

# TV Committee Meeting

February 6, 2020

2:00 pm – 3:30pm

Grantham & Dover Offices (VTC)

**Meeting called by:** David Fees, DAQ Director      **Type of meeting:** Fee Cycle Negotiation Continuation (Proposed Permit Type Fees)

**Facilitator:** Tony Manson      **Note taker:** Dawn Minor

**Attendees:** See sign-in sheet

## Notes

**Agenda item:** Proposed Permit Type Fee      **Presenter:** Tony Manson

**Discussion:** Secretary Garvin opened the discussion and stressed his concerns about the equitability of the proposed Permit Type Fees. In terms of percentage increase above the current Base and User fees, he was not comfortable with the significant burden placed on the smaller facilities. Recognizing the potential for soaring fees for the top tier facilities, he highly recommended a more graduated supplemental fee scale (as DAQ proposed) to balance the impact across all facilities. Additionally, he indicated that equitability was essential to the success of this legislation and was concerned about the number of smaller facilities involved in the COC discussion and support for the permit type fees. As a result, he clearly indicated, that he would not support the two-category Permit Type Fee approach.

- Prior to the meeting, DAQ, in coordination with the Secretary, suggested the following supplemental fee alternative to the Permit Type Fee suggestion:

Fee Cat	Current Total Base & User Fees	Facilities Per Category	Category Fee Amount	Revenue Per Category	TV Facilities Per Cat	SM Facilities Per Cat
1	Total Fees Greater than \$125,000	1	\$65,000	\$65,000	1	0
2	Total Fees \$100,000 - \$124,999	2	\$30,000	\$60,000	2	0
3	Total Fees \$50,000 - \$99,000	5	\$15,000	\$75,000	5	0
4	Total Fees \$25,000 - \$49,999	19	\$10,000	\$190,000	16	3
5	Total Fees \$15,000 - \$24,999	16	\$7,500	\$120,000	11	5
6	Total Fees \$10,000 - \$14,999	26	\$5,000	\$130,000	11	15
7	Total Fees < \$10,000	53	\$3,000	\$159,000	3	50
<b>Total</b>		<b>122</b>		<b>\$799,000</b>	<b>49</b>	<b>73</b>

- After considerable discussion the industry members embraced the multiple band supplemental fee concept. Again, stressing the concern for soaring fees for the upper-tier facilities, the industry members, with DAQ input, developed the following counter proposal:

Fee Cat	Current Total Base & User Fees	Facilities Per Category	Category Fee Amount	Revenue Per Category	TV Facilities Per Cat	SM Facilities Per Cat
1	Total Fees Greater than \$125,000	1	\$20,000	\$20,000	1	0
2	Total Fees \$100,000 - \$124,999	2	\$17,000	\$34,000	2	0
3	Total Fees \$50,000 - \$99,999	5	\$14,000	\$70,000	5	0
4	Total Fees \$25,000 - \$49,999	19	\$10,000	\$190,000	16	3
5	Total Fees \$15,000 - \$24,999	16	\$8,000	\$128,000	11	5
6	Total Fees \$10,000 - \$14,999	26	\$6,000	\$156,000	11	15
7	Total Fees < \$10,000	53	\$4,000	\$212,000	3	50
<b>Total</b>		<b>122</b>		<b>\$810,000</b>	<b>49</b>	<b>73</b>

- Based on the revised proposal the additional fee category would be identified as “Program Fees”
- DAQ stressed the need to return to the original Base and User Fee tables for future fee cycles. The industry members agreed but felt the added Program Fees was the best approach to transition from the six-year fee credit initiative and make-up the revenue short-fall. The committee fully expects to return to the original Base and User Fee, two category approach, for the subsequent fee cycle (2024-2026).
- Additional discussion on the fair distribution of the fees centered around facilities investing in emission reductions. Specifically, why should larger facilities that frequently invest in control devices and other new equipment pick up the burden for facilities that don’t invest. DAQ indicated that this criterion is extremely difficult to measure and not financially practical for most of the smaller facilities.

**Conclusions:** The committee agreed on a revised Program Fee proposal, developed by industry members with DAQ modifications, necessary to generate the required revenue shortfall.

<b>Action items</b>	<b>Person responsible</b>	<b>Deadline</b>
DAQ will present the revised proposal to the Secretary. Provide feedback to the committee	David Fees	ASAP
COC will present the revised proposal to the Chamber and coordinate with as many SM or smaller facilities as possible. Provide feedback to the DAQ	Mike Quaranta	ASAP
When a final agreement is reached, DAQ will update the TV legislation and Facility Listings/Data and provide updated copies to the committee.	Tony Manson	Upon Agreement.

## ***Wrap Up***

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**Miscellaneous:** No further discussion

**Next meeting:** The COC and DAQ will communicate via email, and if necessary, schedule follow-up meeting.