

## FEE REPORT FORM

**Agency:** Bureau of Waste Management  
Department of Environmental Protection

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<b>Fee Collections:</b>	Current and Prior Years	Fiscal Year 2010/11 (Anticipated)	Fiscal Year 2011/12 Projected	Fiscal Year 2012/13 Projected
Current – Total	\$0	\$0		
Proposed— Total			\$75,000	\$75,000

### FEE TITLE AND RATE:

**Title:** Beneficial Use of Coal Ash at Mine Sites Fee Schedule

#### Current Fee Schedule:

There are no current fees for the beneficial use of coal ash.

#### Proposed Fee Schedule:

The proposed fees would be in accordance with the following schedule and must accompany an application for the beneficial use of coal ash, and are payable annually thereafter. The fees are as follows:

<b>CATEGORY</b>	<b>FEE</b>
Annual Fee from time of application through final ash placement at the mine site	\$2,000
Annual Fee from the year following final placement of coal ash until final bond release for the coal mining activity site	\$1,000

At least every 3 years, the Department will recommend regulatory changes to the fees in this section to the Environmental Quality Board (EQB) to address any disparity between the program income generated by the fees and program costs. The regulatory amendment will be based upon an evaluation of the fee income generated from the beneficial use of coal ash at mine sites program and the Department's costs to administer this program.

#### Fee Objective:

The fees have been calculated to cover the sample analysis costs to the Department to implement and administer the beneficial use of coal ash at mine sites program as authorized under Section 4(a) of SMCRA (52 P.S. §1396.4(a)).

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**Fee Related Activities and Costs:**

Activities supported by the fees associated with the beneficial use of coal ash at mine sites program include the following:

- a) On-site sampling of coal ash
- b) Coal ash sample preparation
- c) Coal ash sample analysis
- d) On-site collection of water monitoring samples
- e) Water monitoring sample preparation
- f) Water monitoring sample analysis

**Analysis:**

Section 4(a) of SMCRA (52 P.S. §1396.4(a)) authorizes the Department to charge and collect a reasonable filing fee from persons submitting applications for a surface mining permit in order to cover the costs of reviewing and administering such permits. These fees are intended to reflect the costs of implementing and administering the beneficial use of coal ash at mine sites program. The beneficial use of coal ash at active mine sites may only be conducted in accordance with a mining permit, and the permit must specifically provide for such use.

The fee amount was calculated as follows. To assure compliance with the waste and mining regulations, the Department proposes to sample ash at a mine site during the active phase of ash use an average of two times per year and collect water samples from an average five monitoring points two times per year. The DEP Bureau of Laboratory's cost for analyzing ash is \$450 per sample and their cost for water sample analyses is \$314 per sample. The combined cost of ash sampling and water sampling per mine is \$4,040 per year. The coal mining program is 50% federally funded. Thus, the state portion of the sample costs is \$2,020, which has been rounded to \$2,000 per year. After ash use has ceased, the Department intends to continue to sample the surface and ground water monitoring points. The reduced fee of \$1,000 during this phase reflects the fact that samples of the ash will not be taken.

There are about 50 mine sites that will be impacted by this fee. The estimated cost of the beneficial use of coal ash at mine sites program for the first full fiscal year 2011/2012 is \$75,000, and the projected revenue is \$75,000. Thus, the estimated amount collected in revenue covers half the estimated cost of \$150,000 for sample collection, with the other half being federally funded. The annual fees are based solely on the cost to prepare and analyze the samples. Field staff time is not accounted for under this fee structure.

**Recommendation and Comment:**

Approve the final-form regulations. This regulation was presented to the Solid Waste Advisory Committee (SWAC) on May 27, 2010. SWAC reviewed the rulemaking and supported moving the final rulemaking forward to the EQB for consideration.