

RULE 350 GREENHOUSE GAS PROGRAM FEES

Adopted xx-xx-10

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100 GENERAL

101 **PURPOSE:** To establish fees to recover the cost to implement and administer greenhouse gas emission reduction programs pursuant to Rule 250, SACRAMENTO CARBON EXCHANGE PROGRAM, including, but not limited to, review and evaluation of project plans, verification of emission reductions, issuance of certified carbon credits, and maintenance of the credit registry.

200 DEFINITIONS: The terms used in this rule are defined in Rule 250, SACRAMENTO CARBON EXCHANGE PROGRAM.

300 STANDARDS**301 PROJECT PLAN FEES**

301.1 Upon submitting a Project Plan for voluntary GHG emission reductions pursuant to Rule 250, SACRAMENTO CARBON EXCHANGE PROGRAM, the applicant shall pay an initial Project Plan fee to recover the District's cost to evaluate the Project Plan. The initial Project Plan fee shall be \$960 for each Project Plan. Any Project Plan submitted without the initial Project Plan fee shall be returned to the applicant.

301.2 Within 30 days of submitting a Project Plan, the Air Pollution Control Officer may notify the applicant that, due to the complexity of the Project Plan, the evaluation will exceed 5 hours and/or may require the use of a contractor. In such case, an additional fee for the Project Plan evaluation shall be based on the actual hours spent by District Staff at a rate of \$192 per hour and on the actual cost of a contractor, if applicable, for evaluating and approving the Project Plan. The applicant shall deposit fees that represent the estimated cost of evaluating and approving the Project Plan. The applicant may request a conference with the Air Pollution Control Officer to review the cost estimate. The applicant may propose to provide additional information with the Project Plan that would reduce the costs in reviewing the Project Plan.

301.3 The applicant shall pay a fee for actual hours spent by District Staff and/or the actual cost of a contractor in preparing documents required by the California Environment Quality Act. For District Staff time, the fee shall be assessed at a rate of \$192 per hour. The applicant shall deposit fees that represent the estimated cost of preparing the California Environmental Quality Act documents. The applicant may request a conference with the Air Pollution Control Officer to review the cost estimate. The applicant may propose to provide additional information with the Project Plan that would reduce the costs in preparing the documents.

301.4 In addition to the fees required in Sections 301.1, 301.2, and 301.3, the applicant shall pay the cost of publishing the notices as required in Rule 250, SACRAMENTO CARBON EXCHANGE PROGRAM or by the California Environmental Quality Act.

301.5 If the actual cost exceeds the initial estimates, then payment of any additional fees shall be due 30 days from the date of notification of the amount due. If the fee is not paid by the specified due date, the fee shall be increased by 50% of the original amount and the applicant shall be notified by mail of the increased fee. If the increased fee is not paid within 30 days after notice, the Project Plan will be canceled and the applicant will be notified by mail.

302 VERIFICATION AND CREDIT FEES

302.1 With the submittal of the data required by Rule 250, SACRAMENTO CARBON EXCHANGE, the applicant shall pay an initial verification and credit fee to recover the District's cost to verify emission reductions, review third-party verification reports, issue and register certified carbon credits, maintain the credit registry, and any other related activities. The initial verification and credit fee shall be one of the following:

- a. When verification is conducted by the District, the applicant shall pay an initial fee of \$1,920, which shall apply to the first 10 hours of District work; or
- b. When verification is conducted by a third-party verifier, the applicant shall

pay an initial fee of \$960, which shall apply to the first 5 hours of District work.

302.2 Within 30 days of submitting data required by Rule 250, SACRAMENTO CARBON EXCHANGE PROGRAM, the Air Pollution Control Officer may notify the applicant that, due to the complexity of the project, the verification and credit fees will exceed the time specified in Section 302.1(a) or 302.1(b) and/or require the use of a contractor. In such case, an additional verification and credit fee shall be based on the actual hours spent by District Staff at a rate of \$192 per hour and on the actual cost of a contractor, if applicable. The applicant shall deposit fees that represent the estimated cost of verifying emission reductions and issuing certified carbon credits. The applicant may request a conference with the Air Pollution Control Officer to review the cost estimate. The applicant may propose to provide additional information that would reduce the costs in verifying emission reductions and issuing certified carbon credits.

302.3 If the actual cost exceeds the initial estimates, then payment of any additional fees shall be due 30 days from the date of notification of the amount due. If the fee is not paid by the specified due date, the fee shall be increased by 50% of the original amount and the applicant shall be notified by mail of the increased fee. The District will not issue any carbon credit certificate until the increased fee has been paid.

303 **TRANSFER OF OWNERSHIP:** When an application is filed for the transfer of a carbon credit certificate from one person to another, the applicant shall pay a transfer fee of \$192.

400 ADMINISTRATIVE REQUIREMENTS

401 **CONSUMER PRICE INDEXING OF FEES:** Greenhouse gas program fees may be adjusted on an annual basis. If the Air Pollution Control Officer anticipates the need for a change, the adjustment must initially be proposed as part of the annual budget process. The proposed rate change must meet the requirements of the California Health and Safety Code, including Section 41512.5. The rate change must be noticed as part of the proposed and final budgets. If the Board of Directors approves a fee change with the final budget, the Air Pollution Control Officer may adjust fees by up to the maximum rate approved by the Board.