance to the program. The CAP is a seven-member panel.

Program Activities

New Regulations/Sources

- Staff members review regulations, determine potentially impacted sources, develop a strategy for notification and assistance, develop compliance assistance tools, conduct training programs, and work with regulatory programs on outreach activities.
- Staff members assist the Division of Air Pollution Control in developing regulations and programs that impact small businesses.
- Staff members assist potential new companies in understanding regulatory requirements.
- Staff members participate in monthly conference calls on regulations with other SBEAPs and EPA.

Existing Sources

- Staff members respond to small business compliance and permitting questions.
- Staff members monitor enforcement reports to determine sectors with compliance problems and develop compliance assistance strategies.
- Staff members assist companies in meeting permit conditions, including developing tools to meet recordkeeping requirements.
- Staff members assist companies in resolving non-compliance issues, as well as assisting companies in utilizing the Department's self-disclosure audit policy.

Workload supports 2.0 FTEs of Title V work for the Small Business Environmental Assistance Program.

CALCULATION BASIS

Title V of the Clean Air Act requires activities of the small business assistance programs and the small business ombudsman be funded by Title V fees. Thus, the number of FTEs is based on the current staffing levels of the SBEAP program.

ASSUMPTIONS It is assumed that the SBEAP is fully staffed and that workload reflects historical levels.

Table 3 – Small Business Environmental Assistance Program Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Compliance assistance	1609	1.00
Workshops/training events	805	0.50
Material development	402	0.25
Regulatory Development/Notification	201	0.12
Administration/Other	201	0.12
TOTAL	**3218**	**2.0**

COMPLIANCE VALIDATION

The Compliance Validation Program is an enforcement tool for the Division. Compliance Validation provides a key component in the Division of Air Pollution Control's quality assurance program that ensures the accuracy of the data being submitted by Title V facilities certifying compliance.

The Compliance Validation Program maintains the capability to conduct stack testing. The program also retains the capability to: (1) address special situations as directed by higher management, and (2) ensure that all staff conducting stack test observations are adequately trained to competently observe stack testing conducted by contractors or facility personnel. Observation of stack testing ensures that all proper testing procedures are followed, and that facility operation is representative of typical operation. This constitutes the primary job function of the program. Observation of stack testing, followed by a technical review of the reports of this testing, constitutes a major Division effort to validate that the emissions values reported from Title V facilities are as accurate as possible. Continuous Emission Monitoring Systems (CEMS) are utilized by some Title V facilities to determine compliance on an on-going basis. Compliance Validation conducts audits of CEMS data to ensure the data submitted is accurate and reviews emissions reports of CEM data to verify compliance with emission standards. Compliance Validation conducts Visible Emission Evaluator Certification (VEE) schools to train state and industry personnel to certify compliance with visible emission standards. The majority of the work done by this group involves facilities related to Title V.

Responsibility for asbestos renovation and demolition activities was moved to this program in FY2017, but this activity is not considered Title V. The "Other Compliance Validation Activity" category includes things such as administrative report preparation, file clean-up work, regulatory and SIP work, and assigned special projects previously incorporated into major work duties.

Workload supports 3.6 FTEs of Title V work for this program.

CALCULATION BASIS

Projected workload was estimated based on actual time and activity data for FY2022 Asbestos demolition and renovation work is funded entirely by non-Title V funds. Personnel billing data from FY2019 through FY2022 indicates that approximately 60% of the remaining Compliance Validation program work is Title V related. Program management, training, and other activity is based on the historical percentage of workload for the entire program that was Title V-related (51%).

ASSUMPTIONS

It is assumed that FY2024 workload will be similar to historical workload.

Table 4 – Compliance Validation Program Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
CEMS/COMS Data Validation	185	0.11
Source Test Validation	2691	1.67
Stack Testing	185	0.11
CEMS/COMS Report Review	133	0.08
Visible Emissions Evaluation School	680	0.42
Visible Emissions Data Validation	127	0.08
Program Management	795	0.49
Training	129	0.08
Other Compliance Validation Activity	878	0.55
TOTAL	**5803**	**3.61**

ENFORCEMENT

The Enforcement program is responsible for processing violations discovered in Tennessee by individuals, Division staff, other government agencies, and facilities. Processing of violations includes responding to the regulated community when a violation occurs, issuing Technical Secretary's Orders, issuing letters resolving noncompliance, and tracking penalties and compliance schedules in orders. Additionally, Enforcement staff track and quality assure (QA) compliance-related data using Smog Log. Much of this data is available to the public via the departmental data-viewer website. Enforcement also serves as a point of contact in enforcement matters between the Division and EPA Region 4.

The Enforcement program is also responsible for management and further development of the Division's Oracle database known as Smog Log. This includes writing and modifying code in development and then implementing revisions with the assistance of the State of Tennessee's Strategic Technology Solutions. Enforcement staff members review requests from Division staff for additional features to help determine which requests should be implemented as time and resources allow.

Enforcement staff members update EPA's Compliance and Enforcement database (Integrated Compliance Information System [ICIS-Air]) on a weekly basis, ensuring the data in the Smog Log database is properly reflected in ICIS-Air. Enforcement is also responsible for entering and quality assuring all data entered in ICIS-Air. The data reported to ICIS-Air includes inspections, report reviews, stack tests, continuous emission monitoring audits, formal and informal enforcement actions, penalties assessed and collected, Federally Reportable Violations, High Priority Violations, facility status (Title V, non-Title V, CM), applicable air programs, facility operational status, etc. The data reported to ICIS-Air is available to the public via EPA's ECHO website.

Workload supports 2.3 FTEs of Title V work for this program.

CALCULATION BASIS

The total amount of workload for the program is estimated based on historical time and activity from FY2022. To determine what portion of that workload was Title V related, billing data compiled from FY2018 through FY2022 was evaluated and indicated that 50% of the Enforcement program work is Title V related.

ASSUMPTIONS

Much of the Enforcement Program workload is based on violations reported or discovered by the Division. The Division does not project future violations. Therefore, enforcement activity and other activity of the program (database and computer-related) is assumed to be the same as historical workload.

Table 5 – Enforcement Program Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Enforcement Related Activities	1362	0.85
ICIS-Air Data Management	486	0.30
Smog Log Development	416	0.26
APC Data Management	146	0.09
Computer Hardware/Software Support	129	0.08
Training	233	0.14
Special Projects	124	0.08
Program Management	735	0.46
TOTAL	**3631**	**2.26**

FIELD SERVICES

Field Services program staff are located throughout the state in seven Environmental Field Offices: Johnson City, Knoxville, Chattanooga, Cookeville, Nashville, Columbia, and Jackson. A Deputy Director oversees the entire program with the technical assistance of a TDEC-Environmental Consultant 4 (EC4).

Responsibilities:

The Field Services program has the following responsibilities:

- Conduct Comprehensive Evaluations on Title V facilities
- Review the majority of the Title V semi-annual reports (SARs) and annual compliance certifications (ACCs), and review some MACT and NSPS reports
- Operation and maintenance of the state's ambient air monitors
- Review and feedback regarding Title V draft permits
- Investigation and resolution of complaints associated with Title V facilities
- Issuance of Notices of Violation; assistance to the Enforcement Program, TDEC's Office of General Counsel, and EPA's Office of Enforcement and Compliance Assurance pertaining to enforcement of violations discovered by the Field Services Program
- Special projects as assigned (only those projects related to Title V issues are included here)
- Responding to inquiries from citizens, EPA, local and state officials, and the regulated community regarding Title sources
- Responding to emergency response incidents at Title V facilities
- Participation in public meetings and hearings
- Maintenance of reports, records, and other correspondence
- Attendance at training sessions to stay knowledgeable about federal and state requirements, and remain familiar with source types and new emission control devices
- Management of the field offices to ensure that the field services program operates efficiently

Workload supports 12.3 FTEs of Title V work for this program.

CALCULATION BASIS

The number of Title V inspections is based on the current Compliance Monitoring Strategy Plan. Title V facilities will generally be inspected on a biennial basis unless the division receives a complaint on the facility, the facility is categorized as a "mega-site," or the facility had compliance issues during the previous on-site inspection. Total inspection workload is based on the number of planned inspections and average inspection time. Average inspection time is based on the actual time from federal fiscal year 2022 (October 1, 2021, through September 30, 2022). The average inspection time included the time spent on reviewing reports. Title V complaint workload is estimated to be 5% of the total complaint workload. Workload associated with the ambient monitoring network is based on planned workload for FY2023 and a 2020 study of the ambient monitoring cost allocation (see Ambient Monitoring Quality Assurance section of this workload analysis). The remaining work, including program management, is based on the default funding split for all Division general activities (52% Title V/48% non-Title V).

ASSUMPTIONS

It is assumed that on-site inspections of Title V sources will generally be conducted on a biennial basis unless the division

receives a complaint on the facility, the facility is categorized as a “mega-site”, or the facility had compliance issues during the previous on-site inspection. It is assumed that the average time for each inspection, report review time, and the percentage of complaints related to Title V sources will be similar to historical levels.

Table 6 – Field Services Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Title V Inspections	4956	3.08
Report Reviews	3291	2.05
Complaint Investigations	496	0.31
Ambient Monitoring	2782	1.73
Training	1664	1.03
Review of Draft Permits	369	0.23
Special Projects	1124	0.70
Program Management	2607	1.62
Meetings	1124	0.70
Administrative Activities	1300	0.80
TOTAL	**19,713**	**12.25**

PERMITTING

Permitting staff are located in the Nashville Central Office and the Knoxville Environmental Field Office. The permitting program consists of four sector-based permitting sections. Each section consists of one Environmental Manager 3, one Environmental Consultant 3, and five or six permit writers. A Deputy Director oversees the entire program with the technical assistance of a TDEC-Environmental Consultant 4 (EC4). The Deputy Director's time is included in the Director's office and the EC4 time is included here.

Responsibilities:

The Permitting program has the following responsibilities:

- Issuance of minor source construction and operating permits; review of and response to insignificant activity determinations; issuance of minor source operational flexibility determinations; and issuance of general permits and general permit Notices of Coverage (funding for minor source permitting is not included in this analysis)
- Issuance of conditional major source construction and operating permits (only funding of the first conditional major operating permit that must undergo Title V public notice procedures for a facility is included in this analysis)
- Issuance of construction permits and Title V operating permits to Title V facilities
- Issuance of administrative amendments, minor modifications, and significant modifications to Title V operating permits, as well as operational flexibility determinations
- Issuance of Prevention of Significant Deterioration (PSD) and Non-Attainment New Source Review (NSR) construction permits, including plantwide applicability limit (PAL) permits
- Review of some MACT and NSPS reports, some Title V semi-annual reports (SARs), some annual compliance certifications (ACCs), and review of plans required by MACT and GACT standards (the remaining MACT and NSPS reports, SARs, and ACCs are reviewed by the Field Services Program)
- Issuance of Notices of Violation; assistance to the Enforcement Program, TDEC's Office of General Counsel, and EPA's Office of Enforcement and Compliance Assurance pertaining to enforcement of violations discovered by the Permit Program
- Review of Title V fee Actual Emissions Analysis Report (AEAR) calculations
- Special projects as assigned (only those projects related to Title V issues are included here)
- Attendance at training sessions to stay knowledgeable about federal and state requirements, and remain familiar with source types and new emission control devices
- Management of the sections to ensure that the permitting program operates efficiently

Table 7 below shows the number of applications, modifications and reports in the system as of December 31, 2022. Table 8 is a projection of the hours that will be necessary to review and complete current and new submittals, conduct report reviews, perform Title V related fee duties, enforcement, special projects, and for necessary technical training.

Table 7 – Current and Anticipated New Applications, TV Sources Only

ACTIVITY	Currently in System as of December 31, 2022	EXPECTED NEW SUBMITTALS IN FY2024
TV Construction Permits - Non-Major NSR	16	25
TV Insignificant Activity Determinations	1	19
TV Construction Permits - Major NSR (PSD)	3	4
TV Construction Permits - Major NSR (Non-Attainment)	0	0
Major NSR Plant Wide Applicability Limit (PAL) Permits	1	1
Title V Sources – Initial	7	3
Title V Sources – Renewal	76	54
CAIR and Acid Rain Permits	0	2
Significant Modifications	13	14
Re-opening for Cause	2	1
Minor Modifications	46	72
Administrative Amendments	14	44
Operational Flexibility and 502(b)(10) Changes	7	36
Construction Permit Amendment for Title V Source	3	21
Initial Issuance Conditional Major Sources	6	3
TV Semi-annual Reports and Annual Compliance Certifications*	1	89
TV MACT, NSPS, and Miscellaneous Reports*	6	398
TV AEAR Reports	1	125

*This is the number of reports expected to be reviewed by Permit Program staff. The majority of Title V semiannual reports and compliance certifications will be reviewed by Field Services staff.

Workload supports 13.2 FTEs of Title V work for this program.

CALCULATION BASIS

Permitting activity is based on the actual activity data from FY2018 through the first half of FY2023. For most permit types, the average of all data was used. The number of PAL permits and CAIR/Acid Rain permits is based on the number of each that are scheduled to expire in FY2024. The Division has an extensive backlog of permit applications (those that are past their regulatory deadline and, for permit types without deadlines, those past their Division goals.) For those permit types that are actively managed through an intentional backlog process (initial and renewal Title V applications and Title V significant modifications), it is estimated that one-third of that the backlog will be eliminated in FY2024. For Title V minor mods (which are not managed through the intentional backlog process), it is estimated that an amount equal to one-third of the applications on hand will be processed in FY2024 in addition to those received during the fiscal year. The number of reports projected to be reviewed is based on the number that are

currently due over the course of a year. Only those reports reviewed by permit staff are included in this section of the workload analysis. Workload for each permitting activity is calculated by multiplying the estimated number of each activity by the average estimated time for each type of activity. The time it takes to complete each permitting activity is based on actual activity data from FY2022. Since no PAL or general permits were issued in FY2022, the workload for those activities are based on past experience. The Title V portion of program management, training, special projects, and other permitting time is based on the default funding split for all Division general activities (52% Title V/48% non-Title V).

ASSUMPTIONS

It is assumed that the number of non-PSD Title V construction permit and Title V minor modification applications received in FY2024 is consistent with what has been received during the first half of FY2023. It is assumed that the number of PSD construction, initial conditional major, initial and renewal Title V operating permits, Title V minor modification, Title V administrative amendments, Title V insignificant activity determination requests, and Title V operational flexibility change applications is the same as the average of FY2018 through mid-FY2023. It is assumed that the number of reports required to be reviewed by the permit program will remain unchanged. There are 12 facilities in the state with Acid Rain permits. Based on the expiration dates of those permits, it is assumed that one will be issued in FY2024. There are 5 facilities in the state with PAL limits in their Title V permit. Based on the expiration dates of those permits, it is assumed that one will be issued in FY2024. It is assumed that one Title V permit will need to be reopened for cause in FY2024. This is the average for FY2018 through FY2022. It is assumed that the time to complete all permitting activities is the same as it was for FY2022. If some or all of these assumptions do not come to fruition or the business needs continue to increase at an unexpected rate, additional resources (i.e., FTEs) may be needed to satisfy the Title V permitting program workload. If additional FTEs are needed, they will be addressed in future workload analyses. For the sake of this workload analysis, all EC4 workload is included with the permitting program even though that position also does rule and SIP development, fee-related work, and supports other programs within the Division.

Table 8 – Projected Permitting Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Title V sources permit preparation – new sources	249	0.15
Title V sources permit preparation – renewals	5948	3.70
CAIR and Acid Rain Permits	52	0.03
Initial Issuance Conditional major sources	405	0.25
Significant Modifications	425	0.26
Re-opening for Cause	100	0.06
Minor Modifications	1744	1.08
Administrative Amendments	330	0.21
Operational Flexibility and 502(b)(10) Changes	180	0.11
Non-major NSR construction permits and amendments for Title V sources	802	0.50
Major NSR permits	1500	0.93
Title V Insignificant Activity Determinations	100	0.06
PAL permits	375	0.23
Semiannual Report and Annual Compliance Certification Review	142	0.09
MACT, NSPS, and Miscellaneous Report Review	590	0.37
AEAR Report Review	238	0.15
Program Management	3276	2.04
Training	2600	1.62
Special Projects	1560	0.97
Other Title V Permitting Time[3]	624	0.39
TOTAL	21,140	13.20

[3] Other Permitting time includes APC Board support, complaint investigation, corresponding with EPA, work with multi-jurisdictional organizations, corresponding/assisting the public, enforcement activity, fee support, and administrative activity.

REGULATORY DEVELOPMENT

The Regulatory Development program has the following responsibilities[4]:

- Development of revisions to Tennessee's air quality rules
- Development of revisions to Tennessee's State Implementation Plan (SIP)
- Computer modeling (dispersion modeling) to support the Division's permitting program
- Photochemical computer modeling to support the development of SIPs
- Mobile source computer modeling using U.S. EPA's MOVES[5] platform to support development of SIPs (non-Title V work).
- Policy analysis and development to assist TDEC's Policy Office or to address air quality-specific issues that are not assigned to the Policy Office
- Special projects as assigned
- Attendance at training sessions to stay knowledgeable of federal and state regulatory and SIP requirements, and technical training related to air pollution sources and controls
- Local program coordination with the four local air programs (Nashville/Davidson, Memphis/Shelby, Chattanooga/Hamilton, and Knoxville/Knox) to ensure local air regulations are as stringent as State requirements, as well as other oversight and coordination duties
- Management of the program to ensure it operates efficiently
- Transportation conformity involving the development of mobile emission budgets, calculation of emission credits associated with mobile sources using the latest version of the EPA Mobile model, and production of periodic emission inventories of the sources for submission to the EPA. Conformity responsibilities include implementation of any new rules or guidance, as well as being an active participant in the Interagency Consultation Procedures. Consultation Procedures involve EPA, FHWA, TDOT, state and local air agencies, and Metropolitan Planning Organizations (non-Title V work)

Workload supports 3.3 FTEs of Title V work for this program.

CALCULATION BASIS

With the transfer of DERA responsibilities outside of the Air Division during FY2022 and the elimination of the motor vehicle emissions inspection program in January 2022, the balance of Title V and non-Title V work changed. Therefore, workload data from February through November 2022 was used to estimate Title V activity for this workload analysis. This data indicated that 49% of all activity is Title V-related. The amount of regulatory development program activity planned for FY2023 was also used.

ASSUMPTIONS

It is assumed that the percentage of work that is Title V related is consistent with historical workload since elimination of the motor vehicle emissions inspection program.

Table 9 – Regulatory Development Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Rule Development	1340	0.83
SIP Development	710	0.44

[5] Motor Vehicle Emissions Simulator

Permit Modeling	867	0.54
Photochemical and SIP Modeling	1104	0.69
Local Program Support	472	0.29
Special Projects	315	0.20
Project Management	552	0.34
TOTAL	**5360**	**3.33**

EMISSIONS INVENTORY, FEES, AND SPECIAL PROJECTS

The Emissions Inventory and Special Projects program has the following responsibilities:

- Collecting, quality assuring, and reporting annual and triennial emissions inventories from stationary sources
- Developing and submitting triennial emissions inventories for on-road mobile, non-road mobile and area source inventories (non-Title V work not included in this analysis)
- Managing the Division's Air Emission Inventory databases and updating EPA's databases
- Management of the Division's online system (SLEIS) for collecting annual and triennial emissions inventories and AEAR reports including training of regulated sources
- Requesting and collecting (SIP-required) annual NOx and VOC emission statements from sources in applicable counties and providing technical assistance to those sources
- Providing technical support to the Department's Division of Fiscal Services pertaining to air permit-related fee invoicing and tracking of fee payment
- Title V fee AEAR tracking, review, data management, and, when necessary, enforcement
- Annual Title V and non-Title V fee invoicing and collections (only work relating to Title V fees is included in this analysis)
- Revisions to Title V and non-Title V fee systems (only work relating to Title V fees is included in this analysis)
- Special projects as assigned (only those projects related to Title V issues are included here)
- Attendance at training sessions to stay knowledgeable about federal and state emissions inventory requirements and technical training related air pollution sources and controls
- Providing assistance for virtual board meetings and other virtual meetings and hearings
- Management of the program to ensure it operates efficiently

In addition to the above listed activities, the Emissions Inventory and Special Projects program started work to identify systems to replace the SLEIS emissions inventory and AEAR on-line reporting and management system. During FY2023, the Division was informed that the operating system of SLEIS will not be supported in the near future.

Workload supports 2.4 FTEs of Title V work for this program.

CALCULATION BASIS

Workload for each task was estimated based on actual time and activity data. The percent of the program's work that is Title V related is based on billing data from FY2019 through FY2022. Billing data compiled from all activities documented from FY2019 through FY2022 indicates that 60% of the Emissions Inventory and Special Projects program work was Title V related.

ASSUMPTIONS

It is assumed that the percentage of work related to Title V is consistent with historical workload. It is assumed that the SLEIS replacement work will be handled using existing manpower including an assessment of any additional Title V funding to procure a replacement solution.

Table 10 – Emissions Inventory and Special Projects Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Emission Inventory	1931	1.20
Fee Development, Invoicing, and Support	1062	0.66
Program Management	676	0.42

Special Projects	193	0.12
TOTAL	**3862**	**2.40**

AMBIENT MONITORING QUALITY CONTROL

There are two programs that are responsible for the Division's Ambient Monitoring Network, the Quality Control program and the Quality Assurance program. The Quality Control program was previously referred to as Technical Services. The primary responsibility of the Quality Control program is to monitor ambient air quality across the state to assess compliance with national ambient air quality standards. This is accomplished by operating a network of air monitoring stations throughout the state that record air quality data that is subsequently stored in EPA's national database. The work requires continuing evaluation of all monitoring sites to ensure that each site conforms to federal ambient air quality monitoring site criteria and remedying or relocating the sites to the extent necessary to render the site compliant. Monitors require bench and field servicing to ensure all components of the monitors are in compliance with manufacturer specifications and EPA requirements and are calibrated to assure they give a true reading of air quality. Shelter maintenance is also required to make certain the internal shelter temperatures meet federal requirements, that the shelters have no air/water intrusion leaks, that periodic theft and vandalism damages are rectified, and that the electrical/data communication lines are properly connected. In the event of a lightning strike, significant effort must be undertaken to restore the site's operability. While the ambient air monitors measure the emissions impact of all types of air contaminant sources, a portion of those sources are Title V sources and those sources must pay a portion of monitoring expenses.

Workload supports 2.5 FTEs of Title V work for this program.

CALCULATION BASIS

Projected workload was estimated based on actual time and activity data for FY2022. The Division receives CAA section 103 grant funds each year to partially fund the Quality Control program's personnel costs. As a result, approximately 20% of the Ambient Monitoring program's personnel costs is paid using section 103 funds. Upon request of the Air Pollution Control Board, the Division determined the proper cost allocation for the ambient monitoring network (which includes both the Quality Control program and the Quality Assurance program as well as a portion of the Field Services program) based on the sources of air pollutants and precursors in Tennessee. The findings of this analysis were presented to the board on June 10, 2020 and showed, that after subtracting the portion of the PM2.5 network funded by section 103 funds, the proper cost allocation is 52% Title V and 48% non-Title V. When combining these percentages, projected Technical Services workload is estimated to be 42% Title V, 38% non-Title V, and 20% section 103.

ASSUMPTIONS

It is assumed that there will be no significant changes to the network as the result of federal or state requirements. EPA cancelled the FY2023 Technical Systems Audit and thus, it is assumed that there will be no activity in this category in FY2024.

Table 11 – Quality Control Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Data Management – Input	17	0.01
Data Verification	1428	0.89
Document Development	126	0.08
Equipment Repair, Calibration, and Certification	1176	0.73
Monitoring Site Evaluation and Documentation	105	0.07
Personnel Activities	336	0.21
Program Management	609	0.38
Special Projects	84	0.05
Training	168	0.10
TOTAL	**4049**	**2.52**

AMBIENT MONITORING QUALITY ASSURANCE

There are two programs that are responsible for the Division's Ambient Monitoring Network, the Quality Control program and the Quality Assurance program. The Quality Assurance program provides an independent review of ambient air quality monitoring measurements and data reduction/reporting of those measurements prior to uploading the data to EPA's national ambient air database. This process is referred to as data validation. The program is also responsible for the coordination, development, and review of Standard Operating Procedures (SOPs) for each type of ambient air monitor used, Quality Assurance Project Plans (QAPPs), and any other documents that may be necessary to ensure that quality procedures have been developed and are being followed by operators of ambient air monitors in Tennessee for regulatory purposes. Having data that is trusted to be accurate is essential for compliance with federal requirements, regulatory decision making, and for the public to know, with assurance, the quality of the air they breathe.

In addition to developing quality assurance documents and making certain that they are followed, the staff of the Quality Assurance program periodically audit monitoring sites operated within Tennessee's State or Local Air Monitoring Stations (SLAMs) network and sites at industrial facilities. The purpose of these audits is to ensure that ambient data being collected for evaluating regulatory compliance meet quality standards. If issues arise during these performance audits, Quality Assurance staff are responsible for coordinating a corrective action plan with the monitoring site operation personnel to minimize data loss.

The meteorology staff members are responsible for air quality forecasting. These staff members use meteorological parameters and current air quality conditions to predict future air quality. The forecast information is provided to the public so that informed decisions can be made to protect health and also to plan activities that lessen impact on air quality during high pollution days.

Workload supports 2.0 FTEs of Title V work for this program.

CALCULATION BASIS

Projected workload is based on time and activity data. Similar to information presented in the Quality Control section of this workload analysis, the Division receives CAA section 103 grant funds to partially fund the Quality Assurance's personnel cost. Using the same calculations as described in that section, projected Quality Assurance program workload is assumed to be 20% section 103, 42% Title V, and 38% non-Title V.

ASSUMPTIONS

It is assumed that there will be no significant changes to the network as the result of federal or state requirements.

Table 12 – Quality Assurance Title V Workload

ACTIVITIES	ESTIMATED TITLE V HOURS/YR	ESTIMATED TITLE V FTE/YR
Air Quality Forecasting	546	0.34
AQS Data Validation	336	0.21
Field Auditing	168	0.10
Local Program Field Auditing	441	0.27
Audit Equipment Repair, Calibration, and Certification	210	0.13
Certification and Calibration for Local Programs	126	0.08
Personnel Activities	252	0.16
Program Management	504	0.31
Document Development	84	0.05
SOP Development	21	0.01
Training	168	0.10
Special Projects	420	0.26
TOTAL	**3276**	**2.04**

SUMMARY OF FTEs BY FUNCTIONAL UNIT

The following table shows the projected FY2024 FTEs needed to complete all Title V activities as indicated in this workload analysis. In addition, the actual Title V FTEs for the past four fiscal years (FY2019 through FY2022) and projected Title V FTEs for FY2023 from the FY2023 Title V Workload Analysis are presented below.

Functional Unit	FY2019 Actual FTEs	FY2020 Actual FTEs	FY2021 Actual FTEs	FY2022 Actual FTEs	Projected FY2023 FTEs	Projected FY2024 FTEs
Administrative Services[6]	3.3	4.2	3.9	3.6	4.0	3.8
Director's Office	3.7	3.1	2.4	3.0	3.4	3.0
Small Business Assistance	2.0	1.9	1.5	2.0	2.0	2.0
Compliance Validation	4.1	3.6	3.5	4.0	3.9	3.6
Enforcement	2.7	2.6	2.5	2.5	2.4	2.3
Field Services	14.1	14.2	14.1	12.5	12.1	12.3
Permitting	11.7	10.5	10.2	13.4	13.7	13.2
Regulatory Development	1.9	2.4	2.6	2.2	3.0	3.3
Emissions Inventory and Special Projects	2.6	2.5	3.2	2.4	2.6	2.4
Quality Control	2.5	2.1	3.1	2.5	2.5	2.5
Quality Assurance	1.9	2.5	2.2	2.1	2.1	2.0
Total Title V FTEs	**50.5**	**49.6**	**49.2**	**50.2**	**51.7**	**50.4**

[6] One position within the Administrative Services program reports to a member of the Leadership team. For FY2019 and FY2020, the Title V work associated with this position was included with the Director's Office. Since the work performed by this position is more administrative in nature, the Title V work associated with this position has been moved to the Administrative Services functional unit for FY2021 and beyond.

TDEC GENERAL AND ADMINISTRATIVE EXPENSES

In addition to Title V eligible costs incurred directly by the Division, the Division is assessed charges by the BOE and TDEC for a number of support activities provided by the other areas of the Department to support the activities of the Division. Some of the Title V related support activities and the offices that provide them are listed below.

- Services of the Commissioner, Bureau of Environment Deputy Commissioner and his staff, Chief Operating Officer, Senior Advisor, and Executive Administration – management and organizational support
- Communications Office – media relations, website management, strategic messaging, video production, and social media engagement
- Office of Stakeholder Engagement – outreach and communication to department stakeholders, including local government, other government agencies, the regulated community, public interest groups, and citizens; public meeting and hearing support; sustainable practices, and management of the Small Business Environmental Assistance Program
- People and Organizational Development Office – all personnel related services including human resources, talent management, and employee relations
- Continuous Process Improvement Office – intra-agency and interagency business improvement efforts
- Workplace Risk Management Office – occupational and workplace safety and medical monitoring
- Office of General Counsel – rulemaking and SIP development support, enforcement activity, legislative services, administrative legal services, policy and guidance interpretation and development, emergency response, risk and safety planning
- Internal Audits Division - facilitates the promotion of good governance by performing audit, assurance, and consulting services that address key risks central to TDEC's strategies and objectives and helps improve internal controls, transparency, and accountability of operations.
- Office of Policy & Planning – support with rule, SIP, and policy development that require in-depth research, strategic planning, NEPA review coordination, comparison to other state or national programs, and coordination with other state agencies or entities
- Finance and Budget Office – budget development and management as coordinated with the overall department budget, fee collections, and centralized accounting
- Operational Administrative Services – procurement of all necessary equipment and supplies, including monitoring network assets and field and office supplies, equipment inventory and asset management, grants and contracts, and vehicle management
- Data Governance & Records Management – records and facilities management, Alternative Workplace Solutions (AWS) coordination
- Field Office administrative support staff – support APC Field Services, Compliance Validation, Permitting, and Technical Services staff in seven field offices

G&A expenses are charged to the Division according to formulae based on the percentage of the Division's budget in proportion to that of other BOE division budgets and special reserve funds and the Division's headcount. The Division's G&A expenses are charged to Title V funds, non-Title V funds, and federal grant income.

TITLE V EXPENSE ESTIMATES

An important step in developing a Title V fee system is to estimate future expenses in order to determine if projected revenue, together with the available reserve balance, is sufficient to fund the Title V permitting program. As mentioned earlier, federal regulations preclude the use of non-Title V funds for funding Title V activities. Thus, a failure to collect sufficient funds through the Title V fee system would have significant ramifications on the efficacy of Tennessee's Title V Program and economic development within the state and could eventually lead to federal intervention. Therefore, when designing a Title V fee system, the Division plans for a reserve at year-end to account for unexpected expenses and unanticipated reductions in fee revenue.

Historical and projected expenses are broken down into four categories: 1) salaries, longevity, and bonuses, 2) benefits, 3) Air Pollution Control (APC) General & Administrative (G&A) Expenses, and 4) TDEC G&A Expenses. APC G&A expenses include expenses such as travel, rent and utility costs for ambient monitoring sites, shipping costs, maintenance and repair costs, third-party professional and administrative expenses, office supplies, field and laboratory supplies, equipment purchases, and charges from other state agencies for services such as telephone and computer services, office rent, liability insurance, and general accounting, purchasing, human resources, and legal services. TDEC G&A expenses are described earlier in this document.

Personnel costs: Personnel costs include salaries, benefits, longevity[7] and bonus pay[8]. Personnel costs are based on the number of positions for each functional unit for FY2024 based on demonstrated workload explained in this Workload Analysis. Longevity and bonus costs are added to regular salaries based on historical levels (4.2% of salary) $25,000 is then added to account for terminal leave. Benefit costs are approximately 45% of salary costs.

APC General & Administrative (G&A) Expenses: APC G&A expenses are forecasted using a four percent increase above the prior year's anticipated expenditures.

TDEC General &Administrative (G&A) expenses: Not-to-exceed TDEC G&A expenses were provided by TDEC's Budget and Financial Planning Division.

[7] Longevity pay is based on years of service once an employee has been in state service a certain number of years.

[8] Bonus pay is a feature of the Tennessee TEAM Act's Pay-for-Performance system that awards employees for advanced and outstanding performance.

Table 14 – Historical and Projected Title V Expenses							
Expense Description	**FY2018**	**FY2019**	**FY2020**	**FY2021**	**FY2022**	**Projected FY2023**	**Projected FY2024**
Regular Salaries, Longevity, & Bonus	$3,377,781	$3,546,448	$3,485,437	$3,449,044	$3,693,953	$3,900,000	$4,000,000
Benefits	$1,494,311	$1,503,257	$1,463,404	$1,429,963	$1,611,779	$1,700,000	$1,750,000
APC General & Administrative Expenses	$919,969	$653,654	$628,698	$529,628	$638,178	$900,000	$1,050,000
TDEC General & Administrative expenses	$1,014,803	$0[9]	$0[9]	$850,291	$891,375	$1,000,000	$1,100,000
Grand Total	$6,806,864	$5,703,359	$5,577,539	$6,321,925	$6,835,285	$7,500,000	$7,900,000

[9] No TDEC G&A expenses were charged to the Division in FY2019 or FY2020.

FISCAL MANAGEMENT

The Division has established an accurate financial accounting structure and work practices such that Division and Department expenses can be monitored and properly allocated. This system has been institutionalized within the Division and will continue in FY2024.

The Division will continue, in FY2024, to use travel and training resources efficiently and utilize video conferencing tools effectively.

HISTORICAL TITLE V FEE AND EXPENSE DATA

Tables 15 and 16 on the next two pages show historical Title V information. Table 15 is based on income and expenses during each fiscal year, which runs from July 1st through June 30th. This table is intended to match up with fiscal budget periods. Table 16 provides emissions and financial information for each year of the Title V fee program since 2002. Each row in Table 16 contains information about the Title V fees that were due in a particular year based on that year's fee rates. In each year, the fees for a particular year are due in two different fiscal years. This table is intended to illustrate the trends in emissions and fee collections for each year's Title V fee system.

The two tables present information in slightly different time periods. Historically, Title V fees were based on allowable or actual emissions from July 1st of one year to June 30th of the next (i.e., the state fiscal year) and due on July 1st. Since it was usually impossible for a company to determine and report actual emissions on June 30th, fees based on actual emissions were usually received after July 1st, which is the next fiscal year. Since interest and late penalties don't apply until a fee is 15 days late, a large portion of Title V fees were received between July 1st and July 15th each year. There is also a provision in the fee rules that allow some companies (those paying on an actual or mixed emissions basis) to apply for a 90-day extension on reporting and paying fees. Thus, facilities that could not submit payments by July 15th could, and frequently did, request extensions until September 28th each year without incurring penalties. Both of these situations resulted in a significant amount of Title V fees being collected in the fiscal year following the year in which the fees are based. This is reflected in fiscal year 2015-2016 during which the financial practice of allowing payments received between July 1st and July 15th to be credited for the previous fiscal year ended.

In 2018, the Title V fee deadlines changed with calendar year-based fees (which became an option to fiscal year-based fees) due on April 1st of each year as well as an estimated 60% of a facility's fees due the same date for facilities that continued to determine fees based on fiscal year emissions. Fees based on allowable emissions are also due April 1st. Ninety-day extensions are still available for facilities who determine fees based on actual emissions. However, with these changes, a much larger percentage (approximately 95%) of Title V fees are now collected in the year in which the fees are based.

Note that the projected and collected tons indicated in Table 16 excludes allowable and reported actual tons for facilities that paid the minimum fee.

Table 15 – Historical Title V Collections and Expenses

Fiscal Year	Fees	Interest, penalties, and internet processing fees	Transfer In	Expenditures	Balance
2002-2003					$1,387,223.12
2003-2004	$5,780,573.30	$17,261.10		$5,299,426.96	$1,885,630.56
2004-2005	$5,773,095.32	$33,124.15		$6,289,281.06	$1,402,568.97
2005-2006	$6,806,903.33	$62,547.16		$6,604,384.65	$1,667,634.81
2006-2007	$6,170,217.54	$67,707.22		$6,993,064.19	$912,495.38
2007-2008	$7,116,004.10	$35,456.47		$7,254,796.79	$809,159.16
2008-2009	$7,939,773.17	$21,518.17		$6,613,669.61	$2,156,780.89
2009-2010	$7,587,853.93	$9317.34		$6,415,182.16	$3,338,770.00
2010-2011	$5,800,630.50	$5527.40		$7,261,266.44	$1,883,661.46
2011-2012	$6,336,163.20	$1636.87		$7,463,530.81	$757,930.72
2012-2013	$6,891,980.16	$1113.83		$6,844,668.87	$806,355.84
2013-2014	$6,844,856.89	$9484.30		$6,543,335.07	$1,117,361.96
2014-2015	$7,040,610.80	$1129.83		$6,694,005.01	$1,465,097.58
2015-2016	$5,321,521.83	$2108.31	$1,919,777.74[10]	$6,094,831.92	$2,613,673.54
2016-2017	$4,617,895.15	$9697.10		$5,687,186.70	$1,554,079.09
2017-2018	$6,293,711.88	$945.29		$6,818,383.34	$1,030,352.92
2018-2019	$6,347,961.86	$5268.62		$5,703,359.09	$1,591,187.35
2019-2020	$5,774,457.15	$7320.71		$5,577,539.13	$1,795,426.09
2020-2021	$6,088,563.08	$1355.56		$6,321,925.04	$1,589,911.20
2021-2022	$6,204,515.21	$114.00		$6,519,900.32	$1,274,640.40

[10] During fiscal year 2015-2016, the Division determined that $1,919,777.74 in non-Title V expenses had been charged to Title V fees over a several year period. This was corrected at the end of fiscal year 2015-2016, resulting in an increased Title V fee balance at the beginning of fiscal year 2016-2017.

Table 16 - Historical Tonnage Projections & Collections and Historical Fees

Year Fees Due	Number Companies/Facilities	$/Ton Allowable Emissions	$/Ton Actual Emissions	Minimum /Base Fee*	Projected Total Tons	Total Tons Collected	Projected Allowable Tons	Allowable Tons Collected	Projected Actual Tons	Actual Tons Collected	Projected Companies Paying Min./Base	Companies Actually Paying Min./Base	$ Amount Billed	$ Amount Collected
2023 Non-EGU	200	$48.50	$70.50	$10,000/ $6000	87,035	TBD	66,415	TBD	20,620	TBD	41	TBD	TBD	TBD
2023 EGU	9	$68.00	$98.50	$10,000/ $6000	17,573	TBD	8015	TBD	9578	TBD	0	TBD	TBD	TBD
2022 non-EGU	200	$40.20	$64.20	$9000/ $5000	96,985	87,035	76,901	66,415	20,084	20,620	46	46	$5,095,923	$5,095,923
2022 EGU	9	$57.00	$90.00	$9000/ $5000	19,850	17,593	6535	8015	13,315	9578	0	0	$1,363,867	$1,363,867
2021 non-EGU	198	$40.20	$64.20	$9000/ $5000	93,258	86,598	73,246	66,363	20,0013	20,235	56	55	$5,176,865	$5,134,053
2021 EGU	9	$57.00	$90.00	$9000/ $5000	19,850	14,313	6535	8015	13,315	6298	0	0	$1,068,698	$1,068,698
2020 non-EGU	202	$33.50	$53.50	$7500/ $4000	92,783	96,985	71,943	76,901	20,840	20,084	49	55	$4,361,916.31	$4,383,491.96
2020 EGU	9	$47.00	$75.00	$7500/ $4000	17,724	19,850	4264	6535	13,460	13,315	0	0	$1,341,788,20	$1,341,788.20
2019 non-EGU	204	$33.50	$53.50	$7500/ $4000	90,255	93,206	70,769	73,181	19,486	20,024	57	59	$4,413,431.57	$4,386,631.42
2019 EGU	9	$47.00	$75.00	$7500/ $4000	19,675	20,420	4323	8264	15,352	12,156	0	0	$1,336,098.20	$1,336,098.20
2018 non-EGU	201	$32.50	$43.00	$7500	78,116	86,627	58,114	63,343	20,002	19,284	109	107	$3,787,675.97	$3,780,175.97
2018 EGU	9	$39.00	$49.50	$7500	27,994	26,737	16,642	12,323	11,352	14,414	2	1	1,201,499.94	1,201,499.94
2017 non-EGU	205	$32.50	$43.00	$7500	83,580	108,057	65,071	76,008	18,509	21.292	108	98	$4,083,515.65	$3,916,319.73
2017 EGU	9	$39.00	$49.50	$7500	27,994	28,235	16,642	16,532	11,352	11,719	2	0	$1,224,857.24	$1,224,857.24
2016 non-EGU	205	$32.50	$43.00	$7500	124,500	100,365	104,000	81,260	20,500	19,105	105	97	$4,215,224.16	$4,059,712.98
2016 EGU	11	$39.00	$49.50	$7500	43,000	41,259	39,500	36,603	3500	4656	3	4	$1,691,011.45	$1,691,011.45
2015 non-EGU	205	$28.50	$39.00	$7500	119,500	114,977	102,000	99,567	17,500	15,410	201	200 (83 only paid base)	$4,739,853.72	$4,692,656.26
2015 EGU	10	$45.50	$56.00	$7500	48,000	49,781	46,000	47,616	2000	2165	10	10 (1 only paid base)	$2,362,785.29	$2,362,785.29
*2014 non-EGU	201	$28.50	$39.00	$7500	118,000	121,396	101,000	103,650	17,000	17,746	201	200	$4,712,238.32	$4,646,138.70
*2014 EGU	10	$45.50	$56.00	$7500	57,000	48,802	55,000	46,648	2000	2154	10	10	$2,318,133.81	$2,318,133.81
2013 non-EGU	211	$29.50	$40.00	$7500	184,000	125,576	160,000	105,256	24,000	20,320	105	102	$4,403,500	$4,096,563.73
2013 EGU	9	$45.50	$56.00	$7500	65,000	60,425	62,500	58,110	2500	2315	3	3	$2,795,416.43	$2,795,416.43
2012	214	$28.50	$39.00	$7500	200,000	190,232	175,000	165,782	25,000	24,450	105	108	$5,973,274.94	$6,167,959.21
2011	220	$24.50	$35.00	$6500	210,000	204,961	190,000	179,953	20,000	25,008	110	106	$5,682,497	5,800,630.50
2010	221	$28.50	$39.00	$7500	217,064	211,344.7	195,801	191,346	21,263	19,999	105	111	$7,298,632.70	$7,587,853.93
2009	239	$28.50	$39.00	$7500	217,064	232,996	195,801	206,725.8	21,263	26,271	115	110	$7,835,606.93	$7,939,773.17
2008	243	$26.50	$37.00	$7500	230,489	234,615.4	213,772	207,541.6	16,717	27,073.8	88	119	$7,394,083.80	$7,317,445.36

2007	244	$22.50	$33.00	$5000	257,989	236,936.8	238,232	214,385.8	19,757	22,551	100	96	$6,093,539.15	$6,095,634.93
2006	250	$21.50	$32.00	$4500	284,639	259,420	256,578	232,764	28,061	26,656	100	92	$5,976,181.77	$6,000,240.56
2005	264	$19.50	$30.00	$3500	324,896	290,030.7	294,836	262,405.1	30,050	27,625.6	80	80	$5,869,607.39	$5,874,970.52
2004	267	$19.50	$30.00	$2500	330,731	287,381.9	309,213	258,052.4	21,519	29,329.5	72	56	$6,024,377.47	$6,032,675.99
2003		$17.50	$28.00		321,279								$	$
2002		$13.00	$21.70		382,476								$	$

*For FY 2013-2014, the Division replaced the minimum fee of $7500 with a base fee of $7500. All sources with total allowable emissions (excluding CO) of 250 TPY or less paid only the base fee. All sources with total allowable emissions (excluding CO) greater than 250 TPY paid the base fee plus their total tonnage (excluding CO) times the applicable $/ton value (actual, allowable, or mixed basis). This is also the case for 2014-2015. In 2015-2016, the base fee was replaced with the minimum fee. A base fee was re-instated in 2018-2019 and the minimum fee was retained.

Table 17 - Historical Federal Presumptive Minimum and Part 71 Fees

Presumptive Minimum			Part 71	
Effective	**Fee Rate**		**Effective**	**Fee Rate**
Sept 1989 – Aug 1990	$ 25.00			
Sept 1990 – Aug 1991	$ 26.21			
Sept 1991 – Aug 1992	$ 27.59			
Sept 1992 – Aug 1993	$ 28.43			
Sept 1993 – Aug 1994	$ 29.30			
Sept 1994 – Aug 1995	$ 30.07			
Sept 1995 – Aug 1996	$ 30.93		Calendar Year 1996	$ 32.00
Sept 1996 – Aug 1997	$ 31.78		Calendar Year 1997	$ 32.88
Sept 1997 – Aug 1998	$ 32.65		Calendar Year 1998	$ 33.78
Sept 1998 – Aug 1999	$ 33.21		Calendar Year 1999	$ 34.35
Sept 1999 – Aug 2000	$ 33.82		Calendar Year 2000	$ 34.98
Sept 2000 – Aug 2001	$ 34.87		Calendar Year 2001	$ 36.07
Sept 2001 – Aug 2002	$ 36.03		Calendar Year 2002	$ 37.27
Sept 2002 – Aug 2003	$ 36.60		Calendar Year 2003	$ 37.86
Sept 2003 – Aug 2004	$ 37.43		Calendar Year 2004	$ 38.72
Sept 2004 – Aug 2005	$ 38.29		Calendar Year 2005	$ 39.61
Sept 2005 – Aug 2006	$ 39.48		Calendar Year 2006	$ 40.84
Sept 2006 – Aug 2007	$ 41.02		Calendar Year 2007	$ 42.43
Sept 2007 – Aug 2008	$ 41.96		Calendar Year 2008	$ 43.40
Sept 2008 – Aug 2009	$ 43.75		Calendar Year 2009	$ 45.25
Sept 2009 – Aug 2010	$ 43.83		Calendar Year 2010	$ 45.33
Sept 2010 – Aug 2011	$ 44.48		Calendar Year 2011	$ 46.00
Sept 2011 – Aug 2012	$ 45.55		Calendar Year 2012	$ 47.11
Sept 2012 – Aug 2013	$ 46.73		Calendar Year 2013	$ 48.33
Sept 2013 – Aug 2014	$ 47.52		Calendar Year 2014	$ 49.15
Sept 2014 – Aug 2015	$ 48.27		Calendar Year 2015	$ 49.93
Sept 2015 – Aug 2016	$ 48.49		Calendar Year 2016	$ 50.16
Sept 2016 – Aug 2017	$ 48.88		Calendar Year 2017	$ 50.56
Sept 2017 – Aug 2018	$ 49.85		Calendar Year 2018	$ 51.56
Sept 2018- Aug 2019	$ 51.06		Calendar Year 2019	$ 52.81
Sept 2019 – Aug 2020	$ 52.03		Calendar Year 2020	$ 53.81
Sept 2020 – Aug 2021	$ 52.79		Calendar Year 2021	$ 54.60
Sept 2021 – Aug 2022	$ 54.37		Calendar Year 2022	$ 56.23
Sept 2022 – Aug 2023	$ 58.55		Calendar Year 2023	$ 60.56

TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION
BUREAU OF ENVIRONMENT
DIVISION OF AIR POLLUTION CONTROL

IN THE MATTER OF	)	
	)	
	)	
2024 Title V Workload Analysis	)	Order Number: 23-003
	)	
	)	
	)	
	)	
	)	

BOARD ORDER

The 2023-2024 Workload Analysis, as prepared by the Division of Air Pollution Control, was approved by the following Board Members on June 14, 2023. The Workload Analysis is the mechanism used by the Division of Air Pollution Control to determine the Title V annual fees needed to operate the Title V operating permit program in compliance with federal law for recommendation to the Air Pollution Control Board. This Workload Analysis provides an estimate of the manpower and funding needed to support the Title V program in state fiscal year 2023-2024 to ensure compliance with federal law.

This Workload Analysis projects that 50.4 full-time employee hours and $7,900,000 will be needed to conduct Title V-related work in fiscal year 2023-2024.

Category	Projected FY24 Title V Expenses
Regular Salaries, Longevity, and Bonuses	$4,000,000
Benefits	$1,750,000
Air Pollution Control General and Administrative Expenses	$1,050,000
TDEC General and Administrative Expenses	$1,100,000
Total	$7,900,000

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Dr. Ronne Adkins Commissioner's Designee, Dept. of Environment and Conservation					
Dr. John Benitez Licensed Physician with experience in health effects of air pollutants					
Dr. Joshua Fu Involved with Institution of Higher Learning on air pollution evaluation and control					
Michael Haverstick Working in management in Private Manufacturing					
Dr. Shawn A. Hawkins Working in field related to Agriculture or Conservation					
Richard Holland Working for Industry with technical experience					
Caitlin Roberts Jennings Small Generator of Air Pollution representing Automotive Interests					
Dr. Chunrong Jia Environmental Interests					
Ken Moore Working in Municipal Government					
Stephen Moore Working for Industry with technical experience					
Amy Spann, PE Registered Professional Engineer					
Nicholas Ramos Conservation Interests					
Larry Waters County Mayor					
Jimmy West Commissioner's Designee, Dept. of Economic and Community Development					

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Email: publications.information@tn.gov

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Sequence Number: _____
Notice ID(s): _____
File Date: _____

Notice of Rulemaking Hearing

Hearings will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, T.C.A. § 4-5-204. For questions and copies of the notice, contact the person listed below.

Agency/Board/Commission:	Air Pollution Control Board
Division:	Air Pollution Control
Contact Person:	James P. Johnston
Address:	William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue, 15th Floor Nashville, TN 37243
Phone:	(615) 253-7319
Email:	james.johnston@tn.gov

Any Individuals with disabilities who wish to participate in these proceedings (to review these filings) and may require aid to facilitate such participation should contact the following at least 10 days prior to the hearing:

ADA Contact:	ADA Coordinator
Address:	William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue, 22nd Floor Nashville, Tennessee 37243
Phone:	615-532-0200 Hearing-impaired callers may use the TN Relay Service 1-800-848-0298
Email:	kathryn.reitz@tn.gov

Hearing Location(s) (for additional locations, copy and paste table)

Address 1:			
Address 2:	William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue		
City:	Nashville, Tennessee		
Zip:	37243		
Hearing Date:	mm/dd/yyyy		
Hearing Time:		X CST/CDT ___EST/EDT	

Alternate Hearing Option

Method 1:	**You may also join electronically.** **Join by going to this link:** https://tn.webex.com/tn/j.php?MTID=mb23766fc82b896121761934c753a1b9f **Meeting number (access code): 172 017 2457** **Meeting password: 2Vmhrtt3Uw3** **Join by video system** **Dial 1720172457@tn.webex.com** **You can also dial 173.243.2.68 and enter your meeting number.**

Method 2:	**Join by phone** **1-415-655-0001** **Access code: 172 017 2457** **Global call-in numbers are available online at:** **Link for Global Call-in Numbers**

Additional Hearing Information:

If it is hard for you to read, speak, or understand English, TDEC may be able to provide translation or interpretation services free of charge. Please contact Lida Warden at (615) 532-0554 for more information.

The Air Pollution Control Board (Board) and the Division of Air Pollution Control (Division) are charged with maintaining the purity of the air resources of the state consistent with the protection of normal health, general welfare and physical property of the people, maximum employment, and the full industrial development of the state. To accomplish these objectives, the Division must issue construction and operating permits to certain sources of air pollution. In doing so, the Division must assess permit application fees and annual emission fees from regulated sources to cover the costs of the program. The Board is proposing rule amendments to modify the application and operating permit fee structure for Title V sources, establish construction and annual fees for general permits, clarify certain provisions of the fee rule, streamline provisions for Title V sources that determine fees based on fiscal year actual emissions, revise fees for construction permit applications to modify existing permitted sources, and move and update the definition of "hazardous air pollutants" to Chapter 1200-03-02. The Division is also taking comments on two different alternatives to the proposed amendments:

- The first alternative proposal includes changes to three different provisions within the proposed amendments:
    - In lieu of proposed subpart (5)(a)2(ii) of Rule 1200-03-26-.02:

        (ii) A responsible official of a major source or a source subject to paragraph (11) of this rule (hereinafter, "Paragraph 11 source") must pay construction permit application/filing fees as set forth in subparagraph (g), Schedule B of this paragraph.

    - In lieu of subpart (5)(b)2(ii) of Rule 1200-03-26-.02:

        (ii) For Paragraph 11 sources, one-half of the Schedule B fee corresponding to the applicant's anticipated maximum emission rate.

    - Adding Schedule B – Construction Permit Fees for Paragraph 11 Sources to subparagraph (5)(g) of Rule 1200-03-26-.02 to read as follows, if needed:

SCHEDULE B
CONSTRUCTION PERMIT FEES FOR PARAGRAPH 11 SOURCES

Anticipated Maximum Emission Rate	(Filing/Processing) Permit Fee
Less Than 100 Tons/Year	$4,000
100 to less than 250 Tons/Year	$8,000
250 to less than 500 Tons/Year	$15,000
500 to less than 1,000 Tons/Year	$30,000
1,000 to less than 5,000 Tons/Year	$40,000
5,000 and Greater Tons/Year	$50,000

- The second alternative proposal is a change to the following provision within the proposed amendments:
    - In lieu of proposed subpart (9)(d)1(iii) of Rule 1200-03-26-.02:

        (iii) The base fee is determined in accordance with the table below.

Number of federal air quality standards	Base Fee
0 to 1	$15,000
2 to 4	$20,000
5 to 9	$40,000
10 and up	$75,000

There will be a public hearing before the Technical Secretary of the Board regarding the proposed rule amendments. The hearing will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, Tennessee Code Annotated sections 4-5-201 to -231 and will take place in _____ of the William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue, ___ Floor, Nashville, Tennessee 37243.

Any individuals with disabilities who wish to participate in these proceedings or to review these filings should contact the Tennessee Department of Environment and Conservation to discuss any auxiliary aids or services needed to facilitate such participation. Such initial contact may be in person, by writing, telephone, or other means, and should be made no less than ten days prior to _____ or the date such party intends to review such filings, to allow time to provide such aid or service. Contact the Tennessee Department of Environment and Conservation ADA Coordinator, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue, 22nd Floor, Nashville, Tennessee 37243, (615) 532-0200. Hearing impaired callers may use the Tennessee Relay Service (1-800-848-0298).

Materials concerning the proposed actions will be available at https://www.tn.gov/environment/ppo-public-participation/ppo-public-participation/ppo-air.html.

If you have any questions about this proposed rulemaking, please contact James P. Johnston at (615) 253-7319. For complete copies of the text of the notice, please contact James P. Johnston, Department of Environment and Conservation, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue 15th Floor, Nashville, TN 37243 or via e-mail at James.Johnston@tn.gov.

All persons interested in the air quality of the state of Tennessee are urged to attend and will be afforded the opportunity to present testimony to the hearing officer regarding the promulgation of amendments to the Tennessee Air Pollution Control Regulations. Any person desiring to present lengthy comments should be prepared at the hearing to offer a written statement to be incorporated into the record. Written statements not presented at the hearings will only be considered part of the records if received by 4:30 p.m. CDT on _____, at the office of the Technical Secretary, Tennessee Air Pollution Control Board, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue, 15th Floor, Nashville, Tennessee 37243. Additionally, comments may be submitted via attachments through electronic mail until the close of business on _____. Comments may be submitted via e-mail to Air.Pollution.Control@tn.gov.

Revision Type (check all that apply):

X Amendment
___ New
___ Repeal

Rule(s) (**ALL** chapters and rules contained in filing must be listed. If needed, copy and paste additional tables to accommodate more than one chapter. Please enter only **ONE** Rule Number/Rule Title per row.)

Chapter Number	**Chapter Title**
1200-03-02	Definitions
Rule Number	**Rule Title**
1200-03-02-.01	General Definitions

Chapter Number	**Chapter Title**
1200-03-26	Administrative Fees Schedule
Rule Number	**Rule Title**
1200-03-26-.02	Construction and Annual Fees

Place substance of rules and other info here. Statutory authority must be given for each rule change. For information on formatting rules go to https://sos.tn.gov/products/division-publications/rulemaking-guidelines.

Chapter 1200-03-02
Definitions

Amendments

Paragraph (1) of Rule 1200-03-02-.01 General Definitions is amended by adding a new definition (mmmm) placed in numeric order to read as follows:

(mmmm) "Hazardous air pollutant" or "HAP" means the air contaminants listed in this subparagraph:

CAS No.	Chemical name
75070	Acetaldehyde
60355	Acetamide
75058	Acetonitrile
98862	Acetophenone
53963	2-Acetylaminofluorene
107028	Acrolein
79061	Acrylamide
79107	Acrylic acid
107131	Acrylonitrile
107051	Allyl chloride
92671	4-Aminobiphenyl
62533	Aniline
90040	o-Anisidine
1332214	Asbestos
71432	Benzene (including benzene from gasoline) 92875 Benzidine
98077	Benzotrichloride
100447	Benzyl chloride
92524	Biphenyl
117817	Bis(2-ethylhexyl)phthalate (DEHP)
542881	Bis(chloromethyl) ether
75252	Bromoform
106945	1-Bromopropane
106990	1,3-Butadiene
156627	Calcium cyanamide
133062	Captan
63252	Carbaryl
75150	Carbon disulfide
56235	Carbon tetrachloride
463581	Carbonyl sulfide
120809	Catechol
133904	Chloramben
57749	Chlordane
7782505	Chlorine
79118	Chloracetic acid
532274	2-Chloroacetophenone
108907	Chlorobenzene
510156	Chlorobenzilate
67663	Chloroform
107302	Chloromethyl methyl ether
126998	Chloroprene
1319773	Cresols/Cresylic acid (isomers and mixture) 95487 o-Cresol
108394	m-Cresol
106445	p-Cresol

98828	Cumene
94757	2,4-D, salts and esters
3547044	DDE
334883	Diazomethane
132649	Dibenzofurans
96128	1,2-Dibromo-3-chloropropane
84742	Dibutylphthalate
106467	1,4-Dichlorobenzene(p)
91941	3,3-Dichlorobenzidene
111444	Dichloroethyl ether (Bis(2-chloroethyl)ether)
542756	1,3-Dichloropropene
62737	Dichlorvos
111422	Diethanolamine
121697	N,N-Diethyl aniline (N,N-Dimethylaniline) 64675 Diethyl sulfate
119904	3,3-Dimethoxybenzidine
60117	Dimethyl aminoazobenzene
119937	3,3'-Dimethylbenzidine
79447	Dimethyl carbamoyl chloride
68122	Dimethyl formamide
57147	1,1-Dimethyl hydrazine
131113	Dimethyl phthalate
77781	Dimethyl sulfate
534521	4,6-Dinitro-o-cresol, and salts 51285 2,4-Dinitrophenol
121142	2,4-Dinitrotoluene
123911	1,4-Dioxane (1,4-Diethyleneoxide)
122667	1,2-Diphenylhydrazine
106898	Epichlorohydrin (1-Chloro-2,3-epoxypropane)
106887	1,2-Epoxybutane
140885	Ethyl acrylate
100414	Ethyl benzene
51796	Ethyl carbamate (Urethane)
75003	Ethyl Chloride (Chloroethane) 106934 Ethylene dibromide (Dibromoethane)
107062	Ethylene dichloride (1,2-Dichlorethane)
107211	Ethylene glycol
151564	Ethylene imine (Aziridine)
75218	Ethylene oxide
96457	Ethylene thiourea
75343	Ethylidene dichloride (1,1-Dichloroethane) 50000 Formaldehyde
76448	Hepotachlor
118741	Hexachlorobenzene
87683	Hexachlorobutadiene
77474	Hexachlorocyclepentadiene
67721	Hexachloroethane
822060	Hexamethylene-1,6-diisocyanate
680319	Hexamethylphosphoramide
110543	Hexane
302012	Hydrazine
7647010	Hydrochloric acid
7664393	Hydrogen fluoride (Hydrofluoric acid)
123319	Hydroquinone
78591	Isophorone
58899	Lindane (all isomers)
108316	Maleic anhydride
67561	Methanol
72435	Methoxychlor
74839	Methyl bromide (Bromomethane)
74873	Methyl chloride (Chloromethane)

71556	Methyl chloroform (1,1,1-Trichloroethane) 60344
	Methyl hydrazine
74884	Methyl iodide (Iodomethane) 108101
	Methyl isobutyl ketone (Hexone)
624839	Methyl isocyanate
80626	Methyl methacrylate
1634044	Methyl tert butyl ether
101144	4,4-Methylene bis(2-chloroniline) 75092
	Methylene chloride (Dichloromethane)
101688	Methylene diphenyl diisocyanate (MDI)
101779	4,4-Methylenedianilne
91203	Naphthalene
98953	Nitrobenzene
92933	4-Nitrobiphenyl
100027	4-Nitrophenol
79469	2-Nitropropane
684935	N-Nitroso-N-methylurea
62759	N-Nitrosodimethylamine
59892	N-Nitrosomorpholine
56382	Parathion
82688	Pentachloronitrobenzene (Quintobenzene)
87865	Pentachlorophenol
108952	Phenol
106503	p-Phenylenediamine
75445	Phosgene
7803512	Phosphine
7723140	Phosphorus
85449	Phthalic anhydride
1336363	Polychlorinated biphenyls (Arochlors)
1120714	1,3-Propane sultone
57578	beta-Propiolactone
123386	Propionaldehyde
114261	Propoxur (Baygon)
78875	Propylene dichloride (1,2-Dichloropropane) 75569
	Propylene oxide
75558	1,2-Propylenimine (2-Methyl aziridine) 91225
	Quinoline
106514	Quinone
100425	Styrene
96093	Styrene oxide
1746016	2,3,7,8-Tetrachlorodibenzo-p-dioxin
79345	1,1,2,2-Tetrachloroethane
127184	Tetrachoroethylene (Perchloroethylene)
7550450	Titanium tetrachloride
108883	Toluene
95807	2,4-Toluene diamine
584849	2,4-Toluene diisocyanate
95534	o-Toluidine
8001352	Toxaphene (chlorinated camphene)
120821	1,2,4-Trichlorobenzene
79005	1,1,2-Trichloroethane
79016	Trichloroethylene
95954	2,4,5-Trichlorophenol
88062	2,4,6-Trichlorophenol
121448	Triethylamine
1582098	Trifluralin
540841	2,2,4-Trimethylpentane
108054	Vinyl acetate
593602	Vinyl bromide
75014	Vinyl chloride
75354	Vinylidene chloride (1,1-Dichloroethylene)

1330207	Xylenes (isomers and mixture)
95476	o-Xylenes
108383	m-Xylenes
106423	p-Xylenes
0	Antimony Compounds
0	Arsenic Compounds (inorganic including arsine)
0	Beryllium Compounds
0	Cadmium Compounds
0	Chromium Compounds
0	Cobalt Compounds
0	Coke Oven Emissions
0	Cyanide compounds[1]
0	Glycol ethers[2, 6]
0	Lead Compounds
0	Manganese Compounds
0	Mercury Compounds
0	Fine mineral fibers[3]
0	Nickel Compounds
0	Polycyclic Organic Matter[4]
0	Radionuclides (including radon)[5]
0	Selenium Compounds

[1] X'CN where X = H' or any other group where a formal dissociation may occur. For example KCN or $Ca(CN)_2$.

[2] Include mono- and di-ethers of ethylene glycol, diethylene glycol, and triethylene glycol R-$(OCH_2CH_2)_n$- OR'. Where:
n = 1, 2, or 3:
R = alkyl C7 or less; or
R = phenyl or alkyl substituted phenyl; R' =
H or alkyl C7 or less; or
OR' consisting of carboxylic acid ester, sulfate, phosphate, nitrate, or sulfonate.

This action deletes each individual compound in a group called the surfactant alcohol ethoxylates and their derivatives (SAED) from the glycol ethers category in the list of hazardous air pollutants established by section 112(b)(1) of the Clean Air Act (CAA).

[3] Includes mineral fiber emissions from facilities manufacturing or processing glass, rock, or slag fibers (or other mineral derived fibers) of an average diameter of one micrometer or less.

[4] Includes organic compounds with more than one benzene ring, and which have a boiling point greater than or equal to 100°C.

[5] A type of atom that spontaneously undergoes radioactive decay.

[6] The substance ethylene glycol monobutyl ether (EGBE, 2-Butoxyethanol) (Chemical Abstract Service (CAS) Number 111-76-2) is deleted from the list of hazardous air pollutants established by 42 U.S.C. § 7412(b)(1).

Authority: T.C.A. §§ 4-5-201, et seq. and 68-201-101, et seq.

Amendments

Part 12 of subparagraph (i) of paragraph (2) of Rule 1200-03-26-.02 is amended by deleting it in its entirety and substituting instead the following:

12. Each hazardous air pollutant actually emitted or allowed to be emitted from a source subject to paragraph (11) of Rule 1200-03-09-.02.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (k) of paragraph (2) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(k) Reserved.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Paragraph (2) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by adding three new subparagraphs (t), (u), and (v) to read as follows:

(t) "Permit amendment" is a permit revision that:

1. Corrects typographical errors;

2. Identifies a change in the name, address, or phone number of any person identified in the permit, or makes a similar minor administrative change at the source;

3. Requires more frequent monitoring or reporting by the permittee;

4. Allows for a change of ownership or operational control of a source where the Technical Secretary determines that no other change in the permit is necessary, provided that a transfer of ownership permit application is filed consistent with the provisions of paragraph (6) of Rule 1200-03-09-.03;

5. Incorporates into a true minor source or conditional major source operating permit the requirements of a construction permit issued pursuant to Rule 1200-03-09-.01;

6. Extends the expiration date of a construction permit;

7. Changes the name of a source or facility;

8. Changes a deadline established in a permit; or

9. Adds or revises a monitoring parameter.

(u) "Anticipated maximum emission rate" (AMER) means the maximum rate of actual emissions, in tons per year, from all regulated air pollutants, as defined in part (11)(b)19 of Rule 1200-03-09-.02, emitted from all sources listed in a construction permit application, excluding sources that are not required to obtain a permit in accordance with Rule 1200-03-09-.04. Except as specified below, the responsible official shall calculate AMER based on each source operating at its maximum actual hourly emission rate, as listed in the construction permit application, for 8,760 hours per year.

$$AMER = \sum_{i=1}^{m} \sum_{j=1}^{n} E_{i,j} \; x \; h_j$$

Where:

m = number of pollutants emitted by sources included in the application

n = total number of sources included in the application, excluding sources that are exempt from permitting in accordance with Rule 1200-03-09-.04
E = emission rate in pounds per hour
h = hours per year (8,760 except as specified below)

For applications that do not list a maximum pound-per-hour emission rate for a particular pollutant or source, the responsible official shall use the potential emissions, in tons per year, as listed in the construction permit application. The responsible official may use a reduced emission rate or hours of operation if the same is limited by federal or state air quality regulation, limited by operational constraints within the process (i.e., a bottleneck), or the responsible official has requested a limitation of the same in the construction permit application. Emission of a greenhouse gas that is a regulated air pollutant solely because the pollutant is a constituent of greenhouse gases shall not be included when calculating AMER. Emission of a hazardous air pollutant that is also a VOC or particulate matter shall be counted only as VOC or particulate matter. When calculating the AMER for particulate matter, the responsible official shall use the highest of the source's PM, PM_{10}, or $PM_{2.5}$ emission rate. For construction permit applications that include the retirement of existing sources or the reduction of emissions from existing sources, the AMER shall not include the emission reductions associated with such retirement or reduction of emissions.

(v) "Anticipated maximum increase in emissions" means the anticipated maximum emission rate of the existing source following the change minus the anticipated maximum emission rate prior to the change.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (c) of paragraph (3) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(c) Any source exempted by Rule 1200-03-09-.04 is exempt from the annual emission fee requirements of this chapter, unless emissions from the exempt source are included in a facility-wide emissions limit. However, the emissions from any exempt source must comply with all rules and regulations of the Tennessee Air Pollution Control Board.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (h) of paragraph (3) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(h) In the event a fee is paid for a construction permit and it is later determined that only an operating permit is needed or the source is insignificant or otherwise exempt from permitting, 100% of the fee will be forfeited for the permit review.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (i) of paragraph (3) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(i) Where more than one allowable emission limit is applicable to a regulated pollutant, the allowable emissions for the regulated pollutants shall not be double counted.

1. Major sources subject to the provisions of paragraph (9) of this rule shall apportion their emissions as follows to ensure that their fees are not double counted.

(i) For fee purposes, hazardous air pollutants that are also in the family of volatile organic compounds or the family of particulate matter will be included in their respective family category when determining annual emission fees.

(ii) For fee purposes, hazardous air pollutants that are not in the family of volatile organic compounds or the family of particulate matter will be reported separately.

(iii) Each individual hazardous air pollutant is subject to the 4,000-ton cap provisions

of subparagraph (2)(i) of this rule.

(iv) Major sources that wish to pay annual fees for PM_{10} on an allowable emission basis may do so if they have a specific PM_{10} allowable emission standard. If a major source has a total particulate emission standard but wishes to pay annual fees on an actual PM_{10} emission basis, it may do so if the PM_{10} actual emission levels are proven to the satisfaction of the Technical Secretary. The method to demonstrate the actual PM_{10} emission levels must be made as part of the source's major source operating permit in advance in order to exercise this option. The PM_{10} emissions reported under these options shall not be subject to fees under the family of particulate emissions. The 4,000-ton cap provisions of subparagraph (2)(i) of this rule shall also apply to PM_{10} emissions.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (j) of paragraph (3) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(j) No construction fee, annual emission fee, or permit review fee under paragraph (1) of this rule shall be imposed for review of notices of intent for authorization under a permit-by-rule~~,~~ or issuance of a notice of authorization.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (d) of paragraph (3) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(d) All construction fees required by paragraph (5) of this rule must be paid in full upon submission of the application.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (a) of paragraph (5) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(a) Construction Permit and Opt-Out Permit Application Filing/Processing Fees

1. The fee rates of this subparagraph effective on July 1, 2022, continue to apply until July 1, 2024.

2. On and after July 1, 2024, a responsible official applying for the construction permit (i.e., construction as defined in subparagraph (2)(j) of this rule) required by Rule 1200-03-09-.01, or an opt-out permit, must pay a construction permit application filing/processing fee as follows:

(i) A responsible official of a minor source or a conditional major source must pay construction permit application fees as set forth in subparagraph (g), Schedule A of this paragraph. The fee determined from subparagraph (g), Schedule A of this paragraph shall be calculated based on the definitions of anticipated maximum emission rate and anticipated maximum increase in emissions, as defined in subparagraphs (2)(u) and (v) of this rule.

(ii) A responsible official of a major source or a source subject to paragraph (11) of this rule (hereinafter, "Paragraph 11 source") must pay a construction permit application fee of $7,000.

(iii) Except as specified in subpart (v) of this part, a responsible official applying for a Prevention of Significant Air Quality Deterioration permit as required by paragraph (4) of Rule 1200-03-09-.01 must pay a construction application fee of $70,000.

(iv) Except as specified in subpart (v) of this part, a responsible official applying for a

permit under the provisions of paragraph (5) of Rule 1200-03-09-.01, Growth Policy, must pay a construction application fee of $70,000.

(v) A responsible official applying for a plantwide applicability limit (PAL) or renewal of a PAL under the provisions of subparagraph (4)(s) of Rule 1200-03-09-.01 or part (5)(b)10 of Rule 1200-03-09-.01 must pay an application fee of $10,000 per pollutant.

(vi) A responsible official of an existing Paragraph 11 source applying for an operating permit to opt out of being a Paragraph 11 source, as described in subparagraph (11)(a) of Rule 1200-03-09-.02, by limiting the potential to emit such that the potential emissions of all pollutants are below the major source applicability thresholds, as defined in part (11)(b)14 of Rule 1200-03-09-.02, must pay an application fee of $18,000.

3. On and after July 1, 2024, an applicant for a minor source or a conditional major source applying to make a change to an existing source or permit such that a new construction permit is required must pay a permit application fee as set forth in subparagraph (g), Schedule A of this paragraph. This fee is determined by the anticipated maximum increase in emissions, as defined in subparagraph (2)(v) of this rule, from the anticipated maximum emission rate of the previous construction permit for the source. The fee rates in this part in effect on July 1, 2022, continue to apply until July 1, 2024.

4. On and after July 1, 2024, an owner or operator of a source that submits notice of intent for coverage under a general permit serving as a construction permit shall pay a permit application fee equal to that determined in accordance with the subparagraph (g) of this paragraph, Schedule A fee corresponding to the applicant's anticipated maximum emission rate, unless an alternate construction permit application fee is stipulated in the table below. If Schedule A from subparagraph (g) of this paragraph is used to determine the fee, it shall be determined by the anticipated maximum increase in emissions, as defined in subparagraph (2)(v) of this rule, from the anticipated maximum emission rate of the previous construction permit for the source.

General Permit Category	Construction and Modification Permit Application Fee
Perchloroethylene and Petroleum Solvent Dry Cleaners	$100
Concrete batch plants	$100
Portable rock crushers	$100
Asphalt plants	$250

5. All application filing/processing fees required by this subparagraph are due upon submission of the permit application.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (b) of paragraph (5) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(b) 1. The fee rates required by this subparagraph effective July 1, 2022, continue until July 1, 2024.

2. With the exception of changes received during the initial construction permit evaluation period (i.e., prior to the Division letter or email denoting application completeness), all revisions under subparagraph (4)(e) of this rule that result in an increase in allowable emissions sought by the applicant or an increase in actual emissions declared in the original application for a permit shall be subject to a fee equal to the following:

(i) For minor sources and conditional major sources, one-half of the Schedule A fee

corresponding to the applicant's anticipated maximum emission rate, not to exceed $500.

(ii) For Paragraph 11 sources, $3,500.

3. The fee required by subparts 2(i) and (ii) of this subparagraph is determined by the anticipated maximum increase in emissions from the anticipated maximum emission rate of the previous construction permit for the source.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (c) of paragraph (5) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(c) Reserved.

T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (e) of paragraph (5) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(e) The Division must make a decision to issue or deny a request for a permit in one of the categories listed in parts 1 through 4 of this subparagraph and notify the applicant of that decision in accordance with the following time-lines:

1. Major source or Paragraph 11 source construction permit reviews must be completed in 180 days, from receipt of a complete application unless a longer period is agreed to in writing by the applicant.

2. Minor and conditional major source construction permit reviews must be completed within 115 days from receipt of a complete application.

3. PAL or Renewal PAL reviews must be completed within 18 months from receipt of a complete application.

4. Operating permit reviews for an existing major source or Paragraph 11 source applying for an operating permit to opt out of being a major source or Paragraph 11 source by limiting the potential to emit such that they are below the major source applicability thresholds must be completed within 18 months from receipt of a complete application.

5. If a mutual agreement letter required by part (6)(b)1 of this rule or subparagraph (11)(a) of Rule 1200-03-09-.02 has been requested by the Division at least seven days prior to a deadline specified in part 1, 2, 3, or 4 of this subparagraph, but is not received by that deadline, the applicable deadline specified in part 1, 2, 3, or 4 of this subparagraph shall be seven days after receipt of the agreement letter.

6. If a source is required to have a compliance schedule in their permit in accordance with paragraph (4) of Rule 1200-03-09-.02 arises after an application was deemed complete, the deadlines specified in part 1, 2, 3, or 4 of this subparagraph shall be extended as follows:

(i) 21 days after receipt of a compliance schedule from the applicant that is acceptable to the Technical Secretary if the draft permit is not required to have a public comment period.

(ii) 60 days after receipt of a compliance schedule from the applicant that is acceptable to the Technical Secretary if the draft permit is subject to an opportunity for public comment, and no public hearing is held.

(iii) 60 days after receipt of a compliance schedule from the application that is acceptable to the Technical Secretary if the draft permit is subject to an opportunity

for public comment and a public hearing is announced along with the opportunity for public comment on the draft permit.

(iv) 90 days after receipt of a compliance schedule from the applicant that is acceptable to the Technical Secretary if the draft permit is subject to an opportunity for public comment, if a public hearing is requested during the public comment period, and the public hearing is held after the close of the public comment period.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (g) of paragraph (5) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(g) The appropriate permit filing/processing fee shall be determined by the applicant from the following schedules:

SCHEDULE A
CONSTRUCTION PERMIT FEES FOR MINOR AND CONDITIONAL MAJOR SOURCES

Anticipated Maximum Emission Rate	(Filing/Processing) Permit Fee
Less Than 10 Tons/Year	$ 100
10 to < 100 Tons/Year	$ 500
100 to < 250 Tons/Year	$1,000
250 to < 500 Tons/Year	$2,000
500 to < 1,000 Tons/Year	$3,000
1,000 to < 5,000 Tons/Year	$4,000
5,000 and Greater Tons/Year	$5,000

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (c) of paragraph (6) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(c) All minor and conditional major source annual fees are due and payable to the State of Tennessee in full according to Schedule I of this subparagraph. The county in which a source is located determines when the source's annual fee is due. If a source is located on contiguous property in more than one county, the county appearing earliest in the calendar year shall be used to determine the due date of the annual fee. Due to seasonal operations, cotton gin source annual fees are due and payable annually to the State of Tennessee by December 1 of each year regardless of the county in which the source is located. The fee must be paid to the State of Tennessee in full by the first day of the month that the fee is due. The Technical Secretary extends this due date by an appropriate period not to exceed 90 days where the source owner or operator's fee notice was mailed by the Department to an incorrect mailing address.

SCHEDULE I

Month the Annual Fee is Due (Accounting Period)
Counties in the Monthly Grouping

January	Anderson, Bedford, Benton, Bledsoe, Blount, Bradley, and Campbell
February	Cannon, Carroll, Carter, Cheatham, Chester, Claiborne, Clay, and Cocke
March	Coffee, Crockett, Cumberland, Davidson, Decatur, DeKalb, Dickson, Dyer, and Fayette
April	Fentress, Franklin, Gibson, Giles, Grainger, Greene, and Grundy
May	Hamblen, Hamilton, Hancock, Hardeman, Hardin, Hawkins, Haywood, and Henderson

June	Henry, Hickman, Houston, Humphreys, Jackson, Jefferson, Johnson, Knox, Lake, Lauderdale, Lawrence, and Lewis
July	Lincoln, Loudon, McMinn, McNairy, Macon, and Madison
August	Marion, Marshall, Maury, Meigs, Monroe, Montgomery, Moore, and Morgan
September	Obion, Overton, Perry, Pickett, Polk, Putnam, and Rhea
October	Roane, Robertson, Rutherford, Scott, Sequatchie, Sevier, and Shelby
November	Smith, Stewart, Sullivan, Sumner, Tipton, Trousdale, Unicoi, and Union
December	Van Buren, Warren, Washington, Wayne, Weakley, White, Williamson, and Wilson

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (d) of paragraph (6) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(d) 1. A newly constructed minor or conditional major source beginning operation subsequent to the annual accounting period for the county in which it is located shall not be required to pay an annual fee for the remainder of the annual accounting period. A minor or conditional major source ceasing operations during the annual accounting period will not receive a refund for annual fees paid.

2. Sources issued a combination construction and operating permit in accordance with paragraph (12) of Rule 1200-03-09-.02 shall pay annual fees as if operation of the new or modified source began on the date of permit issuance. This part does not apply to sources for which construction and operation of the new source or modification began prior to receipt of a construction permit.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (e) of paragraph (6) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(e) Except for sources that are covered under a general permit issued in accordance with Rule 1200-03-09-.06, the appropriate annual emissions fee for minor and conditional major sources in operation on or after July 1, 1993, shall be calculated at an emission fee rate of $18.75 per ton of allowable emissions of regulated pollutants at the time of the fee assessment by the Division based on the current active permit(s). Sources with allowable emissions less than 10 tons will not be subject to this fee, provided that such source has not taken a limitation on their permit that would render them a conditional major source.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (f) of paragraph (6) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(f) A responsible official of a source operating under a general permit shall pay an annual emissions fee as stipulated in subparagraph (e) of this paragraph based on the allowable emissions specified in the general permit unless different fee rates are stipulated in the following table. These fees are due and payable by the date established in subparagraph (c) of this paragraph:

General Permit Category	Combined Annual Emission Fee and Base Fee	Permit Review Fee

Perchloroethylene and Petroleum Solvent Dry Cleaners	$0	$0
Concrete Batch Plants with emissions less than 10 tons per calendar year	$0	$0
Concrete Batch Plants with emissions greater than or equal to 10 tons per calendar year	$400	$0
Portable rock crushers at True Minor Facilities	$1,000	$0
Portable rock crushers at Conditional Major Facilities	$1,000	$500
Asphalt Plants	$1,000	$500

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (a) of paragraph (8) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(a) The Technical Secretary will not issue any permit or renewal of a permit to an applicant until all fees required by this chapter have been paid in full to the State of Tennessee.

Authority: T.C.A. §§ 4-5-201, et seq.; 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (b) of paragraph (8) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(b) If any part of any fee imposed under this rule is not paid within 15 days of the due date, a late payment penalty of five percent of the amount due shall at once accrue and be added thereto. Thereafter, on the first day of each month during which any part of any fee or any prior accrued late payment penalty remains unpaid, an additional late payment penalty of five percent of the then unpaid balance shall accrue and be added thereto. In addition, the fees not paid within 15 days after the due date, shall bear interest at the maximum lawful rate from the due date to the date paid, compounded monthly; however, the total of the penalties and interest that accrue pursuant to subparagraph shall not exceed three times the amount of the original fee.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subpart (iii) part 2 of subparagraph (a) of paragraph (9) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(iii) Sources choosing to pay annual fees on an actual emissions basis or a combination of actual and allowable emissions basis and on a fiscal year basis pursuant to subparagraph (b) of this paragraph shall pay an estimated 65% of the fee due pursuant to subparagraph (d) of this paragraph no later than April 1 of the current fiscal year. The remainder of the annual fee is due August 1 of each year, except as allowed by part (g)3. of this paragraph.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Part 4 of subparagraph (b) of paragraph (9) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

4. The responsible official of a newly constructed major source, Paragraph 11 source, or minor source modifying its operation such that the source becomes a major source or Paragraph 11 source shall pay an initial annual fee based on a calendar year and allowable emissions for the fractional remainder of the calendar year commencing upon the source's

start-up. However, in no case shall the annual fee be less than the annual base fee established in part (d)1 of this paragraph. Prior to July 1, 2024, in no case shall the annual fee be less than the minimum fee established in subpart (d)2(ii) of this paragraph effective on July 1, 2022.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (d) of paragraph (9) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(d) 1. Notwithstanding the fee rates established by parts 2 and 4 of this subparagraph, a responsible official of any source subject to this paragraph shall pay an annual base fee which shall be calculated in accordance with subparts (i) through (iii) of this part. This base fee shall be paid in addition to the annual emission fee established by subpart 2.(iii) of this subparagraph. The fee rates required by this part effective July 1, 2022, continue to apply until July 1, 2024.

(i) The base fee shall be determined by the number of federal air quality standards to which a major source or Paragraph 11 source is subject. The following federal air quality standards shall be considered if the standards have been incorporated into a permit issued to the facility under the provisions of Chapter 1200-03-09 or have been incorporated into Chapter 0400-30-38 or Chapter 0400-30-39:

(I) Standards of Performance for New Stationary Sources as codified in 40 C.F.R. part 60, excluding subparts A, B, Ba, C, Cb, Cc, Cd, Ce, Cf, AAA, DDDD, FFFF, MMMM, and UUUUa.

(II) National Emission Standards for Hazardous Air Pollutants as codified in 40 C.F.R. part 61, excluding subpart A.

(III) National Emissions Standards for Hazardous Air Pollutants as codified in 40 C.F.R. part 63, excluding subparts A, B, C, D, E, OO, PP, QQ, RR, SS, TT, UU, VV, and XX.

(ii) If a facility is subject to 40 C.F.R. part 60 subpart IIII or JJJJ, or 40 C.F.R. part 63 subpart ZZZZ or CCCCCC and is only subject to that subpart for air contaminate sources that are not required to be included in a permit in accordance with paragraph (4) of Rule 1200-03-09-.04, then such subpart shall not be included when determining the number of federal air quality standards that a source is subject.

(iii) The base fee is determined in accordance with the following table:

Number of federal air quality standards	Base Fee
0	$10,000
1	$15,000
2 to 3	$20,000
4 to 5	$30,000
6 to 10	$40,000
11 to 20	$50,000
21 and up	$75,000

2. (i) For purposes of this part, an electric utility generating unit (EGU) means any steam electric generating unit or stationary combustion turbine that is constructed for the purpose of supplying more than one-third of its potential electric output capacity and more than 25 MW net-electrical output to any utility power distribution system for sale. Also, any steam supplied to a steam distribution system for the purpose of providing steam to a steam electric generator that would produce electrical energy for sale is considered in determining the electrical energy output capacity of the affected EGU.

(ii) Reserved.

(iii) The emission fee rates applied to calculate the annual fee assessed pursuant to subparagraph (a) of this paragraph shall be as follows:

(I) Fee based on actual emissions: $70.50 per ton for non-EGU sources and $98.50 per ton for EGU sources; and

(II) Fee based on allowable emissions: $48.50 per ton for non-EGU sources and $68.00 per ton for EGU sources.

(iv) The fees and fee rates enumerated in this subparagraph must be supported by the Division's annual workload analysis that is approved by the Board.

3. The fees and fee rates specified in this subparagraph shall remain in effect until the effective date of an amendment to this subparagraph. Any revision to the fees and fee rates must result in the collection of sufficient fee revenue to fund the activities identified in subparagraph (1)(c) of this rule and must be supported by the Division's annual workload analysis that is approved by the Board.

4. Notwithstanding the fee rates established by part 1 or 2 of this subparagraph, a responsible official of any source subject to this paragraph shall pay a Title V modification fee calculated as follows:

(i) For each minor permit modification issued in accordance with subpart (11)(f)5(ii) of Rule 1200-03-09-.02 during the calendar year preceding the year in which the annual fee is due, the responsible official shall pay $2,800.

(ii) For each significant modification issued in accordance with subpart (11)(f)5(iv) of Rule 1200-03-09-.02 during the calendar year preceding the year in which the annual fee is due, the responsible official shall pay $5,000.

5. The Title V modification fee required by part 4 of this subparagraph shall be paid in addition to the annual emission fee established by subpart 2(iii) of this subparagraph.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subpart (i) part 3 of subparagraph (g) of paragraph (9) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(i) Responsible officials choosing to pay the annual fee based on actual emissions or a mixture of actual and allowable emissions may request an extension of time for filing the emissions analysis with the Technical Secretary. The extension may, for facilities paying fees on a calendar year basis, be granted by the Technical Secretary for up to 90 days after the fee is due pursuant to subparagraph (a) of this paragraph. The extension may, for facilities paying fees on a fiscal year basis, be granted by the Technical Secretary for up to 60 days after the fee is due pursuant to subparagraph (a) of this paragraph. The request for extension must be received by the Division no later than 4:30 p.m. on April 1 or the request for extension shall be denied. The request for extension to file must state the reason for the request and provide an adequate explanation. An estimated annual fee payment of no less than 65% of the annual fee must accompany the request for extension to avoid penalties and interest on the underpayment of the annual fee. The remaining balance due must accompany the emission analysis. If there has been an overpayment, the responsible official may request a refund in writing to the Division or the amount of the overpayment may be applied as a credit toward the next annual fee.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

I certify that the information included in this filing is an accurate and complete representation of the intent and scope of rulemaking proposed by the agency.

Date: _____

Signature: _____

Name of Officer: Michelle W. Owenby

Title of Officer: Director of the Division of Air Pollution Control

Department of State Use Only

Filed with the Department of State on: _____

_____
Tre Hargett
Secretary of State

Department of State
Division of Publications
312 Rosa L. Parks Ave., 8th Floor, Snodgrass/TN Tower
Nashville, TN 37243
Phone: 615-741-2650
Email: publications.information@tn.gov

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Sequence Number: _____
Notice ID(s): _____
File Date: _____

Notice of Rulemaking Hearing

Hearings will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, T.C.A. § 4-5-204. For questions and copies of the notice, contact the person listed below.

Agency/Board/Commission:	Air Pollution Control Board
Division:	Air Pollution Control
Contact Person:	James P. Johnston
Address:	William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue, 15th Floor Nashville, TN 37243
Phone:	(615) 253-7319
Email:	james.johnston@tn.gov

Any Individuals with disabilities who wish to participate in these proceedings (to review these filings) and may require aid to facilitate such participation should contact the following at least 10 days prior to the hearing:

ADA Contact:	ADA Coordinator
Address:	William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue, 22nd Floor Nashville, Tennessee 37243
Phone:	615-532-0200 Hearing-impaired callers may use the TN Relay Service 1-800-848-0298
Email:	kathryn.reitz@tn.gov

Hearing Location(s) (for additional locations, copy and paste table)

Address 1:			
Address 2:	William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue		
City:	Nashville, Tennessee		
Zip:	37243		
Hearing Date:	mm/dd/yyyy		
Hearing Time:		X CST/CDT ___EST/EDT	

Alternate Hearing Option

Method 1:	**You may also join electronically.** **Join by going to this link:** https://tn.webex.com/tn/j.php?MTID=mb23766fc82b896121761934c753a1b9f **Meeting number (access code): 172 017 2457** **Meeting password: 2Vmhrtt3Uw3** **Join by video system** **Dial 1720172457@tn.webex.com** **You can also dial 173.243.2.68 and enter your meeting number.**

Method 2:	**Join by phone** **1-415-655-0001** **Access code: 172 017 2457** **Global call-in numbers are available online at:** **Link for Global Call-in Numbers**

Additional Hearing Information:

If it is hard for you to read, speak, or understand English, TDEC may be able to provide translation or interpretation services free of charge. Please contact Lida Warden at (615) 532-0554 for more information.

The Air Pollution Control Board (Board) and the Division of Air Pollution Control (Division) are charged with maintaining the purity of the air resources of the state consistent with the protection of normal health, general welfare and physical property of the people, maximum employment, and the full industrial development of the state. To accomplish these objectives, the Division must issue construction and operating permits to certain sources of air pollution. In doing so, the Division must assess permit application fees and annual emission fees from regulated sources to cover the costs of the program. The Board is proposing rule amendments to modify the application and operating permit fee structure for Title V sources, establish construction and annual fees for general permits, clarify certain provisions of the fee rule, streamline provisions for Title V sources that determine fees based on fiscal year actual emissions, revise fees for construction permit applications to modify existing permitted sources, and move and update the definition of "hazardous air pollutants" to Chapter 1200-03-02. The Division is also taking comments on two different alternatives to the proposed amendments:

- The first alternative proposal includes changes to three different provisions within the proposed amendments:
    - In lieu of proposed subpart (5)(a)2(ii) of Rule 1200-03-26-.02:

        (ii) A responsible official of a major source or a source subject to paragraph (11) of this rule (hereinafter, "Paragraph 11 source") must pay construction permit application/filing fees as set forth in subparagraph (g), Schedule B of this paragraph.

    - In lieu of subpart (5)(b)2(ii) of Rule 1200-03-26-.02:

        (ii) For Paragraph 11 sources, one-half of the Schedule B fee corresponding to the applicant's anticipated maximum emission rate.

    - Adding Schedule B – Construction Permit Fees for Paragraph 11 Sources to subparagraph (5)(g) of Rule 1200-03-26-.02 to read as follows, if needed:

SCHEDULE B
CONSTRUCTION PERMIT FEES FOR PARAGRAPH 11 SOURCES

Anticipated Maximum Emission Rate	(Filing/Processing) Permit Fee
Less Than 100 Tons/Year	$4,000
100 to less than 250 Tons/Year	$8,000
250 to less than 500 Tons/Year	$15,000
500 to less than 1,000 Tons/Year	$30,000
1,000 to less than 5,000 Tons/Year	$40,000
5,000 and Greater Tons/Year	$50,000

- The second alternative proposal is a change to the following provision within the proposed amendments:
    - In lieu of proposed subpart (9)(d)1(iii) of Rule 1200-03-26-.02:

        (iii) The base fee is determined in accordance with the table below.

Number of federal air quality standards	Base Fee
0 to 1	$15,000
2 to 4	$20,000
5 to 9	$40,000
10 and up	$75,000

There will be a public hearing before the Technical Secretary of the Board regarding the proposed rule amendments. The hearing will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, Tennessee Code Annotated sections 4-5-201 to -231 and will take place in _____ of the William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue, ___ Floor, Nashville, Tennessee 37243.

Any individuals with disabilities who wish to participate in these proceedings or to review these filings should contact the Tennessee Department of Environment and Conservation to discuss any auxiliary aids or services needed to facilitate such participation. Such initial contact may be in person, by writing, telephone, or other means, and should be made no less than ten days prior to _____ or the date such party intends to review such filings, to allow time to provide such aid or service. Contact the Tennessee Department of Environment and Conservation ADA Coordinator, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue, 22nd Floor, Nashville, Tennessee 37243, (615) 532-0200. Hearing impaired callers may use the Tennessee Relay Service (1-800-848-0298).

Materials concerning the proposed actions will be available at https://www.tn.gov/environment/ppo-public-participation/ppo-public-participation/ppo-air.html.

If you have any questions about this proposed rulemaking, please contact James P. Johnston at (615) 253-7319. For complete copies of the text of the notice, please contact James P. Johnston, Department of Environment and Conservation, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue 15th Floor, Nashville, TN 37243 or via e-mail at James.Johnston@tn.gov.

All persons interested in the air quality of the state of Tennessee are urged to attend and will be afforded the opportunity to present testimony to the hearing officer regarding the promulgation of amendments to the Tennessee Air Pollution Control Regulations. Any person desiring to present lengthy comments should be prepared at the hearing to offer a written statement to be incorporated into the record. Written statements not presented at the hearings will only be considered part of the records if received by 4:30 p.m. CDT on _____, at the office of the Technical Secretary, Tennessee Air Pollution Control Board, William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue, 15th Floor, Nashville, Tennessee 37243. Additionally, comments may be submitted via attachments through electronic mail until the close of business on _____. Comments may be submitted via e-mail to Air.Pollution.Control@tn.gov.

Revision Type (check all that apply):

X Amendment
___ New
___ Repeal

Rule(s) (**ALL** chapters and rules contained in filing must be listed. If needed, copy and paste additional tables to accommodate more than one chapter. Please enter only **ONE** Rule Number/Rule Title per row.)

Chapter Number	**Chapter Title**
1200-03-02	Definitions
Rule Number	**Rule Title**
1200-03-02-.01	General Definitions

Chapter Number	**Chapter Title**
1200-03-26	Administrative Fees Schedule
Rule Number	**Rule Title**
1200-03-26-.02	Construction and Annual Fees

Place substance of rules and other info here. Statutory authority must be given for each rule change. For information on formatting rules go to https://sos.tn.gov/products/division-publications/rulemaking-guidelines.

Chapter 1200-03-02
Definitions

Amendments

Paragraph (1) of Rule 1200-03-02-.01 General Definitions is amended by adding a new definition (mmmm) placed in numeric order to read as follows:

(mmmm) "Hazardous air pollutant" or "HAP" means the air contaminants listed in this subparagraph:

CAS No.	Chemical name
75070	Acetaldehyde
60355	Acetamide
75058	Acetonitrile
98862	Acetophenone
53963	2-Acetylaminofluorene
107028	Acrolein
79061	Acrylamide
79107	Acrylic acid
107131	Acrylonitrile
107051	Allyl chloride
92671	4-Aminobiphenyl
62533	Aniline
90040	o-Anisidine
1332214	Asbestos
71432	Benzene (including benzene from gasoline) 92875 Benzidine
98077	Benzotrichloride
100447	Benzyl chloride
92524	Biphenyl
117817	Bis(2-ethylhexyl)phthalate (DEHP)
542881	Bis(chloromethyl) ether
75252	Bromoform
106945	1-Bromopropane
106990	1,3-Butadiene
156627	Calcium cyanamide
133062	Captan
63252	Carbaryl
75150	Carbon disulfide
56235	Carbon tetrachloride
463581	Carbonyl sulfide
120809	Catechol
133904	Chloramben
57749	Chlordane
7782505	Chlorine
79118	Chloracetic acid
532274	2-Chloroacetophenone
108907	Chlorobenzene
510156	Chlorobenzilate
67663	Chloroform
107302	Chloromethyl methyl ether
126998	Chloroprene
1319773	Cresols/Cresylic acid (isomers and mixture) 95487 o-Cresol
108394	m-Cresol
106445	p-Cresol

98828	Cumene
94757	2,4-D, salts and esters
3547044	DDE
334883	Diazomethane
132649	Dibenzofurans
96128	1,2-Dibromo-3-chloropropane
84742	Dibutylphthalate
106467	1,4-Dichlorobenzene(p)
91941	3,3-Dichlorobenzidene
111444	Dichloroethyl ether (Bis(2-chloroethyl)ether)
542756	1,3-Dichloropropene
62737	Dichlorvos
111422	Diethanolamine
121697	N,N-Diethyl aniline (N,N-Dimethylaniline) 64675 Diethyl sulfate
119904	3,3-Dimethoxybenzidine
60117	Dimethyl aminoazobenzene
119937	3,3'-Dimethylbenzidine
79447	Dimethyl carbamoyl chloride
68122	Dimethyl formamide
57147	1,1-Dimethyl hydrazine
131113	Dimethyl phthalate
77781	Dimethyl sulfate
534521	4,6-Dinitro-o-cresol, and salts 51285 2,4-Dinitrophenol
121142	2,4-Dinitrotoluene
123911	1,4-Dioxane (1,4-Diethyleneoxide)
122667	1,2-Diphenylhydrazine
106898	Epichlorohydrin (1-Chloro-2,3-epoxypropane)
106887	1,2-Epoxybutane
140885	Ethyl acrylate
100414	Ethyl benzene
51796	Ethyl carbamate (Urethane)
75003	Ethyl Chloride (Chloroethane) 106934 Ethylene dibromide (Dibromoethane)
107062	Ethylene dichloride (1,2-Dichlorethane)
107211	Ethylene glycol
151564	Ethylene imine (Aziridine)
75218	Ethylene oxide
96457	Ethylene thiourea
75343	Ethylidene dichloride (1,1-Dichloroethane) 50000 Formaldehyde
76448	Hepotachlor
118741	Hexachlorobenzene
87683	Hexachlorobutadiene
77474	Hexachlorocyclepentadiene
67721	Hexachloroethane
822060	Hexamethylene-1,6-diisocyanate
680319	Hexamethylphosphoramide
110543	Hexane
302012	Hydrazine
7647010	Hydrochloric acid
7664393	Hydrogen fluoride (Hydrofluoric acid)
123319	Hydroquinone
78591	Isophorone
58899	Lindane (all isomers)
108316	Maleic anhydride
67561	Methanol
72435	Methoxychlor
74839	Methyl bromide (Bromomethane)
74873	Methyl chloride (Chloromethane)

71556	Methyl chloroform (1,1,1-Trichloroethane) 60344
	Methyl hydrazine
74884	Methyl iodide (Iodomethane) 108101
	Methyl isobutyl ketone (Hexone)
624839	Methyl isocyanate
80626	Methyl methacrylate
1634044	Methyl tert butyl ether
101144	4,4-Methylene bis(2-chloroniline) 75092
	Methylene chloride (Dichloromethane)
101688	Methylene diphenyl diisocyanate (MDI)
101779	4,4-Methylenedianilne
91203	Naphthalene
98953	Nitrobenzene
92933	4-Nitrobiphenyl
100027	4-Nitrophenol
79469	2-Nitropropane
684935	N-Nitroso-N-methylurea
62759	N-Nitrosodimethylamine
59892	N-Nitrosomorpholine
56382	Parathion
82688	Pentachloronitrobenzene (Quintobenzene)
87865	Pentachlorophenol
108952	Phenol
106503	p-Phenylenediamine
75445	Phosgene
7803512	Phosphine
7723140	Phosphorus
85449	Phthalic anhydride
1336363	Polychlorinated biphenyls (Arochlors)
1120714	1,3-Propane sultone
57578	beta-Propiolactone
123386	Propionaldehyde
114261	Propoxur (Baygon)
78875	Propylene dichloride (1,2-Dichloropropane) 75569
	Propylene oxide
75558	1,2-Propylenimine (2-Methyl aziridine) 91225
	Quinoline
106514	Quinone
100425	Styrene
96093	Styrene oxide
1746016	2,3,7,8-Tetrachlorodibenzo-p-dioxin
79345	1,1,2,2-Tetrachloroethane
127184	Tetrachoroethylene (Perchloroethylene)
7550450	Titanium tetrachloride
108883	Toluene
95807	2,4-Toluene diamine
584849	2,4-Toluene diisocyanate
95534	o-Toluidine
8001352	Toxaphene (chlorinated camphene)
120821	1,2,4-Trichlorobenzene
79005	1,1,2-Trichloroethane
79016	Trichloroethylene
95954	2,4,5-Trichlorophenol
88062	2,4,6-Trichlorophenol
121448	Triethylamine
1582098	Trifluralin
540841	2,2,4-Trimethylpentane
108054	Vinyl acetate
593602	Vinyl bromide
75014	Vinyl chloride
75354	Vinylidene chloride (1,1-Dichloroethylene)

1330207	Xylenes (isomers and mixture)
95476	o-Xylenes
108383	m-Xylenes
106423	p-Xylenes
0	Antimony Compounds
0	Arsenic Compounds (inorganic including arsine)
0	Beryllium Compounds
0	Cadmium Compounds
0	Chromium Compounds
0	Cobalt Compounds
0	Coke Oven Emissions
0	Cyanide compounds[1]
0	Glycol ethers[2, 6]
0	Lead Compounds
0	Manganese Compounds
0	Mercury Compounds
0	Fine mineral fibers[3]
0	Nickel Compounds
0	Polycyclic Organic Matter[4]
0	Radionuclides (including radon)[5]
0	Selenium Compounds

[1] X'CN where X = H' or any other group where a formal dissociation may occur. For example KCN or $Ca(CN)_2$.

[2] Include mono- and di-ethers of ethylene glycol, diethylene glycol, and triethylene glycol R-$(OCH_2CH_2)_n$- OR'. Where:
n = 1, 2, or 3:
R = alkyl C7 or less; or
R = phenyl or alkyl substituted phenyl; R' =
H or alkyl C7 or less; or
OR' consisting of carboxylic acid ester, sulfate, phosphate, nitrate, or sulfonate.

This action deletes each individual compound in a group called the surfactant alcohol ethoxylates and their derivatives (SAED) from the glycol ethers category in the list of hazardous air pollutants ~~(HAP)~~ established by section 112(b)(1) of the Clean Air Act (CAA).

[3] Includes mineral fiber emissions from facilities manufacturing or processing glass, rock, or slag fibers (or other mineral derived fibers) of an average diameter ~~1~~ of one micrometer or less.

[4] Includes organic compounds with more than one benzene ring, and which have a boiling point greater than or equal to 100°C.

[5] A type of atom ~~which~~ that spontaneously undergoes radioactive decay.

[6] The substance ethylene glycol monobutyl ether (EGBE, 2-Butoxyethanol) (Chemical Abstract Service (CAS) Number 111-76-2) is deleted from the list of hazardous air pollutants established by 42 U.S.C. § 7412(b)(1).

Authority: T.C.A. §§ 4-5-201, et seq. and 68-201-101, et seq.

Amendments

Part 12 of subparagraph (i) of paragraph (2) of Rule 1200-03-26-.02 is amended by deleting it in its entirety and substituting instead the following:

12. Each hazardous air pollutant ~~listed below~~ actually emitted or allowed to be emitted from a source subject to paragraph (11) of Rule 1200-03-09-.02.

~~CAS No.~~	~~Chemical name~~
~~75070~~	~~Acetaldehyde~~
~~60355~~	~~Acetamide~~
~~75058~~	~~Acetonitrile~~
~~98862~~	~~Acetophenone~~
~~53963~~	~~2-Acetylaminofluorene~~
~~107028~~	~~Acrolein~~
~~79061~~	~~Acrylamide~~
~~79107~~	~~Acrylic acid~~
~~107131~~	~~Acrylonitrile~~
~~107051~~	~~Allyl chloride~~
~~92671~~	~~4-Aminobiphenyl~~
~~62533~~	~~Aniline~~
~~90040~~	~~o-Anisidine~~
~~1332214~~	~~Asbestos~~
~~71432~~	~~Benzene (including benzene from gasoline)~~
~~92875~~	~~Benzidine~~
~~98077~~	~~Benzotrichloride~~
~~100447~~	~~Benzyl chloride~~
~~92524~~	~~Biphenyl~~
~~117817~~	~~Bis(2-ethylhexyl)phthalate (DEHP)~~
~~542881~~	~~Bis(chloromethyl) ether~~
~~75252~~	~~Bromoform~~
~~106990~~	~~1,3-Butadiene~~
~~156627~~	~~Calcium cyanamide~~
~~133062~~	~~Captan~~
~~63252~~	~~Carbaryl~~
~~75150~~	~~Carbon disulfide~~
~~56235~~	~~Carbon tetrachloride~~
~~463581~~	~~Carbonyl sulfide~~
~~120809~~	~~Catechol~~
~~133904~~	~~Chloramben~~
~~57749~~	~~Chlordane~~
~~7782505~~	~~Chlorine~~
~~79118~~	~~Chloracetic acid~~
~~532274~~	~~2-Chloroacetophenone~~
~~108907~~	~~Chlorobenzene~~
~~510156~~	~~Chlorobenzilate~~
~~67663~~	~~Chloroform~~
~~107302~~	~~Chloromethyl methyl ether~~
~~126998~~	~~Chloroprene~~
~~1319773~~	~~Cresols/Cresylic acid (isomers and mixture)~~
~~95487~~	~~o-Cresol~~
~~108394~~	~~m-Cresol~~
~~106445~~	~~p-Cresol~~
~~98828~~	~~Cumene~~
~~94757~~	~~2,4-D, salts and esters~~
~~3547044~~	~~DDE~~
~~334883~~	~~Diazomethane~~

~~132649 Dibenzofurans~~
~~96128 1,2-Dibromo-3-chloropropane~~
~~84742 Dibutylphthalate~~
~~106467 1,4-Dichlorobenzene(p)~~
~~91941 3,3-Dichlorobenzidene~~
~~111444 Dichloroethyl ether (Bis(2-chloroethyl)ether)~~
~~542756 1,3-Dichloropropene~~
~~62737 Dichlorvos~~
~~111422 Diethanolamine~~
~~121697 N,N-Diethyl aniline (N,N-Dimethylaniline)~~
~~64675 Diethyl sulfate~~
~~119904 3,3-Dimethoxybenzidine~~
~~60117 Dimethyl aminoazobenzene~~
~~119937 3,3'-Dimethylbenzidine~~
~~79447 Dimethyl carbamoyl chloride~~
~~68122 Dimethyl formamide~~
~~57147 1,1-Dimethyl hydrazine~~
~~131113 Dimethyl phthalate~~
~~77781 Dimethyl sulfate~~
~~534521 4,6-Dinitro-o-cresol, and salts~~
~~51285 2,4-Dinitrophenol~~
~~121142 2,4-Dinitrotoluene~~
~~123911 1,4-Dioxane (1,4-Diethyleneoxide)~~
~~122667 1,2-Diphenylhydrazine~~
~~106898 Epichlorohydrin (1-Chloro-2,3-epoxypropane)~~
~~106887 1,2-Epoxybutane~~
~~140885 acrylate~~
~~100414 Ethyl benzene~~
~~51796 Ethyl carbamate (Urethane)~~
~~75003 Ethyl Chloride (Chloroethane) 106934~~
~~Ethylene dibromide (Dibromoethane)~~
~~107062 Ethylene dichloride (1,2-Dichlorethane)~~
~~107211 Ethylene glycol~~
~~151564 Ethylene imine (Aziridine)~~
~~75218 Ethylene oxide~~
~~96457 Ethylene thiourea~~
~~75343 Ethylidene dichloride (1,1-Dichloroethane)~~
~~50000 Formaldehyde~~
~~76448 Hepotachlor~~
~~118741 Hexachlorobenzene~~
~~87683 Hexachlorobutadiene~~
~~77474 Hexachlorocyclepentadiene~~
~~67721 Hexachloroethane~~
~~822060 Hexamethylene-1,6-diisocyanate~~
~~680319 Hexamethylphosphoramide~~
~~110543 Hexane~~
~~302012 Hydrazine~~
~~7647010 Hydrochloric acid~~
~~7664393 Hydrogen fluoride (Hydrofluoric acid)~~
~~123319 Hydroquinone~~
~~78591 Isophorone~~
~~58899 Lindane (all isomers)~~
~~108316 Maleic anhydride~~
~~67561 Methanol~~
~~72435 Methoxychlor~~
~~74839 Methyl bromide (Bromomethane)~~
~~74873 Methyl chloride (Chloromethane)~~
~~71556 Methyl chloroform (1,1,1-Trichloroethane)~~
~~60344 Methyl hydrazine~~
~~74884 Methyl iodide (Iodomethane) 108101~~
~~Methyl isobutyl ketone (Hexone)~~

624839	Methyl isocyanate
80626	Methyl methacrylate
1634044	Methyl tert butyl ether
101144	4,4-Methylene bis(2-chloroniline) 75092
	Methylene chloride (Dichloromethane)
101688	Methylene diphenyl diisocyanate (MDI)
101779	4,4-Methylenedianilne
91203	Naphthalene
98953	Nitrobenzene
92933	4-Nitrobiphenyl
100027	4-Nitrophenol
79469	2-Nitropropane
684935	N-Nitroso-N-methylurea
62759	N-Nitrosodimethylamine
59892	N-Nitrosomorpholine
56382	Parathion
82688	Pentachloronitrobenzene (Quintobenzene)
87865	Pentachlorophenol
108952	Phenol
106503	p-Phenylenediamine
75445	Phosgene
7803512	Phosphine
7723140	Phosphorus
85449	Phthalic anhydride
1336363	Polychlorinated biphenyls (Arochlors)
1120714	1,3-Propane sultone
57578	beta-Propiolactone
123386	Propionaldehyde
114261	Propoxur (Baygon)
78875	Propylene dichloride (1,2-Dichloropropane)
75569	Propylene oxide
75558	1,2-Propylenimine (2-Methyl aziridine)
91225	Quinoline
106514	Quinone
100425	Styrene
96093	Styrene oxide
1746016	2,3,7,8-Tetrachlorodibenzo-p-dioxin
79345	1,1,2,2-Tetrachloroethane
127184	Tetrachoroethylene (Perchloroethylene)
7550450	Titanium tetrachloride
108883	Toluene
95807	2,4-Toluene diamine
584849	2,4-Toluene diisocyanate
95534	o-Toluidine
8001352	Toxaphene (chlorinated camphene)
120821	1,2,4-Trichlorobenzene
79005	1,1,2-Trichloroethane
79016	Trichloroethylene
95954	2,4,5-Trichlorophenol
88062	2,4,6-Trichlorophenol
121448	Triethylamine
1582098	Trifluralin
540841	2,2,4-Trimethylpentane
108054	Vinyl acetate
593602	Vinyl bromide
75014	Vinyl chloride
75354	Vinylidene chloride (1,1-Dichloroethylene)
1330207	Xylenes (isomers and mixture)
95476	o-Xylenes
108383	m-Xylenes
106423	p-Xylenes

~~0 Antimony Compounds~~
~~0 Arsenic Compounds (inorganic including arsine)~~
~~0 Beryllium Compounds~~
~~0 Cadmium Compounds~~
~~0 Chromium Compounds~~
~~0 Cobalt Compounds~~
~~0 Coke Oven Emissions~~
~~0 Cyanide compounds[1]~~
~~0 Glycol ethers[2, 6]~~
~~0 Lead Compounds~~
~~0 Manganese Compounds~~
~~0 Mercury Compounds~~
~~0 Fine mineral fibers[3]~~
~~0 Nickel Compounds~~
~~0 Polycyclic Organic Matter[4]~~
~~0 Radionuclides (including radon)[5]~~
~~0 Selenium Compounds~~

~~[1] X'CN where X = H' or any other group where a formal dissociation may occur. For example KCN or $Ca(CN)_2$~~

~~[2] Include mono- and di ethers of ethylene glycol, diethylene glycol, and triethylene glycol R-$(OCH_2CH_2)_n$-OR'. Where:~~
~~n = 1, 2, or 3;~~
~~R = alkyl C7 or less; or~~
~~R = phenyl or alkyl substituted phenyl; R' =~~
~~H or alkyl C7 or less; or~~
~~OR' consisting of carboxylic acid ester, sulfate, phosphate, nitrate, or sulfonate.~~

~~This action deletes each individual compound in a group called the surfactant alcohol ethoxylates and their derivatives (SAED) from the glycol ethers category in the list of hazardous air pollutants (HAP) established by section 112(b)(1) of the Clean Air Act (CAA).~~

~~[3] Includes mineral fiber emissions from facilities manufacturing or processing glass, rock, or slag fibers (or other mineral derived fibers) of average diameter 1 micrometer or less.~~

~~[4] Includes organic compounds with more than one benzene ring, and which have a boiling point greater than or equal to 100°C~~

~~[5] A type of atom which spontaneously undergoes radioactive decay.~~

~~[6] The substance ethylene glycol monobutyl ether (EGBE, 2-Butoxyethanol) (Chemical Abstract Service (CAS) Number 111-76-2) is deleted from the list of hazardous air pollutants established by 42 U.S.C. § 7412(b)(1).~~

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (k) of paragraph (2) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(k) Reserved. ~~"Synthetic minor source" is a minor or major source that wishes to restructure its allowable emissions for the purposes of lowering its annual emission fees. Upon mutual agreement of the responsible official and the Technical Secretary, a more restrictive regulatory requirement may be established to minimize the allowable emissions and thus the annual emission fee.~~

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Paragraph (2) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by adding three new subparagraphs (t), (u), and (v) to read as follows:

(t) "Permit amendment" is a permit revision that:

1. Corrects typographical errors;

2. Identifies a change in the name, address, or phone number of any person identified in the permit, or makes a similar minor administrative change at the source;

3. Requires more frequent monitoring or reporting by the permittee;

4. Allows for a change of ownership or operational control of a source where the Technical Secretary determines that no other change in the permit is necessary, provided that a transfer of ownership permit application is filed consistent with the provisions of paragraph (6) of Rule 1200-03-09-.03;

5. Incorporates into a true minor source or conditional major source operating permit the requirements of a construction permit issued pursuant to Rule 1200-03-09-.01;

6. Extends the expiration date of a construction permit;

7. Changes the name of a source or facility;

8. Changes a deadline established in a permit; or

9. Adds or revises a monitoring parameter.

(u) "Anticipated maximum emission rate" (AMER) means the maximum rate of actual emissions, in tons per year, from all regulated air pollutants, as defined in part (11)(b)19 of Rule 1200-03-09-.02, emitted from all sources listed in a construction permit application, excluding sources that are not required to obtain a permit in accordance with Rule 1200-03-09-.04. Except as specified below, the responsible official shall calculate AMER based on each source operating at its maximum actual hourly emission rate, as listed in the construction permit application, for 8,760 hours per year.

$$AMER = \sum_{i=1}^{m} \sum_{j=1}^{n} E_{i,j} \; x \; h_j$$

Where:

m = number of pollutants emitted by sources included in the application
n = total number of sources included in the application, excluding sources that are exempt from permitting in accordance with Rule 1200-03-09-.04
E = emission rate in pounds per hour
h = hours per year (8,760 except as specified below)

For applications that do not list a maximum pound-per-hour emission rate for a particular pollutant or source, the responsible official shall use the potential emissions, in tons per year, as listed in the construction permit application. The responsible official may use a reduced emission rate or hours of operation if the same is limited by federal or state air quality regulation, limited by operational constraints within the process (i.e., a bottleneck), or the responsible official has requested a limitation of the same in the construction permit application. Emission of a greenhouse gas that is a regulated air pollutant solely because the pollutant is a constituent of greenhouse gases shall not be included when calculating AMER. Emission of a hazardous air pollutant that is also a VOC or particulate matter shall be counted only as VOC or particulate matter. When calculating the AMER for particulate matter, the responsible official shall use the highest of the source's PM, PM_{10}, or $PM_{2.5}$ emission rate. For construction permit applications that include the retirement of existing sources or the reduction of emissions from existing sources, the AMER shall not include the emission reductions associated with such retirement or reduction of emissions.

(v) "Anticipated maximum increase in emissions" means the anticipated maximum emission rate of the existing source following the change minus the anticipated maximum emission rate prior to the change.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (c) of paragraph (3) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(c) Any source exempted ~~in~~ by Rule 1200-03-09-.04 ~~Exemptions~~ is exempt from the annual emission

fee requirements of this chapter, unless emissions from the exempt source are included in a facility-wide emissions limit. However, the emissions from any exempt source must comply with all rules and regulations of the Tennessee Air Pollution Control Board.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (h) of paragraph (3) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(h) In the event a fee is paid for a construction permit and it is later determined that only an operating permit is needed or the source is insignificant or otherwise exempt from permitting, ~~fifty percent (50%) of the fee will be credited toward the annual emission fee for the source and the other fifty percent (50%)~~ 100% of the fee will be forfeited for the permit review.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (i) of paragraph (3) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(i) Where more than one allowable emission limit is applicable to a regulated pollutant, the allowable emissions for the regulated pollutants shall not be double counted.

1. Major sources subject to the provisions of paragraph (9) of this rule shall apportion their emissions as follows to ensure that their fees are not double counted.

(i) ~~Sources that are subject to federally promulgated hazardous air pollutant standards that can be imposed under Chapter 0400-30-38 or Chapter 1200-03-31 will place such regulated emissions in the specific hazardous air pollutant under regulation. If the pollutant is also in the family of volatile organic compounds or the family of particulates, the pollutant shall not be placed in that respective family category~~ For fee purposes, hazardous air pollutants that are also in the family of volatile organic compounds or the family of particulate matter will be included in their respective family category when determining annual emission fees.

(ii) ~~A miscellaneous category of hazardous air pollutants shall be used for hazardous air pollutants listed at part (2)(i)12. of this rule that do not have an allowable emission standard under Chapter 0400-30-38 or Chapter 1200-03-31. A pollutant placed in this category shall not be subject to being placed in any other category such as volatile organic compounds or particulates~~ For fee purposes, hazardous air pollutants that are not in the family of volatile organic compounds or the family of particulate matter will be reported separately.

(iii) Each individual hazardous air pollutant ~~and the miscellaneous category of hazardous air pollutants~~ is subject to the 4,000-ton cap provisions of subparagraph (2)(i) of this rule.

(iv) Major sources that wish to pay annual fees for ~~PM10~~ PM_{10} on an allowable emission basis may do so if they have a specific ~~PM10~~ PM_{10} allowable emission standard. If a major source has a total particulate emission standard~~,~~ but wishes to pay annual fees on an actual ~~PM10~~ PM_{10} emission basis, it may do so if the ~~PM10~~ PM_{10} actual emission levels are proven to the satisfaction of the Technical Secretary. The method to demonstrate the actual ~~PM10~~ PM_{10} emission levels must be made as part of the source's major source operating permit in advance in order to exercise this option. The ~~PM10~~ PM_{10} emissions reported under these options shall not be subject to fees under the family of particulate emissions. The 4,000-ton cap provisions of subparagraph (2)(i) of this rule shall also apply to ~~PM10~~ PM_{10} emissions.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (j) of paragraph (3) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it

in its entirety and substituting instead the following:

(j) No construction fee, annual emission fee, or permit review fee under paragraph (1) of this rule shall be imposed for review of notices of intent for ~~coverage under a general permit,~~ authorization under a permit-by-rule~~,~~ or issuance of ~~the~~ a notice of ~~coverage or~~ authorization.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (d) of paragraph (3) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(d) ~~Reserved.~~ All construction fees required by paragraph (5) of this rule must be paid in full upon submission of the application.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (a) of paragraph (5) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(a) Construction Permit and Opt-Out Permit Application Filing/Processing Fees

1. The fee rates of this subparagraph effective on July 1, 2022, continue to apply until July 1, 2024.

2. ~~A~~ On and after July 1, 2024, a responsible official applying for the construction permit ~~[~~(i.e., construction as defined in subparagraph (2)(j) of this rule~~]~~) required by Rule 1200-03-09-.01, or an opt-out permit, must pay a construction permit application filing/processing fee as ~~set forth in subparagraph (5)(g), Schedule A of this rule~~ follows:

(i) A responsible official of a minor source or a conditional major source must pay construction permit application fees as set forth in subparagraph (g), Schedule A of this paragraph. The fee determined from subparagraph ~~(5)~~(g), Schedule A of this ~~rule~~ paragraph shall be calculated based on ~~increases in emissions of regulated pollutants.~~ the definitions of anticipated maximum emission rate and anticipated maximum increase in emissions, as defined in subparagraphs (2)(u) and (v) of this rule.

(ii) A responsible official of a major source or a source subject to paragraph (11) of this rule (hereinafter, "Paragraph 11 source") must pay a construction permit application fee of $7,000.

(iii) Except as specified in subpart (v) of this part, a responsible official applying for a Prevention of Significant Air Quality Deterioration permit as required by paragraph (4) of Rule 1200-03-09-.01 must pay a construction application fee of $70,000.

(iv) Except as specified in subpart (v) of this part, a responsible official applying for a permit under the provisions of paragraph (5) of Rule 1200-03-09-.01, Growth Policy, must pay a construction application fee of $70,000.

(v) A responsible official applying for a plantwide applicability limit (PAL) or renewal of a PAL under the provisions of subparagraph (4)(s) of Rule 1200-03-09-.01 or part (5)(b)10 of Rule 1200-03-09-.01 must pay an application fee of $10,000 per pollutant.

(vi) A responsible official of an existing Paragraph 11 source applying for an operating permit to opt out of being a Paragraph 11 source, as described in subparagraph (11)(a) of Rule 1200-03-09-.02, by limiting the potential to emit such that the potential emissions of all pollutants are below the major source applicability thresholds, as defined in part (11)(b)14 of Rule 1200-03-09-.02, must pay an application fee of $18,000.

3. On and after July 1, 2024, an applicant for a minor source or a conditional major source applying to make a change to an existing source or permit such that a new construction permit is required must pay a permit application fee as set forth in subparagraph (g), Schedule A of this paragraph. This fee is determined by the anticipated maximum increase in emissions, as defined in subparagraph (2)(v) of this rule, from the anticipated maximum emission rate of the previous construction permit for the source. The fee rates in this part in effect on July 1, 2022, continue to apply until July 1, 2024.

4. On and after July 1, 2024, an owner or operator of a source that submits notice of intent for coverage under a general permit serving as a construction permit shall pay a permit application fee equal to that determined in accordance with the subparagraph (g) of this paragraph, Schedule A fee corresponding to the applicant's anticipated maximum emission rate, unless an alternate construction permit application fee is stipulated in the table below. If Schedule A from subparagraph (g) of this paragraph is used to determine the fee, it shall be determined by the anticipated maximum increase in emissions, as defined in subparagraph (2)(v) of this rule, from the anticipated maximum emission rate of the previous construction permit for the source.

General Permit Category	Construction and Modification Permit Application Fee
Perchloroethylene and Petroleum Solvent Dry Cleaners	$100
Concrete batch plants	$100
Portable rock crushers	$100
Asphalt plants	$250

5. All application filing/processing fees required by this subparagraph are due upon submission of the permit application.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (b) of paragraph (5) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(b) 1. The fee rates required by this subparagraph effective July 1, 2022, continue until July 1, 2024.

2. With the exception of changes received during the initial construction permit evaluation period (i.e., prior to the ~~certified~~ Division letter or email denoting application completeness), all revisions under subparagraph (4)(e) of this rule ~~which~~ that result in an increase in allowable emissions sought by the applicant or an increase in actual emissions declared in the original application for a permit shall be subject to a fee equal to the following:

(i) For minor sources and conditional major sources, one-half of the Schedule A fee corresponding to the applicant's anticipated maximum emission rate, not to exceed $500.

(ii) For Paragraph 11 sources, $3,500.

3. ~~This~~ The fee required by subparts 2(i) and (ii) of this subparagraph is determined by the anticipated maximum increase in emissions from the anticipated maximum emission rate of the previous construction permit for the source.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (c) of paragraph (5) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(c) Reserved. ~~A responsible official applying to make a change to a source or permit such that a new construction permit is required must pay a permit filing/processing fee equal to one-half the Schedule A fee corresponding to the applicant's anticipated maximum emission rate, not to exceed $500. This fee is determined by the anticipated maximum increase in emissions from the anticipated maximum emission rate of the previous construction permit for the source.~~

T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (e) of paragraph (5) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(e) The Division must make a decision to issue or deny a request for a ~~construction~~ permit in one of the categories listed in parts 1 through 4 of this subparagraph and notify the applicant of that decision in accordance with the following time-lines:

1. Major source or Paragraph 11 source construction permit reviews must be completed in ~~one hundred eighty (~~180~~)~~ days, from receipt of a complete application unless a longer ~~time~~ period is agreed to in writing by the applicant.

2. Minor and conditional major source construction permit reviews must be completed within ~~one hundred fifteen (~~115~~)~~ days from receipt of a complete application.

3. PAL or Renewal PAL reviews must be completed within 18 months from receipt of a complete application.

4. Operating permit reviews for an existing major source or Paragraph 11 source applying for an operating permit to opt out of being a major source or Paragraph 11 source by limiting the potential to emit such that they are below the major source applicability thresholds must be completed within 18 months from receipt of a complete application.

5. If a mutual agreement letter required by part (6)(b)1 of this rule or subparagraph (11)(a) of Rule 1200-03-09-.02 has been requested by the Division at least seven days prior to a deadline specified in part 1, 2, 3, or 4 of this subparagraph, but is not received by that deadline, the applicable deadline specified in part 1, 2, 3, or 4 of this subparagraph shall be seven days after receipt of the agreement letter.

6. If a source is required to have a compliance schedule in their permit in accordance with paragraph (4) of Rule 1200-03-09-.02 arises after an application was deemed complete, the deadlines specified in part 1, 2, 3, or 4 of this subparagraph shall be extended as follows:

(i) 21 days after receipt of a compliance schedule from the applicant that is acceptable to the Technical Secretary if the draft permit is not required to have a public comment period.

(ii) 60 days after receipt of a compliance schedule from the applicant that is acceptable to the Technical Secretary if the draft permit is subject to an opportunity for public comment, and no public hearing is held.

(iii) 60 days after receipt of a compliance schedule from the application that is acceptable to the Technical Secretary if the draft permit is subject to an opportunity for public comment and a public hearing is announced along with the opportunity for public comment on the draft permit.

(iv) 90 days after receipt of a compliance schedule from the applicant that is acceptable to the Technical Secretary if the draft permit is subject to an opportunity for public comment, if a public hearing is requested during the public comment period, and the public hearing is held after the close of the public comment period.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (g) of paragraph (5) of Rule 1200-03-26-.02 Construction and Annual Emission Fees is amended by deleting it in its entirety and substituting instead the following:

(g) The appropriate permit filing/processing fee shall be determined by the applicant from the following ~~schedule~~ schedules:

SCHEDULE A~~—~~
CONSTRUCTION PERMIT FEES FOR MINOR AND CONDITIONAL MAJOR SOURCES

Anticipated Maximum Emission Rate	(Filing/Processing) Permit Fee
Less Than 10 Tons/Year	$ 100~~.00~~
10 to < 100 Tons/Year	$ 500~~.00~~
100 to < 250 Tons/Year	$1,000~~.00~~
250 to < 500 Tons/Year	$2,000~~.00~~
500 to < 1,000 Tons/Year	$3,000~~.00~~
1,000 to < 5,000 Tons/Year	$4,000~~.00~~
5,000 ~~to~~ and Greater Tons/Year	$5,000~~.00~~

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (c) of paragraph (6) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(c) All minor and conditional major source annual fees are due and payable to the State of Tennessee in full according to Schedule I of this subparagraph. The county in which a source is located determines when the source's annual fee is due. If a source is located on contiguous property in more than one county, the county appearing earliest in the calendar year shall be used to determine the due date of the annual fee. Due to seasonal operations, cotton gin source annual fees are due and payable annually to the State of Tennessee by December 1 of each year regardless of the county in which the source is located. The fee must be paid to the State of Tennessee in full by the first day of the month that the fee is due. The Technical Secretary ~~may extend~~ extends this due date ~~an additional~~ by an appropriate period not to exceed 90 days where the source owner or operator's fee notice was mailed by the Department to an incorrect mailing address.

SCHEDULE I

Month the Annual Fee is Due (Accounting Period)
Counties in the Monthly Grouping

January	Anderson, Bedford, Benton, Bledsoe, Blount, Bradley, and Campbell
February	Cannon, Carroll, Carter, Cheatham, Chester, Claiborne, Clay, and Cocke
March	Coffee, Crockett, Cumberland, Davidson, Decatur, DeKalb, Dickson, Dyer, and Fayette
April	Fentress, Franklin, Gibson, Giles, Grainger, Greene, and Grundy
May	Hamblen, Hamilton, Hancock, Hardeman, Hardin, Hawkins, Haywood, and Henderson
June	Henry, Hickman, Houston, Humphreys, Jackson, Jefferson, Johnson, Knox, Lake, Lauderdale, Lawrence, and Lewis
July	Lincoln, Loudon, McMinn, McNairy, Macon, and Madison
August	Marion, Marshall, Maury, Meigs, Monroe, Montgomery, Moore, and Morgan
September	Obion, Overton, Perry, Pickett, Polk, Putnam, and Rhea

October	Roane, Robertson, Rutherford, Scott, Sequatchie, Sevier, and Shelby
November	Smith, Stewart, Sullivan, Sumner, Tipton, Trousdale, Unicoi, and Union
December	Van Buren, Warren, Washington, Wayne, Weakley, White, Williamson, and Wilson

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (d) of paragraph (6) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(d) 1. A newly constructed minor or conditional major source beginning operation subsequent to the annual accounting period for the county in which it is located shall not be required to pay an annual fee for the remainder of the annual accounting period. A minor or conditional major source ceasing operations during the annual accounting period will not receive a refund for annual fees paid.

2. Sources issued a combination construction and operating permit in accordance with paragraph (12) of Rule 1200-03-09-.02 shall pay annual fees as if operation of the new or modified source began on the date of permit issuance. This part does not apply to sources for which construction and operation of the new source or modification began prior to receipt of a construction permit.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (e) of paragraph (6) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(e) ~~The~~ Except for sources that are covered under a general permit issued in accordance with Rule 1200-03-09-.06, the appropriate annual emissions fee for minor and conditional major sources in operation on or after July 1, 1993, shall be calculated at an emission fee rate of $18.75 per ton of allowable emissions of regulated pollutants at the time of the fee assessment by the Division based on the current active permit(s). Sources with allowable emissions less than 10 ~~(ten)~~ tons will not be subject to this fee, provided that such source has not taken a limitation on their permit that would render them a conditional major ~~or synthetic minor~~ source.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (f) of paragraph (6) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(f) ~~Deleted.~~ A responsible official of a source operating under a general permit shall pay an annual emissions fee as stipulated in subparagraph (e) of this paragraph based on the allowable emissions specified in the general permit unless different fee rates are stipulated in the following table. These fees are due and payable by the date established in subparagraph (c) of this paragraph:

General Permit Category	Combined Annual Emission Fee and Base Fee	Permit Review Fee
Perchloroethylene and Petroleum Solvent Dry Cleaners	$0	$0
Concrete Batch Plants with emissions less than 10 tons per calendar year	$0	$0
Concrete Batch Plants with emissions greater than or equal to 10 tons per calendar year	$400	$0

Portable rock crushers at True Minor Facilities	$1,000	$0
Portable rock crushers at Conditional Major Facilities	$1,000	$500
Asphalt Plants	$1,000	$500

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (a) of paragraph (8) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(a) The Technical Secretary will not issue any ~~certificate,~~ permit or ~~other official document subject to a fee in this chapter~~ renewal of a permit to an applicant until ~~the required fee has~~ all fees required by this chapter have been paid in full to the ~~Division~~ State of Tennessee.

Authority: T.C.A. §§ 4-5-201, et seq.; 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (b) of paragraph (8) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(b) If any part of any fee imposed under this rule is not paid within 15 days of the due date, a late payment penalty of ~~5%~~ five percent of the amount due shall at once accrue and be added thereto. Thereafter, on the first day of each month during which any part of any fee or any prior accrued late payment penalty remains unpaid, an additional late payment penalty of ~~5%~~ five percent of the then unpaid balance shall accrue and be added thereto. In addition, the fees not paid within 15 days after the due date, shall bear interest at the maximum lawful rate from the due date to the date paid, compounded monthly; however, the total of the penalties and interest that accrue pursuant to subparagraph shall not exceed three times the amount of the original fee. ~~The Division will consult with the State of Tennessee's Department of Finance and Administration to determine the appropriate rate of interest.~~

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subpart (iii) part 2 of subparagraph (a) of paragraph (9) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(iii) Sources choosing to pay annual fees on an actual emissions basis or a combination of actual and allowable emissions basis and on a fiscal year basis pursuant to subparagraph (b) of this paragraph shall pay an estimated 65% of the fee due pursuant to subparagraph (d) of this paragraph no later than April 1 of the current fiscal year. The remainder of the annual fee is due ~~July~~ August 1 of each year, except as allowed by part (g)3. of this paragraph.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Part 4 of subparagraph (b) of paragraph (9) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

4. The responsible official of a newly constructed major source, Paragraph 11 source, or minor source modifying its operation such that the source becomes a major source or Paragraph 11 source shall pay an initial annual fee based on a calendar year and allowable emissions for the fractional remainder of the calendar year commencing upon the source's start-up. However, in no case shall the annual fee be less than the annual base fee established in part (d)1 of this paragraph. Prior to July 1, 2024, in no case shall the annual fee be less than the minimum fee established in subpart (d)2(ii) of this paragraph effective on July 1, 2022.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subparagraph (d) of paragraph (9) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(d) 1. Notwithstanding the fee rates established by ~~part 2.~~ parts 2 and 4 of this subparagraph, a responsible official of any source subject to this paragraph ~~(9)~~ shall pay an annual base fee ~~of $6,000 for fees due on and after January 1, 2023~~ which shall be calculated in accordance with subparts (i) through (iii) of this part. This base fee shall be paid in addition to the annual emission fee established by subpart 2.(iii) of this subparagraph~~, but shall be counted toward the applicable minimum fee set forth in subpart 2.(ii) of this subparagraph~~. The fee rates required by this part effective July 1, 2022, continue to apply until July 1, 2024.

(i) The base fee shall be determined by the number of federal air quality standards to which a major source or Paragraph 11 source is subject. The following federal air quality standards shall be considered if the standards have been incorporated into a permit issued to the facility under the provisions of Chapter 1200-03-09 or have been incorporated into Chapter 0400-30-38 or Chapter 0400-30-39:

(I) Standards of Performance for New Stationary Sources as codified in 40 C.F.R. part 60, excluding subparts A, B, Ba, C, Cb, Cc, Cd, Ce, Cf, AAA, DDDD, FFFF, MMMM, and UUUUa.

(II) National Emission Standards for Hazardous Air Pollutants as codified in 40 C.F.R. part 61, excluding subpart A.

(III) National Emissions Standards for Hazardous Air Pollutants as codified in 40 C.F.R. part 63, excluding subparts A, B, C, D, E, OO, PP, QQ, RR, SS, TT, UU, VV, and XX.

(ii) If a facility is subject to 40 C.F.R. part 60 subpart IIII or JJJJ, or 40 C.F.R. part 63 subpart ZZZZ or CCCCCC and is only subject to that subpart for air contaminate sources that are not required to be included in a permit in accordance with paragraph (4) of Rule 1200-03-09-.04, then such subpart shall not be included when determining the number of federal air quality standards that a source is subject.

(iii) The base fee is determined in accordance with the following table:

Number of federal air quality standards	Base Fee
0	$10,000
1	$15,000
2 to 3	$20,000
4 to 5	$30,000
6 to 10	$40,000
11 to 20	$50,000
21 and up	$75,000

2. (i) For purposes of this part, an electric utility generating unit (EGU) means any steam electric generating unit or stationary combustion turbine that is constructed for the purpose of supplying more than one-third of its potential electric output capacity and more than 25 MW net-electrical output to any utility power distribution system for sale. Also, any steam supplied to a steam distribution system for the purpose of providing steam to a steam electric generator that would produce electrical energy for sale is considered in determining the electrical energy output capacity of the affected EGU.

(ii) Reserved. ~~Notwithstanding the annual emission fee rates established by subpart (iii) of this part, the annual fee required to be paid by a responsible official of any source subject to this paragraph (9) shall be no less than:~~

~~(I) $5,500 for sources (once in always in or OIAI sources) subject to this~~

~~paragraph (9) solely due to the May 16, 1995 EPA memorandum entitled, "Potential to Emit for MACT Standards—Guidance on Timing Issues," from John Seitz, Director, Office of Air Quality Planning and Standards (OAQPS), to EPA Regional Air Division Directors, provided that the source has permitted allowable emissions below the major source thresholds found in part (11)(b)14. of Rule 1200-03-09-.02. If the source's permitted allowable emissions are not below those major source thresholds as of October 31 of the annual accounting period for which fees are due under this part, then item (II) of this subpart applies; and~~

~~(II) $10,000 for all other sources subject to this paragraph (9) for fees due on and after January 1, 2023.~~

(iii) The emission fee rates applied to calculate the annual fee assessed pursuant to subparagraph (a) of this paragraph shall be as follows:

(I) Fee based on actual emissions: $70.50 per ton for non-EGU sources and $98.50 per ton for EGU sources; and

(II) Fee based on allowable emissions: $48.50 per ton for non-EGU sources and $68.00 per ton for EGU sources.

(iv) The fees and fee rates enumerated in this subparagraph ~~(d)~~ must be supported by the Division's annual workload analysis that is approved by the Board.

3. The fees and fee rates specified in this subparagraph ~~(d)~~ shall remain in effect until the effective date of an amendment to this subparagraph ~~(d)~~. Any revision to the fees and fee rates must result in the collection of sufficient fee revenue to fund the activities identified in subparagraph (1)(c) of this rule and must be supported by the Division's annual workload analysis that is approved by the Board.

4. Notwithstanding the fee rates established by part 1 or 2 of this subparagraph, a responsible official of any source subject to this paragraph shall pay a Title V modification fee calculated as follows:

(i) For each minor permit modification issued in accordance with subpart (11)(f)5(ii) of Rule 1200-03-09-.02 during the calendar year preceding the year in which the annual fee is due, the responsible official shall pay $2,800.

(ii) For each significant modification issued in accordance with subpart (11)(f)5(iv) of Rule 1200-03-09-.02 during the calendar year preceding the year in which the annual fee is due, the responsible official shall pay $5,000.

5. The Title V modification fee required by part 4 of this subparagraph shall be paid in addition to the annual emission fee established by subpart 2(iii) of this subparagraph.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

Subpart (i) part 3 of subparagraph (g) of paragraph (9) of Rule 1200-03-26-.02 Construction and Annual Fees is amended by deleting it in its entirety and substituting instead the following:

(i) Responsible officials choosing to pay the annual fee based on actual emissions or a mixture of actual and allowable emissions may request an extension of time for filing the emissions analysis with the Technical Secretary. The extension may, for facilities paying fees on a calendar year basis, be granted by the Technical Secretary for up to 90 days after the fee is due pursuant to subparagraph (a) of this paragraph. The extension may, for facilities paying fees on a fiscal year basis, be granted by the Technical Secretary for up to 60 days after the fee is due pursuant to subparagraph (a) of this paragraph. The request for extension must be received by the Division no later than 4:30 p.m. on April 1 or the request for extension shall be denied. The request for extension to file must state the reason

for the request and provide an adequate explanation. An estimated annual fee payment of no less than 65% of the annual fee must accompany the request for extension to avoid penalties and interest on the underpayment of the annual fee. The remaining balance due must accompany the emission analysis. If there has been an overpayment, the responsible official may request a refund in writing to the Division or the amount of the overpayment may be applied as a credit toward the next annual fee.

Authority: T.C.A. §§ 4-5-201, et seq., 68-203-103, et seq.; and 68-201-101, et seq.

I certify that the information included in this filing is an accurate and complete representation of the intent and scope of rulemaking proposed by the agency.

Date: _____

Signature: _____

Name of Officer: Michelle W. Owenby

Title of Officer: Director of the Division of Air Pollution Control

Department of State Use Only

Filed with the Department of State on: _____

_____
Tre Hargett
Secretary of State