

**PUBLIC NOTICE**

**ENVIRONMENTAL PROTECTION**

**AIR QUALITY, ENERGY, AND SUSTAINABILITY**

**DIVISION OF AIR QUALITY**

**Consumer Price Index Percentage Adjustments to Air Contaminant Emission Fees and FY 2021 Threshold**

**Dollar Amount for Reconstruction**

**Take notice** that, in accordance with N.J.A.C. 7:27-22.31(j), the New Jersey Department of Environmental Protection (Department) is publishing notice of the annual percentage increase in the Consumer Price Index (CPI) relative to the 1989 CPI and the resultant per-ton emission fee for fiscal year (FY) 2021. In addition, pursuant to N.J.A.C. 7:27-8.23(a)2, the Department is publishing notice of the threshold dollar amount for FY 2021 for reconstruction of a significant source operation.

**CPI Percentage Increase for Annual Emission Fee**

The CPI percentage increase is used to calculate the annual emission fee for major facilities. The CPI percentage increase is calculated each year using the procedure set forth at N.J.A.C. 7:27-22.31(i). For FY 2021 (defined in the rule as the period July 1, 2020 through June 30, 2021), N.J.A.C. 7:27-22.31(i) specifies using the average monthly CPI (CPI-U) for the 12-month period beginning September 2019 through August 2020. Monthly CPI-U data is published by the U.S. Department of Labor. Following the procedures at N.J.A.C. 7:27-22.31(i), the CPI percentage increase for FY 2021 is 1.46 percent, and the CPI has been calculated as 210.99 percent relative to the 1989 CPI.

An annual emission fee must be paid by each major facility subject to N.J.A.C. 7:27-22. The annual emission fee is calculated each year according to N.J.A.C. 7:27-22.31(b), which applies the CPI adjustment to the base amount per ton of emissions. This base amount is \$60.00 per ton (N.J.S.A. 26:2C-9.5.d(1)(a)).

Applying the CPI adjustment since 1989 to the base amount of \$60.00 per ton results in an annual emission fee for FY 2021 of \$126.59. Therefore, a facility subject to this fee must multiply \$126.59 times the quantity of regulated air contaminant emissions emitted in tons during calendar year 2019 (January 1, 2019, through December 31, 2019). The result is the fee the facility must submit to the Department by January 31, 2021 for FY 2021.

Invoices will be mailed to major facilities based on emissions reported in the Emission Statement submitted for calendar year 2019. Even if a major facility has not submitted an Emission Statement or received an invoice, it is obligated to pay emission fees by the due date.

#### **CPI Percentage Increase for Threshold Dollar Amount for Reconstruction**

A reconstruction is a replacement of part(s) of a significant source included in a process unit, or the replacement of part(s) of a control apparatus, if the fixed capital cost of replacing the part(s) exceeds amounts specified at N.J.A.C. 7:27-8.23 and 22.1.

The CPI percentage increase for reconstruction of a significant source operation is calculated each year consistent with N.J.A.C. 7:27-8.23(a)2. Applying the CPI adjustment of 70.59 percent, relative to the 1995 CPI, to the base amount of \$80,000 results in a threshold dollar amount of \$136,472. Beginning on November 16, 2020, a facility must use this dollar amount when calculating reconstruction thresholds relative to fixed capital cost.