

June 22, 2006  
P2006-10, Fees

**FORM # 4, Part 1**

**NEVADA STATE ENVIRONMENTAL COMMISSION  
SMALL BUSINESS IMPACT DISCLOSURE PROCESS  
PURSUANT TO 233B "Nevada Administrative Procedures Act"**

RE: Proposed Amendment to NAC 445B.001-.3497, AIR CONTROLS: AIR POLLUTION  
By: Nevada Division of Environmental Protection (NDEP), Bureau of Air Pollution Control and Bureau of Air Quality Planning

1. Does this proposed regulation impose a direct and significant economic burden upon a small business?

ANSWER: NO. This regulation focuses on fee increases for the larger emitting sources and makes minimal changes to the fees for lesser emitting sources, thereby reducing the impact of the regulation on small businesses.

The regulation amends the fee structure for the operating permits program in the Bureau of Air Pollution Control. The permit program divides permits into three classes based on the sources' potential to emit (PTE) pollutants. The fourth category of permits is surface area disturbances (SADs), which are required for any disturbance of five acres or more.

The fees for sources with the smallest PTE, or Class III sources, have not been increased. For the middle class of sources, or Class II sources, which have a PTE of less than 100 tons per year, the amendments make three changes: the general permit application fee is raised by \$100; the annual maintenance fee for sources emitting less than 25 tons per year is raised by \$250; and under the annual maintenance fee structure, a new category of sources at the high end PTE is created and assessed \$5,000. The regulation removes the annual emissions based fee for Class II sources. Class I sources have a PTE greater than 100 tons per year and their fees are most impacted by the proposed regulation.

Fees for SADs are reorganized into a tiered structure based on the acreage permitted: a permit for a small disturbance is charged less than for a larger disturbance. The application fee for a SAD is raised by \$100. These increases are necessary because of the large amount of staff resources consumed in the compliance and enforcement of SADs.

All annual maintenance and emissions fees will be subject to a new adjustment factor of 2 percent compounded annually to account for inflation. This is not a significant impact for Class III sources, since they are not subject to emissions fees and it will take 35 years for their annual maintenance fee to double.

The amendments clarify that the annual maintenance fee for the first year, i.e., the fiscal year during which the permit is issued, is covered by the application fee.

2. Does this proposed regulation restrict the formation, operation or expansion of a small business? ANSWER: NO.

3. If **Yes** to either of questions 1 & 2, the following action must be taken:

A. Was a small business impact statement prepared and was it available at the public workshop(s). ANSWER: N/A

B. Attach the Small Business Impact Statement (part 2) as part of Form #4 upon submission of the proposed regulation to the State Environmental Commission when Form #1 (petition to the Commission) is submitted. ANSWER: N/A