

Permit Program Implementation

Estimated Costs, Proposed Fee Structure and Examples, and Program
Implementation

October 25, 2024 - SWAP Meeting

NPDES and State Permit Program Costs

- ▶ Program Planning, Management, and Oversight
- ▶ Guidance Development, Review, and Implementation
- ▶ Training
- ▶ Administration of Fee

Program

- ▶ Permitting
 - ▶ Individual
 - ▶ General
 - ▶ Extraordinary Permits
- ▶ Public Participation
 - ▶ Outreach
- ▶ Data Management
- ▶ Permit Appeals
- ▶ Compliance Assistance

Permit Type	NPDES Program	State Program
POTWs	60	8
Industrial	35	5
CGP	3,200	310
MSGP	500	40
MS4	35	0
CAFO	20	0
Other	50	15

Approximate Values

FTE: 16.7 (~\$2.2M)

NPDES and State Permit Program Costs

Activity - Administrative	LOE (hrs)	FTE	Cost
Program planning, management and oversight	6,600	3.7	\$535k
Rule and guidance development, review, and revision	3,520	2.0	\$318k
Administration of fee program	3,960	2.2	\$321k
Estimated Total Permit Admin	14,080	7.8	\$1.17M

Activity - Technical	LOE (hrs)	FTE	Cost
Permit Issuance - Individual Permits	7,560	4.2	\$483,741
Permit Issuance - General Permits	5,400	3.0	\$345,510
Permit Issuance - General Permit Authorization	2,872	1.6	\$183,760
Permit Appeals	199	0.1	\$12,696
Estimated Total Permit Technical	16,031	8.9	\$1.03M

Total LOE: 30,111 hours
 Total Cost: \$2.2M

NPDES and State Compliance Program Costs

- ▶ Program Planning, Management, and Oversight
- ▶ Guidance Development, Review, and Implementation
- ▶ Training
- ▶ Review of Discharge Monitoring Reports
- ▶ Routine Compliance Inspections (Majors: 1/2 years/Minors: 1/5 years)
 - ▶ Reconnaissance Inspections
 - ▶ Comprehensive Inspections
 - ▶ Pretreatment Performance Compliance Inspections/Audits
 - ▶ Sanitary Sewer Overflows
 - ▶ MS4 Inspections
 - ▶ CAFO Inspections
 - ▶ Stormwater Inspections (MSGP/CGP)
 - ▶ Diagnostic Inspections
- ▶ Compliance Assistance
- ▶ Data Management

FTE: ~14.1 (~\$1.7M)

NPDES and State Compliance Program Costs

Activity - Technical	LOE (hrs)	FTE	Cost
DMR Reviews	4,210	2.3	\$269,369
Reconnaissance Inspections - Individual Permits	70	0.04	\$5,978
Comprehensive Inspections - Individual Permits	700	0.4	\$46,321
Pretreatment Inspections/Audits	371	0.2	\$23,709
Diagnostic Inspections	520	0.3	\$33,271
General Permit Inspections (Recon and Comp)	11,753	6.5	\$770,340
Compliance Assistance	7,866	4.4	\$503,316
Estimated Total Compliance Cost	25,490	14.1	\$1.7M

NPDES and State Enforcement Program Costs

- ▶ Program Planning, Management, and Oversight
- ▶ Guidance Development, Review, and Implementation
- ▶ Training
- ▶ Complaint Investigation
- ▶ Non-Permitted Facilities
- ▶ Emergency Response
- ▶ Monitoring
- ▶ Data Management
- ▶ Violation Response
 - ▶ Initial and follow-up activities
- ▶ Administrative Orders
- ▶ Appeals/Hearings
- ▶ Civil/Criminal Referral and Post-referral Follow-up

FTE: 17.1 (~\$2.0M)

NPDES and State Enforcement Program Costs

Activity - Technical	LOE (hrs)	FTE	Cost
Complaint Investigation - Individual Permits	150	0.1	\$9,597
Complaint Investigation - General Permits	5,723	3.2	\$366,189
Complaint Investigation - Emergency Response	1,165	0.6	\$74,516
Complaint Investigation - Non-permitted	17,419	9.7	\$1,114,538
Violation Response - Initial and Follow Up - Individual	331	0.2	\$21,191
Violation Response - Initial and Follow Up - General	2,780	1.5	\$177,914
Administrative Orders	2,593	1.4	\$165,921
Civil/Criminal Referral	778	0.4	\$49,762
Total Enforcement Technical	30,939	17.1	\$1.98M

State “404ish” Program Costs

- ▶ Planning and Coordination for Wetlands Program
 - ▶ Program Development and Evaluation
 - ▶ Development of any Assessment/Management Techniques Necessary
 - ▶ Intra-agency and Interagency Coordination
- ▶ Permitting - Individual
- ▶ State Programmatic General Permit Program
- ▶ Surveillance and Enforcement of Permit Compliance
- ▶ Administrative and Legal Appeals
- ▶ Public Education and Outreach
- ▶ Staff Training

NPDES and State “404ish” Program Costs

Activity	LOE (hrs)	FTE	Cost
Planning and Coordination	3,600	2.0	\$230,340
Permitting - Individual	1,000	0.6	\$63,983
Permitting - SPGP	4,730	2.6	\$302,641
Surveillance and Enforcement of Permit Compliance	2,727	1.6	\$174,455
Administrative and Legal Appeals	2,700	1.5	\$172,755
Public Education and Outreach	738	0.4	\$47,209
Staff Training	720	0.4	\$46,068
Total 404ish Administrative	3,600	2.0	\$230,340
Total 404ish Technical	12,191	6.9	\$780,010
Total 404ish	15,791	9.1	\$1,037,451

NPDES and State Program: Total Costs

Program	Estimated FTE	Estimated Cost (\$ Million)
Permitting	16.7	2.2
Compliance	14.1	1.7
Enforcement	17.1	2.0
404ish	9.1	1.0
Other Related Costs	NA	-0.9
Total:	~57	~7.8

Approximate Values

Proposed Permitting Fees

- ▶ Considerations:
 - ▶ Fully Fund Programs?
 - ▶ Partially Fund Program Through State General Fund?
 - ▶ Equitability/Reasonableness
 - ▶ Type of Facility
 - ▶ Flow Volume/Design Flow
 - ▶ Number of Outfalls
 - ▶ Permit Type
 - ▶ Individual
 - ▶ General
 - ▶ Major
 - ▶ Minor
 - ▶ Complexity
 - ▶ Application Fee vs Annual Fee
 - ▶ Service Related Fees (e.g., Special Study Reviews)

Permit Type	NPDES Program	State Program
POTWs	60	8
Industrial	35	5
CGP	3,200	310
MSGP	500	40
MS4	35	0
CAFO	20	0
Other	50	15

Approximate Values

Proposed Permitting Fees

▶ Application Fee vs Annual Fees

- ▶ Application Fee: One-time fee when application is submitted
 - ▶ Permit development and outreach
- ▶ Annual Fee: Reoccurring annual fee for each year the permit is active and held by a permittee
 - ▶ Compliance/enforcement and outreach
- ▶ States that rely on application fees may face inconsistent annual funding
- ▶ States that rely on annual fees tend to have more consistent funding
- ▶ Combined approach can address permit-specific level of effort, and provide consistent funds for on-going programmatic maintenance

Proposed Permitting Fees

Arizona Annual Fees

Permit Type	Annual Fee	Annual Registration Fee if Facility is Not Yet Constructed
Municipal separate storm sewer system	\$14,670	N/A
Wastewater treatment plant (based on gallons of discharge per day):		
Less than 99,999		\$370
100,000 to 999,999	\$370	\$730
1,000,000 to 9,999,999	\$730	\$920
10,000,000 or more	\$3,670	\$1,100
Facility or activity that is not a wastewater treatment plant or municipal separate storm sewer and designated in the permit as either:	\$3,670	
Major		\$920
Minor	\$730	\$730
Pretreatment program	\$4,400	N/A
Consolidated individual permit for multiple AZPDES individual permits, as allowed under A.A.C. R18-9-B901(C)	Aggregate of the applicable annual fees of each individual permit	Aggregate of the applicable annual fees of each individual permit

Arizona Permitting Fees

Permit Type	Maximum Fee
Individual permit for municipal separate storm sewer system	\$58,670
Individual permit for wastewater treatment plant (based on gallons of discharge per day)	
3,000 to 99,999	\$22,000
100,000 to 999,999	\$29,340
1,000,000 to 9,999,999	\$44,000
10,000,000 or more	\$73,340
Individual permit for a facility or activity that is not a wastewater treatment plant or a municipal separate storm sewer	\$44,000
Amendment to an individual permit	\$18,330
Approval of a new or revised pretreatment program under AZPDES	\$14,670
Consolidated individual permit for multiple AZPDES individual permits, as allowed under A.A.C. R18-9-B901(C)	Aggregate of the applicable maximum fees

\$180/hr, maximums provided above

Proposed Permitting Fees

Arizona General Permitting Fees

Category	Factors for Establishing Fees	Initial Fee and Annual Fees
Municipal Separate Storm Sewer System General Permit	The fee is based on the population of the permitted area:	<ul style="list-style-type: none"> *Less than or equal to 10,000 \$3,670 *Greater than 10,000 but less than or equal to 100,000 \$7,330 *Greater than 100,000 \$11,000
	The fee for a non-traditional municipal separate storm sewer system, such as a hospital, college, or military facility	\$7,330
Construction General Permit	<p>The fee is based on the amount of acreage identified in the Notice of Intent:</p> <ul style="list-style-type: none"> *Less than or equal to 1 acre \$370 *Greater than 1 acre but less than or equal to 50 acres \$510 *Greater than 50 acres \$730 Erosivity Waiver \$1,100 Pollution prevention plan review \$1,470, no annual fee Each additional submittal due to deficiency \$730, no annual fee <p>If more than one person must apply for general permit coverage of the same facility or discharge activity, each person pays:</p>	Fee applicable to the amount of acreage each person controls
Multi-Sector General Permit	<p>The fee is based on the amount of acreage identified in the Notice of Intent:</p> <ul style="list-style-type: none"> *Less than or equal to 1 acre \$510 *Greater than 1 acre but less than or equal to 40 acres \$730 *Greater than 40 acres \$1,470 Pollution prevention plan review \$1,470 no annual fee *Each additional submittal due to deficiency \$730, no annual fee Certificate of No Exposure \$1,830, no annual fee <p>If more than one person must apply for a general permit coverage of the same facility or discharge activity, each person pays:</p>	Fee applicable to the amount of acreage each person controls
De Minimis General Permit		<ul style="list-style-type: none"> *Notice of Intent for Single Source \$370 *Notice of Intent for Areawide/Project-Wide/Facility-Wide \$730 *Review of a Best Management Practices Plan (BMPP) \$1,470, no annual fee *Each additional submittal due to deficiency \$730, no annual fee
Pesticide General Permit		<ul style="list-style-type: none"> *Single Source Permit \$370 *Areawide Permit \$730 *Pesticide Discharge Management Plan Review \$1,470 *Each additional submittal due to deficiency \$730, no annual fee

Proposed Permitting Fees

Virginia Permitting Fees

VPDES Industrial Major	\$24,000
VPDES Municipal Major	\$21,300
VPDES Industrial Minor/No Standard Limits	\$10,200
VPDES Industrial Minor/Standard Limits	\$3,300
VPDES Industrial Stormwater	\$7,200
VPDES Municipal Minor/Greater Than 100,000 GPD	\$7,500
VPDES Municipal Minor/10,001 GPD-100,000 GPD	\$6,000
VPDES Municipal Minor/1,001 GPD-10,000 GPD	\$5,400
VPDES Municipal Minor/1,000 GPD or less	\$2,000
VPDES Municipal - The authorization for land application, distribution, or marketing of biosolids or land disposal of sewage sludge	\$5,000

Virginia Annual Fees

VPDES Industrial Major	\$7,876
VPDES Municipal Major/Greater Than 10 MGD	\$7,794
VPDES Municipal Major/2 MGD - 10 MGD	\$7,138
VPDES Municipal Major/Less Than 2 MGD	\$6,317
VPDES Industrial Minor/No Standard Limits	\$3,347
VPDES Industrial Minor/Standard Limits	\$1,969
VPDES Industrial Minor/Water Treatment System	\$1,969
VPDES Industrial Stormwater	\$2,363
VPDES Municipal Minor/Greater Than 100,000 GPD	\$2,461
VPDES Municipal Minor/10,001 GPD - 100,000 GPD	\$1,969
VPDES Municipal Minor/1,001 GPD - 10,000 GPD	\$1,772
VPDES Municipal Minor/1,000 GPD or Less	\$656

Proposed Permitting Fees

California Annual California Permitting Fees

ANNUAL FEE SCHEDULE FOR AREAWIDE MUNICIPAL STORM WATER SEWER SYSTEM PERMITS AND CO-PERMITTEES

Population	Fee
Equal to or greater than 250,000	\$70,667
200,000 to 249,999	\$61,833
150,000 to 199,999	\$53,352
100,000 to 149,999	\$44,169
75,000 to 99,999	\$35,333
50,000 to 74,999	\$26,498
25,000 to 49,999	\$17,666
10,000 to 24,999	\$10,602
1,000 to 9,999	\$7,067
Less than 1,000 population	\$3,535
Statewide Permit Holders	\$282,664
High Speed Rail Authority	\$165,739

POTW Annual Fee:

Fee = \$3,576 + (6,323 x Flow (MGD))

Maximum Fee of \$894,107

Additional \$10k for pretreatment program

Acres	Annual Fee
>0 to <1	\$1,651
1 to <5	\$1,673
5 or more	\$1,818

Proposed Permitting Fees

Nevada Permitting Fees

Type	Application Fee	Annual Fee
Domestic Wastewater	<ul style="list-style-type: none"> • <50,000 gallons: \$1,000 • 50k-250k: \$1,500 • 250k-500k: \$2,000 • 500k-1M: \$3,000 • 1M-2M: \$4,000 • 2M-5M: \$6,000 • 5M-10M: \$10,000 • 10M-20M: \$10,000 • 20M-40M: \$10,000 • 40M+: \$10,000 	<ul style="list-style-type: none"> • <50,000 gallons: \$1,406 • 50k-250k: \$2,109 • 250k-500k: \$2,812 • 500k-1M: \$4,219 • 1M-2M: \$5,626 • 2M-5M: \$8,438 • 5M-10M: \$14,066 • 10M-20M: \$28,132 • 20M-40M: \$42,198 • 40M+: \$56,263
Other Discharges (not including CAFOs and other categories)	<ul style="list-style-type: none"> • <50,000 gallons: \$1,000 • 50k-250k: \$1,500 • 250k-500k: \$3,000 • 500k-1M: \$5,000 • 1M-10M: \$10,000 • 10M-35M: \$10,000 • 35M+: \$10,000 	<ul style="list-style-type: none"> • <50,000 gallons: \$1,406 • 50k-250k: \$2,109 • 250k-500k: \$4,219 • 500k-1M: \$7,302 • 1M-10M: \$14,066 • 10M-35M: \$28,132 • 35M+: \$42,198

Proposed Permitting Fees

Nevada General Permitting Fees

Type	Application Fee	Annual Fee
CGP	<ul style="list-style-type: none">• <10 acres: \$300• 10-49 acres: \$400• 50-99 acres: \$750• 100-499 acres: \$1,000• 500+ acres: \$1,250	<ul style="list-style-type: none">• <10 acres: \$200• 10-49 acres: \$200• 50-99 acres: \$400• 100-499 acres: \$400• 500+ acres: \$400
MSGP	\$1,500	\$1,000
Mining SW	\$1,500	\$1,000
Other	\$300	\$300

Proposed Permitting Fees

- ▶ Overview of a few fee structures
 - ▶ State and NPDES program to have same fees
 - ▶ General Permits are $\sim 1/2$ of the permit program costs
 - ▶ Of the $\sim 1/2$ remaining costs attributable to individual permits:
 - ▶ POTWs make up $\sim 2/3$ of the individual permits
 - ▶ Industrials make up $\sim 1/3$ of the individual permits
- ▶ Individual Permits ($\sim \$32\text{k}/\text{facility}$ annually)

Proposed Permitting Fees

- ▶ Overview of a few fee structures
 - ▶ State and NPDES program to have same fees
 - ▶ NPDES and State must fund up to \$6.8M in operational costs
 - ▶ General Permits provide ~49% of the necessary funding
 - ▶ ~\$3.4M
 - ▶ Major/Minor facilities need to make up the remaining funds
 - ▶ ~\$3.6M
- ▶ Individual Permits (~\$32k/facility annually)

Proposed Permitting Fees

- ▶ Equitable Fees based on Major/Minor and design flow
- ▶ POTW Fees: Formula
 - ▶ Design Flow
 - ▶ Tax Bracket Approach
 - ▶ Pretreatment Program
- ▶ Additional Fees:
 - ▶ Study Reviews
 - ▶ Dilution Modeling
 - ▶ Permit Mods
 - ▶ Follow-up Inspection

Percentile	Application Fees	Annual Fees
10 th	\$2,371	\$3,577
25 th	\$3,060	\$6,505
50 th	\$7,060	\$23,505
75 th	\$16,660	\$54,555
90 th	\$29,500	\$109,125
100 th	\$46,010	\$179,293

Approximate Values

Proposed Permitting Fees

- ▶ POTW Application Fee
 - ▶ Base Fee x Flow Factor
 - ▶ Base fee:
 - ▶ Minor: \$2,000
 - ▶ Major: \$5,000
- ▶ Example: Major POTW with design flow of 5.5 MGD
- ▶ Fee = \$5,000 + (500k x 0.003000) + \$21,160 = \$27,660

Flow (gallons)	Cost/Gallon	Cap
10,000	0.012500	125
25,000	0.011500	297.5
50,000	0.010500	560
100,000	0.010000	1,060
250,000	0.009000	2,410
500,000	0.008000	4,410
1,000,000	0.006500	7,660
2,500,000	0.004000	13,660
5,000,000	0.003000	21,160
7,500,000	0.002500	27,410
10,000,000	0.001000	29,910
20,000,000	0.000500	32,410
30,000,000	0.000250	33,660
40,000,000	0.000200	35,660
50,000,000	0.000150	37,160
>50,000,000	0.000125	38,410

Proposed Permitting Fees

▶ POTW Annual Fee

▶ Base Fee x [Flow Factor x 4.25]

▶ Base fee:

▶ Minor: \$2,000

▶ Major: \$5,000

▶ Example: Major POTW with design flow of 5.5 MGD

▶ Fee = \$5,000 + [(500k x 0.003000) + \$21,160] x 4.25 = \$101,305

Flow (gallons)	Cost/Gallon	Cap
10,000	0.012500	125
25,000	0.011500	297.5
50,000	0.010500	560
100,000	0.010000	1,060
250,000	0.009000	2,410
500,000	0.008000	4,410
1,000,000	0.006500	7,660
2,500,000	0.004000	13,660
5,000,000	0.003000	21,160
7,500,000	0.002500	27,410
10,000,000	0.001000	29,910
20,000,000	0.000500	32,410
30,000,000	0.000250	33,660
40,000,000	0.000200	35,660
50,000,000	0.000150	37,160
>50,000,000	0.000125	38,410

Proposed Permitting Fees

- ▶ Equitable Fees based on Major/Minor
- ▶ POTW Fees: Formula
 - ▶ Design Flow
 - ▶ Tax Bracket Approach
 - ▶ Pretreatment Program
- ▶ Additional Fees:
 - ▶ Study Reviews
 - ▶ Dilution Modeling
 - ▶ Permit Mods
 - ▶ Follow-up Inspection

Percentile	Application Fees	Annual Fees
10 th	\$2,500	\$3,577
25 th	\$2,500	\$6,505
50 th	\$5,750	\$23,505
75 th	\$36,250	\$54,555
90 th	\$104,688	\$109,125
100 th	\$209,375	\$179,293

Approximate Values

Proposed Permitting Fees

▶ Industrial Application Fee

▶ Can't base on flow

▶ Considerations that impact LOE

▶ Complexity

▶ Power Plants

▶ Mines

▶ Refineries

▶ Very large facilities with multiple wastewaters

▶ Application of effluent limitation guidelines

▶ Number of outfalls

▶ Major/Minor

Percentile	Application Fees	Annual Fees
10 th	\$2,500	\$5,000
25 th	\$2,500	\$5,000
50 th	\$5,750	\$5,000
75 th	\$37,187	\$27,500
90 th	\$104,688	\$65,000
100 th	\$209,375	\$65,000

Proposed Permitting Fees

▶ Industrial Application Fee

▶ Complexity Factor x Base Fee

▶ Additional Outfalls (max of 25) x Base Fee x 1.3 x Complexity Factor

▶ Base fee:

▶ Minor: \$2,500

▶ Major: \$7,500

▶ Complexity Factor based on experience

▶ Example:

▶ Simple 1 outfall major

▶ $\$7,500 \times \text{Complexity Factor (1.00)} = \$7,500$

Proposed Permitting Fees

▶ Industrial Application Fee

▶ Complexity Factor x Base Fee

▶ Additional Outfalls (max of 25) x Base Fee x 1.3 x Complexity Factor

▶ Base fee:

▶ Minor: \$2,500

▶ Major: \$7,500

▶ Example:

▶ Simple 2 outfall major

▶ $\$7,500 \times \text{Complexity Factor (1.00)} = \$7,500$

▶ $1 \text{ additional outfall} \times \$7,500 \times 1.3 \times 1.00 = \$9,750$

▶ Total: \$17,250

Proposed Permitting Fees

▶ Industrial Application Fee

▶ Complexity Factor x Base Fee

▶ Additional Outfalls (max of 25) x Base Fee x 1.3 x Complexity Factor

▶ Base fee:

▶ Minor: \$2,500

▶ Major: \$7,500

▶ Example:

▶ Complex 2 outfall minor

▶ $\$2,500 \times \text{Complexity Factor (2.50)} = \$6,250$

▶ $1 \text{ additional outfall} \times \$2,500 \times 1.3 \times 2.50 = \$8,125$

▶ Total: \$14,375

Proposed Permitting Fees

▶ Industrial Annual Fee

- ▶ Base Fee + (Number of outfalls x Base Fee)

 - ▶ Max of 25 outfalls

- ▶ Base fee:

 - ▶ Minor: \$2,500

 - ▶ Major: \$7,500

▶ Example:

- ▶ 2 outfall minor

 - ▶ $\$2,500 + (\text{number of outfalls} \times \$2,500) = \$7,500$

Proposed Permitting Fees - General Permits

Fees may be broken out further based on complexity, flow, acreage, etc.

Permit Type	Facilities	Application Fee	Annual Fee
NPDES MSGP	512	\$725	\$600
State MSGP	50	\$725	\$600
NPDES CGP	3,172	\$725	\$725
State Waters CGP	300	\$725	\$725
MS4	35	\$2,500	\$2,500
Hydrostatic	10	\$500	\$450
Aquaculture	6	\$500	\$450
Pesticides	25	\$500	\$250
Wildfire	10	\$500	\$250
CAFO	21	\$1,500	\$1,250