



Guide to Completing and Submitting the Annual Emissions Reporting Form (AERF) for purposes of Assessing the Title V Operating Permit Fee

STATEMENT OF PURPOSE AND DISCLAIMER

Pursuant to informal discussions between the staff of DEQ and members of the regulated community, an agreement was reached that more comprehensive guidance and instruction needed to be provided to facilities regarding the reporting of actual annual emissions for purposes of the Title V fee. Consequently, this guide was developed to assist facilities in preparing and submitting a report of actual emissions for purposes of basing the Title V fee on the reported actual emissions instead of the allowable emissions.

This first generation version of the guidance has received limited review within DEQ and the regulated community. Since the guide may need to be modified to improve its usefulness, it is not proposed to be yet adopted by DEQ as policy through formal administrative procedures. Except for noted regulation excerpts which are verbatim, the guidance, interpretative explanations, suggestions, and cautionary statements in this guide are offered merely as guidance and do not create any enforceable right or duty separate from the Mississippi Title V regulations (APC-S-6).

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Introduction

This guide is intended to assist Title V-subject facilities in properly completing and submitting a report of actual emissions to be used as the basis for assessment of the Title V fee which is due **September 1** of each calendar year. It is not intended to address issues or provide assistance in areas not related to fees.

The Annual Emissions Reporting Form (AERF) is the tool that DEQ has chosen to use to assure that emissions data for fees are reported in a consistent manner by all facilities wishing to have the fee based on actual emissions. While there have been format and detail changes to the AERF over the last several years, the form retains much of its original design with regard to the critical data elements and should hold no surprises for facilities which have paid fees in past years.

Guidance on completing and submitting the AERF is provided in the following pages. The guidance is divided into three parts:

- a concise list of the basic procedural steps for completing and submitting the AERF (provided for those persons/facilities already familiar with the reporting procedures)
- the same list of procedural steps containing significantly more detail, including dos, don'ts and suggestions (provided for those persons/facilities less familiar with the AERF procedures)
- appendices containing information referenced in the procedural steps but separated to improve readability and comprehension

Due to length, the entire Mississippi Title V regulations is not included as part of this guide. Section VI of the regulations (which sets the requirements for emissions reporting for fees) is referenced in some of the guidance; therefore, a copy of Section VI. Permit Fees has been included in Appendix 3.

Basic Procedure For Completing And Submitting the AERF

(see Expanded Procedure Section for more information for each item)

1. Upon receipt, review the AERF for accuracy of all pre-printed information. An example AERF with clarifying notes is provided in Appendix 6.
2. Collect all emissions data, operational records, and other reference materials that are needed to calculate emissions for the preceding calendar year.
3. Assemble, transfer, and/or convert all the background or supporting information used to calculate actual emissions to be submitted with the completed AERF.
4. Calculate/determine the total actual annual emissions for each pollutant (see Appendix 6 example) to be reported on the AERF.
5. Prepare sample calculations and/or explanations of how the supporting documentation was used to develop the actual emissions values reported on the AERF.
6. When you are satisfied that the actual emissions data are complete and correct, transfer the data to the AERF provided by DEQ. (NOTE: If the emissions data on the AERF do not match the information in the background/supporting documentation, review of the data cannot be concluded and may cause the fee to be charged on allowables.)
7. Have the AERF signed by the appropriate responsible official or duly authorized representative. (NOTE: If the person signing the AERF is not or cannot be verified to be the proper signatory, the emissions report cannot be accepted for review by DEQ.)
8. Place the original, signed AERF with the background/supporting information into a single package for transmittal to DEQ.
9. Address the package to be delivered to one of the following mailing addresses:

<u>Mailing Address</u>	<u>Physical Address</u>
Title V Operating Permit Program, AERF Mississippi Dept. of Environmental Quality Office of Pollution Control, Air Division PO Box 2261 Jackson, MS 39225	Title V Operating Permit Program, AERF Mississippi Dept. of Environmental Quality Office of Pollution Control, Air Division 515 East Amite Street Jackson, MS 39201

10. Deliver the package into the hands of the US Postal Service or a commercial delivery service on or before July 1. If submitted on July 1, there must be a postmark or delivery service receipt denoting a July 1 date on received materials. (NOTE: Late submission will result in the fee being based on allowables for at least one quarter of the fee year. (See Appendix 3 for more information.)

Expanded Procedure For Completing And Submitting the AERF

1. Upon receipt, review the AERF for accuracy of all pre-printed information.
 - **DO review the information immediately.**
 - **DO NOT make corrections on the original AERF.** You must use this copy of the AERF to make your actual emissions submission. If you wish to have a “working” copy of the AERF, make a photocopy and set the original aside until you are ready to fill in the actual emissions data.
 - **DO contact the appropriate permit manager** in the Environmental Permits Division (EPD) (601-961-5171) **regarding any errors** in the administrative information or the allowable emissions values. The EPD permit manager will have to determine if corrections and updates to that information can simply be made or whether the permit will have to be modified. Changes to the allowable emissions values cannot be made until EPD notifies us that such changes are appropriate. This is especially critical for pollutants which are shown as having zero allowable values on the AERF but which you know are emitted and which you expect to report non-zero actual emissions.
2. Collect all emissions data, operational records, and other reference materials that are needed to calculate emissions for the preceding calendar year.
 - **DO utilize any emissions summaries and operational reports which were created for compliance certification purposes.** This will assure that you do not have to do the same data collection more than once.
 - **DO provide a copy of such information in the supporting documentation.** EPD and ECED do not review AERFs and associated information; therefore, any information sent in support of the completed AERF should be complete and self-contained so that no access to older file information is needed.
3. Assemble, transfer, and/or convert all the background or supporting information into a concise form to be submitted with the completed AERF.
 - **DO provide a summary report** (preferably a single page) on which all emissions-producing operations and activities and the emissions of each pollutant are tabulated.
 - **DO provide a paper copy** (preferably on 8.5” by 11” paper) **of all supporting information.** At this time there is no provision for submitting any of the emissions information in electronic form in lieu of a paper report.

4. Calculate/determine the total actual annual emissions for each pollutant to be reported on the AERF.
 - **DO include emissions from Insignificant Activities (IAs)** which were listed in the Title V application. This has been one of the most often overlooked portion of the emissions data by sources filing actuals in past years. Note that the regulations do not exempt IA emissions from fees. The exemption from having to quantify emissions from IAs applies with respect to emissions data in applications and emissions limits in TVOPs. If calculating emissions from IAs will require an excessive increase in resources or will significantly delay making the emissions report, you may assume each IA emits at the IA definition thresholds for each pollutant potentially emitted. Section VII.C of Regulation APC-S-6 sets the IA thresholds at 1 pound per hour for regulated pollutants that are not HAPS and at 0.1 pound per hour for HAPS
 - **DO calculate totals to two decimal places.** This is especially important when the total for a pollutant is summed for a large number of emission points. Also, the allowable emissions determined from the emissions inventory (which is based on the last acceptable application) are calculated to two decimal places; therefore, carrying the actuals to the same degree of precision is needed for consistency.
 - **DO include particulate HAPS and VOCHAPs in both the criteria pollutant total and the HAP total.** HAPS which are counted in other pollutant totals will not be double-counted for fees, i.e., the HAPS entered to the database on which fees will be charged will be reduced for the amount of any HAPS included as part of another pollutant total. All reporting facilities are being asked to report the data in the same manner to reduce the number of follow-up contacts needed to clarify the data's meaning.
 - **DO enter zeroes for pollutants which were not emitted at all or which do not total to over 0.0049 tons/year.** Do not insert a dash, the word "negligible", or leave the value blank. Any data in the actuals column which is not a numeric value will cause the allowable emissions of that pollutant to be used as the default basis for the fee. Air Division staff cannot change the information reported on the AERF, even when such a change is requested by the facility. Correction/change of any AERF data will require execution of a new AERF form and submittal of revised supported documentation if appropriate for the correction being made.
5. Prepare sample calculations and/or explanations of how the supporting documentation was used to develop the actual emissions values reported on the AERF.
 - **DO provide at least one sample calculation** for each different formula that must be applied to the background information.
 - **DO provide a detailed reference** to or explanation of any emissions factors utilized from publicly-available documents.

- **DO provide justification of suitability and accuracy for any industry-derived emissions factors.**
6. When you are satisfied that the actual emissions data are complete and correct, transfer the data to the original copy of the AERF sent by DEQ.
- **DO use only the form provided by DEQ.** If the original copy of the AERF becomes lost or damaged or is improperly written on, a clean replacement original may be obtained by calling Krystal Rudolph at 601-961-5096 or faxing a request to 601-961-5742.
 - **POTENTIALLY FATAL ERROR: Assure that the emissions data on the AERF match the information in the background/supporting documentation.** If the emissions data do not match, we will probably not be able to resolve discrepancies due to the limited time available to review all the AERFs, enter the data, and transfer the information to the Fees Section for preparation of billing. For pollutants with unresolved discrepancies, the data reported for fees will be the allowable value.
 - **DO transfer the actual emissions data to (and only to) the blank cells of the right-hand column of the AERF.** Do not enter data into other columns or to the side of the columns. Do not footnote data in the actuals column; if notes to explain the data are necessary, put them on the summary page of the background/supporting documentation.
7. Have the original copy of the AERF signed by the appropriate responsible official or duly authorized representative.
- **POTENTIALLY FATAL ERROR: The AERF must be signed by the Responsible Official or, for corporations only, by the Duly Authorized Representative.** If this requirement is not met, the emissions report cannot be accepted for review by DEQ. The certification contained on the AERF is considered to extend to the appended supporting/background information and no additional certification statement or signature for the appended information is needed. Other points to be considered in meeting this requirement include:
 - **DO NOT use the AERF to notify DEQ of changes in the RO or DAR.**
 - **DO NOT allow anyone to sign for the required party.** The person assembling the AERF package should verify that the required signatory will be available to sign the AERF when it is complete. The RO's (or DAR's) unavailability to sign is not an excuse to submit an improperly signed form.
 - **DO assure that the original copy of the AERF is the copy signed.**

- **DO NOT attempt to use a cover letter signed by the required party as an alternative to a properly signed AERF.**

A cover letter is not needed for this submission and cannot be accepted in lieu of other properly executed documents.

8. Place the original, signed AERF with the background/supporting information into a single package for transmittal to DEQ.

- **DO staple or clamp all the pages of the submittal together to prevent separation by the persons handling the mail.** If the package is not unitized in such a manner, then each page of the package must include the name, address, facility number, and reference to the AERF package so that all parts of submissions separated in handling can be put back together for review.
- **DO NOT submit any parts of the package by fax or electronic files (such as in an e-mail attachment) either as an advance notification or as the formal submission.** Submissions must be on paper in the manner described above. Advance or alternative-form submissions cannot be accepted and will not be acknowledged.
- **DO NOT transmit the package with a cover letter that contains information critical to understanding the package contents.** All actual emissions information needed for the AERF should be on the AERF itself; all other information needed to provide clarification or critical notes should be in the supporting information. If a cover letter is sent, it should state only what the purpose of the transmittal is. The sole exception to this is that the cover letter may be used to explain reporting of zero actual emissions for all pollutants due to non-operation of the facility. In such rare cases, the AERF should be completed with zeroes in all actual emissions blanks and the certifying signatory should sign both the AERF and the cover letter

9. Address the package to be delivered to one of the following mailing addresses:

<u>Mailing Address</u>	<u>Physical Address</u>
Title V Operating Permit Program, AERF Mississippi Dept. of Environmental Quality Office of Pollution Control, Air Division PO Box 2261 Jackson, MS 39225	Title V Operating Permit Program, AERF Mississippi Dept. of Environmental Quality Office of Pollution Control, Air Division 515 East Amite Street Jackson, MS 39201

- **DO NOT send the AERF by US Postal Service Registered Mail.** Registered mail requires a specific addressee and requires that the specific addressee sign for the delivery. If you wish to have the advantage of receiving a receipt to show that the package was delivered, send it by Certified Mail instead of Registered Mail. Anyone at the delivery address can sign for Certified Mail to acknowledge it is delivery.

10. Deliver the package into the hands of the US Postal Service or a commercial delivery service on or before July 1.

- **POTENTIALLY FATAL ERROR: Late submission will result in the fee being based on allowables for at least one quarter of the fee year.** See Appendix 3 for the regulation excerpt which explains how late reports will be dealt with in terms of fee billing.
- **DO assure that the delivery agent understands that delivery is possible only on a business day, i.e., Monday through Friday except holidays.** If the delivery agent attempts delivery on a Saturday, Sunday, or public holiday, the office will not be open and there will be no one to receive the delivery. Make sure the agent will attempt delivery again on a business day.

APPENDIX 1

Methods For Calculation Of Actual Emissions

Acceptable methods of calculating actual emissions include:

- Use of emission monitoring data or direct emissions measurements for the pollutant(s).
- Use of mass balance calculations such as the amounts of the pollutant(s) entering and leaving process equipment. Where mass balance calculations can be supported by direct measurement of process parameters, such direct measurement data shall be supplied.
- Use of published emission factors such as those relating release quantities to throughput or equipment type (e.g., air emission factors).
- Use of engineering calculations (e.g., estimating volatilization using published mathematical formulas).
- Use of best engineering judgments where such judgments are derived from process and/or emission data which supports the estimates of maximum actual emissions.

If the method used to calculate actual emissions fails to reasonably represent actual emissions or if the Commission determines that there is not sufficient information available on a facility's emissions, the determination of the fee shall be based upon the permitted allowable emissions until such time as an adequate determination of actual emissions is made. In the event of an appeal, the permit holder is required to pay the undisputed amount until such time as the appeal is resolved.

APPENDIX 2

Determining Maximum Possible Emissions in Lieu of Actual Emissions

This example cannot be applied to any source which has documented exceedences of the short term emission rate or of any limit on hours or throughput.

A facility has a manufacturing process regulated by the process weight regulation but does not measure or monitor any parameter from which a true actual emission rate of particulate can be determined. When operating, the facility's input weight rate is relatively constant at the design operating rate. Records are kept on the hours of operation and on the maintenance condition of the process and point of emission to show if or when particulate emissions may have been emitted at higher than permitted rates and the duration of such event. The facility has no restriction on hours of operation; therefore, the annual allowable particulate emission rate should have been directly calculated for the permit by determining the allowable hourly particulate emission rate at the maximum operating rate specified in the facility's application, converting that hourly rate to tons and summing for 8760 hours per year.

If the facility knows from operating records that no breakdowns or other events caused there to be a possible exceedence of the hourly particulate rate and can otherwise determine the actual hours of operation during the calendar year, the "maximum possible emissions" of particulate can be determined by multiplying the allowable tons/year by the actual hours operated and dividing by 8760.

Facility throughput rate: 125 tons/hr.

Allowable particulate rate: $4.1 \times (125)^{0.67} = 104.16$ lb/hr

Annual allowable: $(104.16 \text{ lb/hr} \times 8760 \text{ hr/yr}) / 2000 \text{ lb/ton} = 456.22$ tons/year

Actual hours operated based on operating log:

$5 \text{ days/wk} \times 24 \text{ hr/day} \times 50 \text{ wk/yr} = 6000 \text{ hr/yr}$

Fraction of year emissions occurred: $6000 \text{ hr} / 8760 \text{ hr possible} = 0.685$

Max possible annual emissions: $0.685 \times 456.22 \text{ tons/year} = 312.51$ tons

NOTES:

Other particulate sources, (e.g., boiler emissions) may have to be added in to get the true maximum annual particulate rate.

For the same scenario but where the throughput rate is variable, the calculation must be applied to shorter periods with relatively constant throughput and the results summed for all the periods to get the annual total.

APPENDIX 3

Section VI. Excerpt From Title V Regulation

VI. PERMIT FEES

- A. Fee Amounts. The owner or operator of any stationary source that is required to hold a Title V permit shall pay to the Department of Environmental Quality an annual permit fee. The Commission shall establish the amount of each fee to cover the permit program costs. The fee shall be deposited into the Air Operating Permit Program Fee Trust Fund.
1. For purposes of fee assessment and collection, the maximum emission rate of each pollutant used in the calculation of fees shall be four thousand (4,000) tons per year per facility.
 2. For purposes of fee assessment and collection, the permit holder shall elect for actual or allowable emissions to be used in determining the annual quantity of emissions unless the Commission determines by order that the method chosen by the applicant for calculating actual emissions fails to reasonably represent actual emissions.
 - a. In electing to use actual emissions as the basis of the fee, the permit holder shall provide a report of actual emissions which complies with the following:
 - (1) At a minimum, the report of actual emissions shall consist of an inventory of the actual emissions summarized on a form supplied by the Department of Environmental Quality for that purpose and of supporting information as appropriate and necessary for proper use of one or more of the emissions determination methods described in (6) below.
 - (2) The permit holder shall deliver the report of actual emissions to the Department of Environmental Quality by close of business on July 1 of each year. If the report of actual emissions is not received by the Department by close of business on July 1, allowable emissions shall be used by the Department to calculate the fee for the pertinent annual period.
 - (3) The emissions reported shall be the actual emissions determined for and only for the previous calendar year.
 - (4) The total annual actual emissions shall be expressed in tons/year for each pollutant specified on the form. If the total annual emissions value of any pollutant is left blank or is reported only by reference to another document, the allowable emissions for that pollutant shall be used in calculation of the fee.
 - (5) The emissions reporting form shall be signed in the original by the facility's responsible official.
 - (6) Actual emissions shall be calculated using emission monitoring data or direct emissions measurements for the pollutant(s); mass balance calculations such as the amount of the pollutant(s) entering and leaving process equipment and where mass balance calculations can be supported by direct measurement of process parameters, such direct measurement data shall be supplied; published emission factors such as those relating release quantities to throughput or equipment type (e.g., air emission factors); or other approaches such as engineering calculations (e.g., estimating volatilization using published mathematical formulas) or best engineering judgments where such judgments are derived from process and/or emission data which supports the estimates of maximum actual emissions.

(7) If the Commission determines that there is not sufficient information available to the permit holder regarding the facility's emissions to allow the permit holder accurately to calculate actual emissions by July 1, the calculation of the permit holder's fee initially shall be based on the permitted allowable emissions. If, after July 1, sufficient information becomes available and an adequate determination of actual emissions is made by the permit holder and approved by the Department, the Department shall modify the permit holder's annual fee as follows:

- i. For approvable actual emissions reported after July 1 but before October 1, the permit holder's total annual fee shall be the sum of one-fourth of the fee based on allowable emissions and three-fourths of the fee based on actual emissions.
- ii. For approvable actual emissions reported after October 1 but before January 1, the permit holder's total annual fee shall be the sum of one-half of the fee based on allowable emissions and one-half of the fee based on actual emissions.
- iii. For approvable actual emissions reported after January 1 but before April 1, the permit holder's total annual fee shall be the sum of three-fourths of the fee based on allowable emissions and one-fourth of the fee based on actual emissions.
- iv. For approvable actual emissions reported after April 1, the permit holder's total annual fee shall be based solely on allowable emissions.

This paragraph shall not apply to situations where adequate information was available to the permit holder in order for a calculation to be submitted by July 1 and no adequate calculation was submitted. That circumstance shall be governed by VI.A.2.a.(2) above. This paragraph shall not alter a permit holder's responsibility to make payments of appropriate sums in a timely fashion as otherwise required by this section and by law and shall not exempt any permit holder from paying a penalty for late fee payment.

- b. For facilities using allowable emissions as the basis for the fee, the fee shall be calculated based upon the allowable emissions contained in the permit on the date of the invoice. Allowable emissions contained in the permit include emissions of air pollutants not limited by the permit and therefore not listed in the permit (but allowed by the permit) as well as those air pollutant emissions limited by the permit. No fee actually paid to the Department shall be refunded due to a change of the basis of the fee calculation from allowable emissions to actual emissions. If a fee calculated based on allowable emissions is later recalculated to a fee based in whole or in part on actual emissions, and the facility already has paid part or all of the annual period fee, then the annual period fee may be reduced down to the amount as calculated, but no less than the amount of the fee already paid to the Department for that annual period.
3. A minimum annual fee of Two Hundred Fifty Dollars (\$250.00) shall be assessed to and collected from the owner or operator of each facility that is required to hold a Title V permit. The maximum annual fee shall be Two Hundred Fifty Thousand Dollars (\$250,000.00) per facility.
 4. Prior to the date of full implementation of the Title V program in Mississippi, the fee assessed shall be Four Dollars (\$4.00) per ton of emissions of each air pollutant for which fees can be assessed under the Title V program, not to exceed Fifty Thousand Dollars (\$50,000.00) per facility with the exceptions as follows:
 - a. no fee shall be assessed for carbon monoxide emissions, and
 - b. no fee shall be assessed for emissions of Class I or Class II substances as established by Title VI of the Federal Act.
 5. Following the date of full implementation of the Title V program in Mississippi, the regulated pollutants for fee calculations and the fee schedule for Title V permit fees for any subsequent calendar year shall be set

by order of the Commission in an amount sufficient to cover the permit program cost. The Commission's order shall follow:

- a. receipt of the report and recommendations of the Advisory Council; and
 - b. a public hearing to be held not earlier than thirty (30) days following receipt by the Commission of the report and recommendations of the Advisory Council. The commission may proceed with entry of the order on fees if the Advisory Council fails to submit its report in a timely manner.
6. Following the date of full implementation of Title V in this state, all new sources required to hold a Title V permit shall pay an annual permit fee to the DEQ in accordance with the following:
- a. any new source commencing operation between and including January 1 and September 1 of any year shall pay a Title V permit fee on or before September 1 of the year it commences operation;
 - b. any new source commencing operation between and including September 2 and December 31 of any year shall pay a Title V permit fee on or before September 1 of the year after it commences operation; and
 - c. any new source shall submit to DEQ a declaration of its emissions on or before the first July 1 after it commences operation.
- B. Excess Fees. If the annual fees collected exceed the cost of administering the Title V program for that fiscal year, then the excess shall be applied to the cost of administering the program for the succeeding fiscal year. In the succeeding fiscal year, the total to be collected from fees shall be reduced by the excess retained in the fund and the assessment rates shall be adjusted proportionately.
- C. Disputed Fees. Any owner or operator required to pay the Title V permit fee set forth under this chapter who disagrees with the calculation or applicability of the owner's or operator's fee may petition the Commission in writing for a hearing in accordance with State Law. Any disputed portion of the fee for which a hearing has been requested will not incur any penalty or interest from and after the receipt by the Commission of the hearing petition.
- D. Due Dates. The air operating permit fee shall be due September 1 of each year. A permit holder may elect a quarterly payment method of four (4) equal payments with the payments due September 1, December 1, March 1 and June 1. The permit holder shall notify the Department of Environmental Quality that the quarterly payment method will be used by September 1.
1. If any part of the air operating permit fee imposed is not paid within thirty (30) days after the due date, a penalty of ten percent (10%) of the amount due shall at once accrue and be added thereto. If the fee is not paid in full, including any interest and penalty within sixty (60) days of the due date, the Permit Board may revoke the permit upon proper notice and hearing as required by law.
 2. If at any time within the year the Commission determines that the information submitted by the permittee on actual emissions is insufficient or incorrect, the permittee will be notified of the deficiencies and the adjusted fee schedule. Past due fees from the adjusted fee schedule will be paid on the next scheduled quarterly payment time.

APPENDIX 4

Frequently Asked Questions

Q1. My facility is new and did not operate during the last calendar year. Do I have to pay a fee this year?

A1. Yes, you have to pay a fee this year. If you had no emissions during the previous calendar year, you can report zeroes for all the pollutants and support the zero emissions with a statement that no operation occurred. (In doing so, be sure to follow all the instructions for submitting an acceptable AERF.) This will enable you to pay the minimum \$250 fee. Your facility is subject to at least the minimum fee because of the provisions of Section VI.A.6. of Regulation APC-S-6, which says (paraphrased) that a new source shall pay a fee by the next September 1 following commencement of operation. Commencement of operation is either actual operation of the facility or the point at which the facility is given a permit which authorizes operation. For a new major source which must obtain a Title V Operating Permit (TVOP), the application for the TVOP is not due until one year after commencement of operation; however, such a source is issued a limited term (1-year) State Operating Permit (SOP) to allow operation prior to the time the TVOP application is due. When such a SOP is made effective, this is considered the date of commencement of operation for purposes of including the source in the Title V fee assessment.

Q2. My facility is new and did not operate during the last calendar year. I have submitted my certification of construction and am allowed to operate for one year prior to submitting a Title V application. I expect to take limits on my allowable emissions and get out of the Title V program before the Title V application is due. Do I still have to pay a fee if I'm not ever going to hold a TVOP?

A2. Yes, the fee is not based on whether you hold a TVOP but on whether you have allowable emissions which exceed a Title V threshold, i.e., the facility is a major Title V source for at least one pollutant. The facility will be considered major until such time as you are issued a Federally-enforceable permit which limits those pollutants emitted in major quantity to below the Title V threshold. This is called a Synthetic Minor Operating Permit under our regulations. If you are issued a SMOP prior to the September 1 fee due date, you will not have to pay the fee; however, simply being an applicant under review for a SMOP will not forestall the requirement to pay the fee. A SMOP candidate should comply with the actual emissions reporting that is due July 1 as though a fee will have to be paid. Then, if the SMOP is not issued by September 1, the fee will be based on a smaller emissions total. If reporting actuals to reduce the fee is not done and the SMOP is not issued by September 1, the fee will be based on the original major source allowables. Subsequently, any failure to pay the amount due will prevent the facility from being eligible to receive any additional permits including the SMOP.

Q3. The annual allowable emission rates you show on the AERF are not in my permit(s). How can they be considered to be my allowables?

A3. The emission rates shown on the AERF are expressed in tons/year to compare with the fee rate which is expressed in \$/ton and are totalled per pollutant. The rates may not be literally shown in a permit but are derived from emission limits expressed in other units calculated for an annual period or are the potential to emit for pollutants not specifically limited in the permit. The allowable emissions should also include emissions from Insignificant Activities.

Q4. When I filed my Title V application, I was told that it was not necessary to report all emissions, especially those from insignificant activities. Now you're saying that the allowable emissions include emissions from IAs and that I should report IA emissions in the actuals. Isn't this contradictory?

A4. No, there is no contradiction. All the early Title V program guidance and regulatory interpretation was centered around making it as easy as possible for major sources to submit an acceptable Title V application. To that end, facilities which stipulated that Title V applied were allowed to submit applications which did not have a full or totally accurate accounting of either allowable or actual emissions. It was never intended that a full accounting of allowable and actual emissions would never be done; rather, it was expected that review of the applications would lead to a natural process of refining the data such that a full emissions accounting would be available by the point of permit issuance. That is the process that occurred with most facilities.

With regard to emissions accounting for fees, there was never any regulatory interpretation or guidance that said the same leniency granted for application completeness would be applied to fee assessment. During the program development and early program implementation years, the staff did accept emissions reports for fees which may not have been complete and accurate; however, the permit review had not yet refined the emissions data so there was no benefit to making a detailed, critical review of every detail of the actual emissions reports for fees. Subsequently, the allowable emissions inventories have been significantly refined in detail and accuracy. Consequently, the same refinement of the reporting of actual emissions must be made.

Q5. I cannot determine the basis for, nor calculate the same values for the annual allowable emission rates you show on the AERF. Can I change my allowables on the AERF as long as I support the changes with documentation?

A5. No, the annual allowable emission rates on the AERF are taken directly from the most recent emission inventory prepared in association with a permit issuance or modification. Any disagreements over emission inventory values should have been dealt with when you reviewed the documents associated with the draft or proposed permit. In any event, the values in the database from which the AERF is generated cannot be changed unless and until the inventory associated with the permit is modified/corrected by the EPD. (If the

facility's inventory and the inventory associated with the permit are the same, the value on the AERF is probably a data entry error. Such errors will be corrected and a new AERF issued when we are made aware of such an error; however, bring such errors to our attention via a telephone call or letter, not by changing and returning the AERF.)

Q6. The AERF shows zero allowable emissions for some pollutants but I know that we have some minor emissions of those pollutants. I have the following questions:

- Should I report my actual emissions of those zero-allowable pollutants?
- If I do report actual emissions, will I be at risk for being found to be out-of-compliance?
- What steps should I take to get this straightened out?

A6. Responding in the order of your questions:

- Yes, report any actual emissions you can support with data.
- Since the emissions reporting for fees is not a compliance evaluation portion of the program, you will not be at risk of being deemed out-of-compliance from reporting non-zero actual emissions on the AERF; however, to avoid the possibility of a compliance question arising in the future, you should bring this issue to the attention of the appropriate person(s) in EPD.
- The only action that we can suggest you take is to contact EPD to start a dialogue to determine what updates to information need to be made; subsequent actions will depend on what problems that dialogue reveals. Updates could be as simple as correcting the emissions inventory in our files or as complicated as having to file an application correction and get a modified permit. If the resolution of this should show that you have violated a regulation, there could be non-compliance to be resolved outside of the application/permit resolution and emissions accounting for fees.

Q7. Can I use the process weight formula ($E=4.1p^{0.67}$) to calculate my actual particulate emissions?

A7. No. The process weight formula applies only to manufacturing processes (which includes materials handling systems) to which no more restrictive new source standard applies. It is used to calculate the allowable emission rate of particulate in pounds per hour for a specific process input rate in tons per hour. Actual emissions should be determined by one or more of the methods allowed (Appendix 1) which would take into account efficiency of controls and process operating parameters. In some cases where an actual particulate emission total cannot be estimated, it may be possible to demonstrate a "maximum possible emissions total" which takes into account reduction in hours of operation or processing rate. (See Appendix 2 for additional explanation.)

Q8. Do I have to determine an actual emissions value for every pollutant listed on the AERF?

A8. No. The reporting of actuals is an alternative which a facility may opt to use to mitigate the fee that will be charged. Many of the AERFs submitted do not have an accounting of the actuals of every pollutant. The allowable emissions value shown on the AERF will be the default value used in fee determination when a properly supported actual emissions value is not provided. When no actual emissions are reported, the table cell on the AERF for that value should be left blank.

Some pollutants (CO and CFCs/HCFCs) are not subject to fees, so reporting of actuals is obviously not necessary since no fee mitigation will occur. The opportunity to report actuals for these pollutants is provided for those who have determined actual emissions values for compliance purposes and wish include the information in the AERF.

Q9. My facility is fairly complex with a lot of emission points. I don't see how I can determine actual emissions for everything by the July 1 due date. Can I get an extension of time to submit the report? If not, would you advise that I hire a consultant to collect the information?

A9. No, there is no provision for extending the July 1 reporting date. In fact, the regulations were revised to lay out explicitly how post-July 1 actuals reports would be handled with regard to the amount of fee assess. (See Appendix 3.)

The preface to your question indicates that you may not understand the definition of what actual emissions must be reported. The actual emissions accounting must be made for the previous calendar year. You cannot necessarily take data from current operation and apply it to the previous year. Particularly, on pollutants such as VOCs where the emissions are typically related directly to throughput, usage amounts, or other operational measurements, you will need to use the operational data for the year in question, and cannot take current operating information and scale it to an annual period.

Another consideration on getting the actual emissions data together is that most facilities must certify compliance with the permit within 30 to 60 days following the end of the calendar year. For many facilities, the information that forms the basis for the compliance certification is the same information that defines the actual emissions for the calendar year; therefore, much of the actual emissions information should have already been collected if a proper compliance certification is being made.

As to using a consultant, that is totally left up to the facility. We do, however, caution you that using a consultant may not save any time since the consultant will require some time to become familiar with your facility and determine what information can be developed for the AERF. Also, remember that the facility cannot transfer any legal obligation under the regulations to the consultant.

Q10. My facility was deferred from the Title V application requirements under the Transition Policy issued by EPA in 1995. The final extension of the deferment expired at the end of 2000. Am I now subject to paying fees? Am I considered a major source?

A10. Yes to both questions. The Transition Policy was applicable only to facilities which actually emitted at less than 50% of the major source thresholds.

Under the policy, as long as you continued to emit at the qualifying level or less, your facility was allowed to defer submission of a Title V application. Under the state regulations, your facility was considered to not be a Title V source as long as you were deferred and were, therefore, not required to pay a Title V fee. With the expiration of the Transition Policy came the end of the application deferment and reclassification of your facility to major (Title V) status; therefore, you are now a major source and must pay a fee on September 1 if you are still classified as major at that time.

You do not indicate whether you have submitted an application. Technically, the deferment ended on December 31, 2000, and you should have submitted a Title V application on or before the first business day of 2001. If you have not submitted an application, you are in violation of the Mississippi Title V regulations.

The only way to avoid paying a fee on September 1 is to obtain a SMOP or a State Operating Permit as a true minor source before September 1. See Q&A2 for more info.

Q11. I've read the certification statement on the AERF and I'm unclear as to who is supposed to sign the certification. Can you explain?

A11. This question should really be dealt with outside of the emissions reporting and fee assessment process; the AERF is just one of several possible reports and documents that must be signed by the facility's responsible official (RO). In the case of a corporation, another person who meets certain qualifications can be designated as a "duly authorized representative" (DAR) to act for the RO. The full definition of responsible official may be found in Regulation APC-S-6. One primary point to note with respect to certifying the AERF is that the person signing (RO or corporate DAR) should have established credentials and qualifications to act in that capacity before signing the AERF. If the person signing the AERF cannot be verified to be the RO (or DAR) which has been accepted/approved by DEQ, the AERF cannot be accepted as complete. The AERF process cannot be used as a means to request approval of a different RO or DAR; that process should be resolved with the EPD permit manager before the new RO or DAR signs the AERF.

APPENDIX 5

Glossary

No attempt has been made to include in the glossary every term or acronym that may be peculiar to the Title V program; therefore, if a term is not included, contact us for clarification of its meaning.

Actual Annual Emissions – The actual emissions reported for the calendar year preceding the fee due date with pollutants expressed in tons/year.

Annual Allowable Emissions – The allowable emissions currently recorded in the facility's emissions inventory with pollutants expressed in tons/year.

Annual Emission Reporting Form (AERF) – The one-page form with a table showing the pollutants to be reported, the annual allowable emissions currently specified in the facility emission inventory, the actual annual emissions reported in the last fee year, and the blank column for entry of the actual annual emissions to be considered for the upcoming fee year.

Background &/or supporting documentation – The detailed information from operating records, monitoring results, test results, and emission calculations from which the total annual actual emissions of each pollutant are determined.

Duly Authorized Representative (DAR) – The qualified designee which may represent or substitute for a Responsible Official in signing official documents and in negotiating permits and enforcement resolutions. Only corporations may utilize DARS.

Environmental Compliance and Enforcement Division (ECED) – The division of OPC formed as part of the re-engineering effort to deal with compliance and enforcement matters in all media. The division does not deal with emissions reporting for fees or with fee collection unless an enforcement action is required to collect unpaid fees.

Environmental Permits Division (EPD) - The division of OPC formed as part of the re-engineering effort to deal with permitting in all media. The division does not deal with emissions reporting for fees; however, the division does produce the emission inventories which are used to establish a facility's allowable emissions that is the default basis on which fees are charged. The division also maintains the records which identify Responsible Officials (ROs) and Duly Authorized Representatives (DARS).

HAPs – Acronym for Hazardous Air Pollutants.

Insignificant Activities – Those operations and activities at a Title V source which are described in or defined by Section VII. of Regulation APC-S-6. For purposes of emissions reporting for fee assessment, IAs described in Subsection A. of the regulation do not have to be considered since

they are not required to be included in Title V applications and would not, therefore, be considered in permitting.

Non-VOCHAPs – Acronym for hazardous air pollutants which are not volatile organic compounds.

Process weight regulation – Short reference to “Air Emission Regulations...”, Section 3.6.(a) in which the particulate emission rate from a manufacturing process is limited based on the raw material input rate by the expression $E = 4.1 p^{0.67}$ where p is the input weight rate in tons/hour and E is the maximum allowable particulate emission rate in pounds/hour.

Responsible Official (RO) – The facility official defined in the Mississippi Title V regulations as being qualified to sign official documents and negotiate for the facility on permits and enforcement actions. Section VI – Short reference to “Section VI. Permit Fees” of the Mississippi Title V regulations.

SMOP – Acronym for Synthetic Minor Operating Permit. A SMOP is a federally-enforceable State Operating Permit which limits the facility’s potential to emit to below major source thresholds on all pollutants which may otherwise be emitted in major source rates.

Mississippi Title V regulations – Euphemism for “Air Emissions Operating Permit Regulations for the Purposes of Title V of the Federal Clean Air Act.” May also be referenced as Regulation APC-S-6.

TVOP – Acronym for Title V Operating Permit.

VOCHAPs – Acronym for hazardous air pollutants which are also volatile organic compounds.

VOCs – Acronym for volatile organic compounds

APPENDIX 6

Example AERF

**MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY
MAJOR AIR POLLUTION SOURCE ANNUAL EMISSIONS REPORTING FORM
P.O. BOX 10385
JACKSON, MS 39289-0385**

In accordance with Section 49-17-30, Mississippi Code of 1972 Annotated, all sources that choose to base their annual Title V Fee on actual emissions shall submit, by July 1 of each year, and inventory of emissions for the previous calendar year.

MDEQ Facility ID #: 99999
AI ID: 9999-00999

Facility: Example Source
Site Address: Address

Administrative information from the database/file. DO NOT CHANGE THIS INFORMATION ON THE FORM.

If actual emissions are reported, they should be the actual emissions that were emitted from the facility during calendar year 2007. The annual permit fee is due on September 1st of each year.

Pollutant	Annual Allowable (Potential) Emission Rate (TPY)	FOR INFO ONLY Actual Emission Rate (TPY) Reported for Calendar Year	Actual Annual () Emission Rate (TPY)
Particulate Matter			
Sulfur Dioxide			
Nitrogen oxides			
Carbon Monoxide			
VOC			
Total reduced sulfur compounds			
Lead			
CFC/HCFC, Total			
Other			
HAP, Total (VOC)			
HAP, Total (NON VOC)			

VOC Reflects Total VOC from the facility including VOCs that are HAPs.

Attach calculations, monitoring data, measurements, etc. from which actual emission rates were determined. Actual emission rates will not be accepted unless the method of calculation is attached.

I, the undersigned, am the owner or authorized representative of the facility described on this fee form. I certify that the statements and calculations made on this form are complete and accurate to the best of my knowledge.

Signature _____ Date _____

Typed or Printed Name _____ Title _____

Although the form asks for emissions of CO and CFCs/HCFCs, no fee is charged for those pollutants.

The values here are taken from the Title V application or the emission inventory prepared when the permit is issued or modified. DO NOT CHANGE THESE VALUES

Be sure the form is signed by the appropriate RO or DAR before submitting.

Please print or type the signatory's name in this blank. Not all signatures are readable.

Please print or type the signatory's business title in this blank.

These are the only values you should write into the form.

APPENDIX 7

Addendum to Instructions Additions, Corrections, and New Info

There have been no additions or changes to the regulations which require a change in procedures discussed in these printed instructions; however, a number of problems arose last year that deserve mention here so that users of last year's instructions can see where attention should be focused.

AERF submitted late -- No AERF submitted until bill received

Billing occurs about August 1 while the due date for the actual emissions report is July 1; therefore, there is no way to "correct" the error of filing late. Although this does not occur as often as it has in the past, a late filing such as this implies that the facility waited to see what the billed amount would be and then submitted actual emissions in an attempt to reduce the fee. Beginning with the FY-2002 fee, new provisions in the regulations specify how late-reported actual emissions can be credited against the fee.

The late submittal of actual emissions and the implication that the total fee will be altered once the actual emissions are considered does not allow a facility to withhold payment of any minimum part of the fee which has already come due. A change in the emissions basis for the fee can only affect the amount of future payments that have not yet come due. Any portion of the fee which is not paid when due is subject to an added late fee or penalty of 10% of the amount which is overdue.

AERF submitted late -- Facility didn't receive mailout

Failure to receive the annual mailout of the AERF and instructions is not a credible excuse for any facility except perhaps one that is new to the program and has not paid a fee in the past. In the last few years, the DEQ has implemented the following procedural changes to assure that facilities subject to fees have ample notice of the emissions reporting and fee assessment requirements:

- A letter is sent a month or so prior to the AERF mailout to solicit reporting of any changes of administrative information for the facility that might affect the facility's internal handling of the report documents.
- The AERF (form) is sent by the end of March to the contact which is currently listed in the database. This gives the facility a full three months to collect the emissions information and complete the form.

- The AERF is now supplemented with a set of instructions that contain guidance in several levels of detail so that it will be useful to all persons putting together the emissions report regardless of their level of familiarity with the procedure.

Facilities which have paid a fee at least once previously are expected to notify DEQ if they do not receive the AERF needed for the next report. A new AERF can be easily created and mailed but such will occur only if we receive notice that it is needed. All mail which is misaddressed due to DEQ not being notified of address changes is supposed to be forwarded in accordance with the USPS procedures or returned to DEQ if not forwardable. Any AERF mail returned as undeliverable is followed up on by phone calls and other means of contact to see why the address is invalid and to make corrections so the info can be remailed.

AERF submitted late -- Facility lost mailout

Each year some facilities report actual emissions late or report in an unacceptable manner because they lose the reporting form internally. Since a new AERF and copy of the instructions can be obtained by simply calling DEQ and requesting new copies, we do not consider loss of the form to be a credible excuse for reporting incorrectly or belatedly.

Occasionally a completed form being submitted is lost in the mail. If the facility can show by copies of the information that the report was properly prepared and transmitted, we can accept the report as having been on time once a new original AERF is executed and sent in. If, however, the facility does not keep a copy of the material originally submitted, it will be impossible to show that a properly prepared form was sent and we will have no alternative but to consider the report to be late.

AERF submitted late -- Facility personnel change

Sometimes personnel changes at facilities result in the AERF mailout being sent to someone that is no longer at the facility or is not in a position that will deal with the reporting. There is no way that DEQ can prevent the AERF information from being mishandled internally if the facility does not notify us of changes in Title V contacts when they occur. This problem is the main reason we began sending a letter before the Title V mailout occurs. This letter encourages facilities to update their administrative information such that the mailout which occurs a month or so later will be sent to the contact that is currently appropriate.

AERF not properly certified -- Signatory unknown to DEQ.

The AERF is considered to be a Title V report pursuant to Section II.E. of APC-S-6 which is required to be signed by a Responsible Official (RO) or (for corporations only) a Duly Authorized Representative (DAR). If the AERF is signed by someone who has not previously been identified to DEQ and has not established credentials to be able to act as a RO and/or has not been approved by DEQ to act as a DAR, its acceptability is subject to us being able to validate the signature as being that of a qualified RO/DAR.

Facilities are discouraged from using the AERF submittal as a means to identify a new person as RO/DAR since it does not provide for the submission of credentials and it is processed within DEQ by persons other than those which are responsible for handling such issues as a part of permitting and compliance aspects of Title V.

The AERF now has a place for inclusion of the signatory's title. This should facilitate acceptance of reports signed by titled corporate officers since the definition provides for officers to act as RO. Conversely, since authority to act as a DAR requires that the person be designated by a RO and requires DEQ approval, inclusion of a title that does not denote RO qualification will not aid in clearing the AERF's acceptability.

Note that even if the AERF is submitted timely (by July 1) and is otherwise complete, verification of an unrecognized signature can require a significant amount of time such that the report cannot be entered to the system in time for the fee to be billed on actual emissions. In such cases, the report will be considered late even if the original signatory is ultimately accepted as a new RO/DAR. Put another way, it is the responsibility of facilities to keep their records current with respect to ROs and designated approved DARs; failure to do so can be costly if the AERF process is hindered.

AERF not properly certified -- Signatory not qualified to sign

AERFs which are signed by persons which:

- have previously been disqualified as DARs,
- are not the person(s) currently identified and approved as RO/DAR by DEQ, or
- do not appear to qualify for automatic RO designation based on title (and which have no other problems or errors) will be set aside and not included in the initial review of AERFs for purposes of providing actual emissions information to the accounting system which generates the billing.

Facilities will be notified by letter if reports are set aside and will be given a limited amount of time to justify why the reports should be accepted as originally submitted or to resubmit the AERF page with corrected certifications.

For reports submitted well in advance of the July 1 date, correcting problems with the signature should be readily resolvable without endangering the facilities' status of being on time; however, facilities which do not submit until the "last minute" and which have signatory problems must submit corrections before the emissions data entry to the accounting system is completed. Generally, the data entry is completed by about the end of the third week in July so that the fourth week can be used to quality assure the information to be used for the billing and to generate the billing documents for mailing on or before August 1.

AERF not properly certified -- No signature affixed

An unsigned AERF cannot be processed and will be set aside until a correctly executed AERF is submitted. No review of the emissions data will be done until the proper certification of accuracy and completeness is made on a new, original copy of the AERF. If a facility cannot correct the

certification problem by July 1, the report will be considered late for purposes of how the fee will be assessed.

A facility submitting an unsigned AERF will be notified of the deficiency as soon as possible after receipt and will be sent a new, original AERF form; however, it will be the facility's responsibility to reenter the emissions data on the new copy of the form and assure it is signed by the proper person.

Facilities which submit well in advance of the July 1 due date will typically be sent a letter and new AERF within two working days after receipt of the deficient form. Such rapid turnaround cannot be promised for deficient reports submitted from about mid-June on. The glut of reports which arrive around the July 1 due date require that each day's receipts be subjected to a form of "battlefield triage" such that those with "fatal" errors are set aside and not given immediate attention since there is no way for a facility to correct a "fatal" error and still be considered to have submitted timely.

AERF changed after submitted -- Error correction

In most cases where a facility submits (at its own volition) a correction to a previous report, it is because of one or more of the following:

- The original report was too hastily done and emissions data were left out.
- The person preparing the report was not familiar with all the requirements and instructions.
- A consultant or someone outside the facility organization per se collected the information for the report.
- The person preparing or reviewing the emissions data is not the same person that performs that task on other permit- and compliance-related reports.
- The report was not proofed for both substantive (data) and administrative (typos) errors.

Only the facility can prevent errors in the AERF. This is why the instructions suggest that the original AERF form be photocopied to create a working copy that can be filled out, changed, and otherwise redone as many times as needed before the data are transferred to the original AERF for the final report.

AERF changed after submitted -- Only changes submitted

Rarely, a facility will submit a correction to a previous AERF but will only submit the new/changed information. For a variety of reasons, not the least of which is the need to have only one properly completed and certified AERF per year, we cannot accept add-ons to previous reports and cannot transfer data from a correction sheet to the original report. Consequently, if correcting an error requires changing data on the original AERF or requires adding data to a data field not completed on the original, the facility will need to submit a new, corrected original AERF with an original signature by a qualified RO/DAR.

If a correction also requires a change in the supporting documentation already submitted, the entire package should be resubmitted.

If the original AERF is correct and correction of an omission error requires only that information be added to the supporting documentation already submitted, such additional information can be submitted and will be added to the package already on hand. This is the only circumstance of error correction that will not require a resubmission.

AERF changed after submitted -- Original AERF a "sham" submittal?

Occasionally a facility will submit its AERF and supporting information package and then immediately follow up with a corrected/changed package or submittal. When this occurs about the due date of July 1, it gives the appearance that the facility made the first submittal solely to meet the due date, did not quality assure the information until after the first submittal, and is trying to avoid being considered late by filing a quick correction. This situation is not addressed by the regulations nor by any formal internal procedures. Past occurrences have been dealt with on the basis of the specifics of each case; however, these specifics are too many and too varied to develop specific guidance of how future occurrences will be handled.

The best way to avoid the situation described above is to:

- Prepare the AERF package as early as possible in the April through June period.
- Quality assure the emissions data, especially if it originates from other persons or through a consultant.
- Assure that all emissions totaled on the AERF are supported by the information accompanying the report form.
- Assure that the RO signing the AERF is known to DEQ or, for corporate DARs, the signatory has been approved by DEQ as a designee for the RO.
- Submit the AERF and supporting documentation as soon as the above activities have been concluded.
- Submit to the proper address via USPS or delivery service. If you wish a record showing when the submittal was received, send it by certified mail or track it via the delivery service.

If following all the above suggestions fail and the original submittal must be corrected, notify DEQ and request a new, original copy of the AERF. Most corrections will require that the entire package be resubmitted so a new AERF must be obtained before the correction can be made. When the correction is submitted, explain why the correction was needed via a cover letter. If no explanation is provided, any secondary submittal will be presumed to be a replacement for the original and the replacement will be reviewed for "fatal" errors and for details as though no other submittal exists.