

Pollution Control Annual Bill Fee Restructure

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Introduction

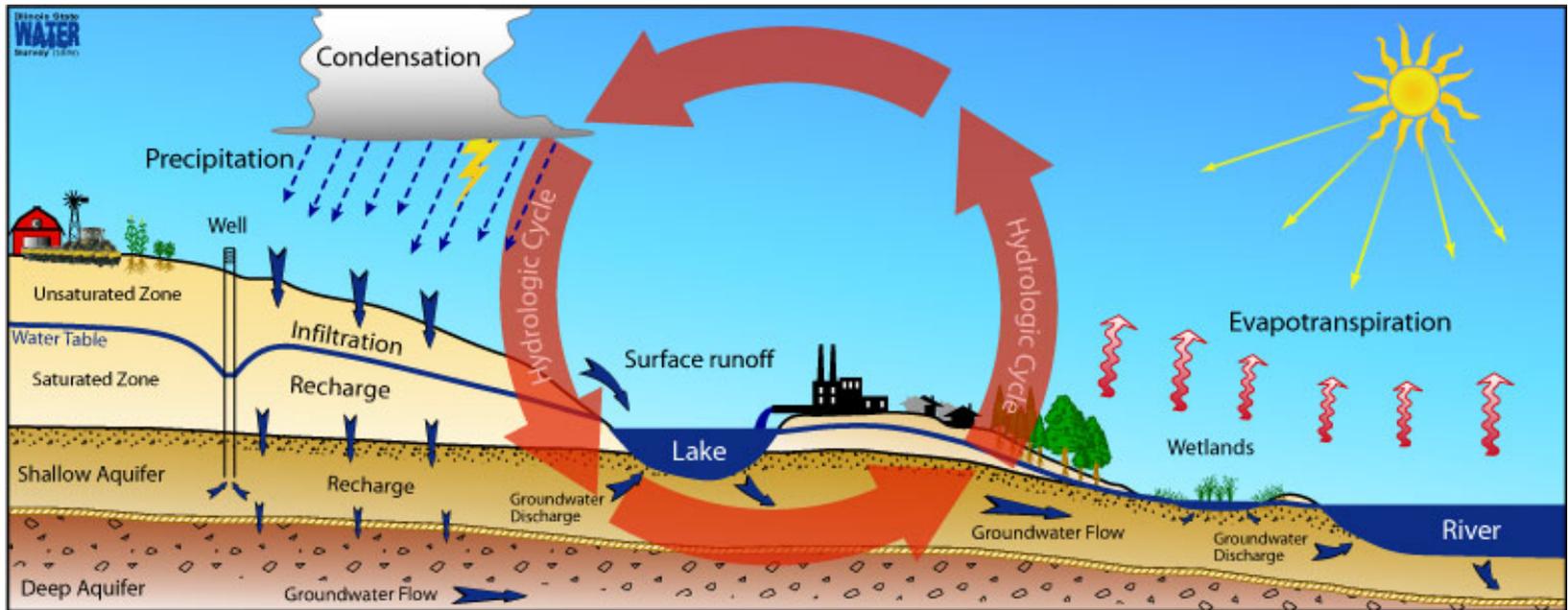
- What is PCAR (Pollution Control Annual Registration)?
 - Pollution impact fee
 - Pays for Environmental work to address pollution
- Why the change?
 - City-wide fee restructure effort
 - Business Made Simple

Pollution Control Annual Registration Overview of Changes

- Align fees to service
- Incentivize Pollution Reduction and outdated practice
- Align fees to pollution impact

Pollution Control Annual Registration

Water



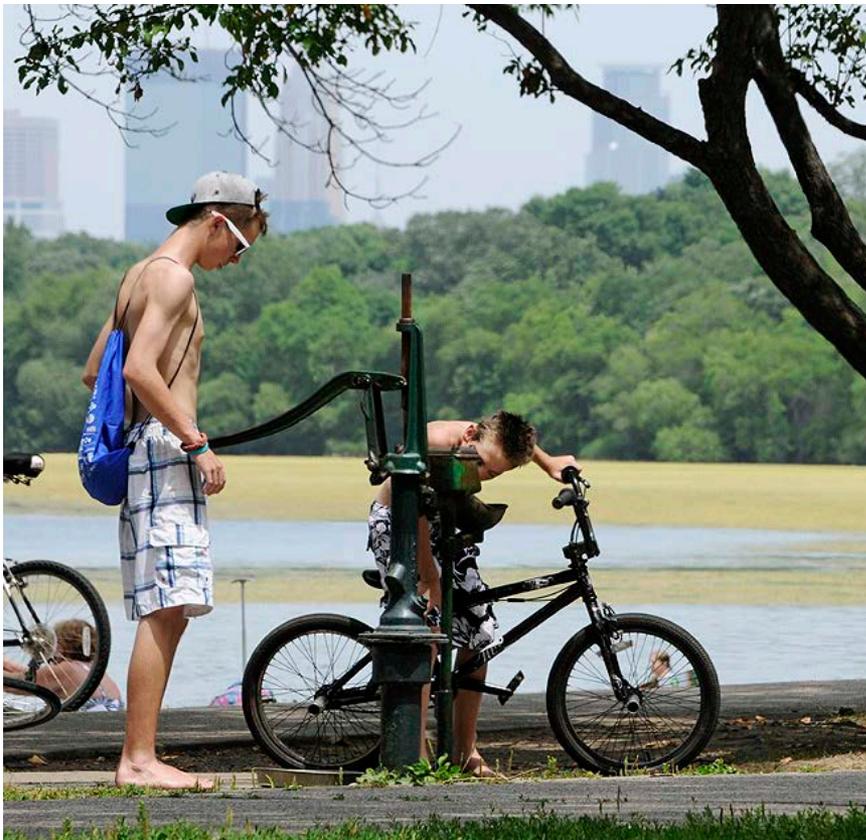
Sewers Wells and Stormwater

Sewers: Update of Sanitary Connection

- **No sanitary registration required small business**
 - Restaurants, corner grocery store, churches, office buildings
 - 3,976 businesses removed
- **Extensive work by the City and Public Works completed (Fee not relevant)**
 - Separation of Sewers and Storm Drains
 - Elimination of Clear Water Connections and CSO

Wells and Groundwater Protection

Taking action to protect the resource



What are our wells?

- Out of service wells
- In use
- Safe
- Not sealed

Surface Water Protection

- Registration required for industry storm water runoff



Fees for Unhealthy Business Practices

Air Quality

\$600 fee dry cleaning and high emitting paint booths

Example: Dry Cleaning

Outdoor Air Quality— In *Air Quality: A Neighborhood Approach* study conducted by the City of Minneapolis perc had the greatest number of exceedances of health risk values.

Indoor Air Quality —Indoor air sampling has shown that removal of perc machines significantly improves indoor air quality.

Fees Based On Air Pollution

Experts agree the cost, to human health and the environment, of air pollution is much higher than what we currently charge.

1. **Externality Costs:** (Health cost and other damage) of a theoretical power plant built in Hennepin County.

Pollutant	Dr. Nick Muller MPCA	Dr. Julian Marshall University of Minnesota
PM _{2.5}	\$96,419 - \$507,053	\$339,154 - \$591,669
SO ₂	\$23,687 - \$126,159	\$18,712 - \$32,643
NO _x	\$5,307 - \$27,601	\$30,131 - \$52,565

2. **Pollution is not equal:** Externality costs of pollution potentially 7 times higher in urban areas.

Example: Fine Particulates \$792/ton in rural areas and \$6,291/ton Urban
Based on 2013 State of Minnesota Public Utilities Commission report.

3. **Immeasurable:** 2,000 deaths and 400 hospitalizations in the Twin Cities
MPCA-MDH Life and Breath Report.

Small Source Charges

- Amending an existing boiler/furnace charge
 - Hundreds of small sources of air pollution (NO_x, Sox, PM 2.5)
 - Change 400,000BTU to 300,000BTU capacity unit charges for boilers and furnaces (\$64)
 - For reference 80,000 BTU

Charges for Pollution

- Removal of charges for pollution control equipment
- Instead charge for amount of pollution:
 - \$86/ton for PM 2.5, SO_x, NO_x, and VOCs
 - \$56/ton CO
 - \$500/ton for lead

A Clean and Healthy City

- Improvements that reduce pollution
 - Exemptions to waive fees
 - 10% of one emission category over 500lbs 2 year waive emission fees
 - 25% of one emission category or 10% in all emission categories over 1 ton-3 year waive emission fees
 - 25% of total emissions over 2 tons-5 year waive all fees
 - 40% of total emissions over 4 tons- 10 year waive all fees
 - Green Business Cost Share 
 - Air pollution reduction projects up to \$50,000
 - Energy Assistance 2016

Thank you