

FOR BOARD ACTION

Agenda Item # 8

Meeting Date:

4/27/10

SUBJECT:

2010 Air Emissions Fee for Silver Lake Plant

PREPARED BY:

Bill Cook, Manager of Work Management and Integrated Services

ITEM DESCRIPTION:

Minnesota Rules Parts 7002 and 7005 require facilities with air emission permits to pay an emission-based annual fee to the Minnesota Pollution Control Agency (MPCA) to fund air quality programs. Approximately 70% of the air program budget is funded by emissions fees.

The 2010 air emission fee for the Silver Lake Plant is \$127,651.05. The fee is based on actual emissions from 2008 and a rate of \$43.33 per ton. Air emissions fees were included in the Year 2010 budget approved by the Board and Council. The 2010 fee rate increased 18.5% from last year's fee rate; however the total fee is less because less fuel was burned in 2008 compared to previous years, resulting in lower mass emissions.

The following is a summary of fees from the past 10 years:

FEE YEAR	EMISSION YEAR	EMISSIONS(TONS)	FEE RATE (\$/ton)	FEE
2010	2008	2,946.02	\$43.33	\$127,651.05
2009	2007	4,503.60	\$36.56	\$164,651.62
2008	2006	3,625.14	\$35.22	\$127,677.43
2007	2005	4,111.19	\$31.76	\$130,571.40
2006	2004	4,632.42	\$29.84	\$138,231.41
2005	2003	4,912.92	\$28.22	\$138,642.60
2004	2002	1,661.13	\$28.41	\$47,192.70
2003	2001	3,884	\$27.61	\$107,247.73
2002	2000	3,657	\$26.51	\$96,954.23
2001	1999	2,939	\$24.94	\$73,299.40

FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

Not Applicable

UTILITY BOARD ACTION REQUESTED:

Management recommends Utility Board approval of the resolution authorizing payment of the Silver Lake Plant 2010 air emission fee in the amount of \$127,651.05.



General Manager



Date

ROCHESTER PUBLIC UTILITIES



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to authorize payment of the 2010 Silver Lake Plant air emission fee in the amount of \$127,651.05 to the Minnesota Pollution Control Agency.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 27th day of April, 2010.

President

Secretary