

Instructions for Section 185 Fee Program
Baseline Amount Determination Forms
for New Major Sources, New Construction
at a Major Source, and Major Sources with
Less than 24-Months of Operation

Under 30 Texas Administrative Code Section 101.110

07/30/2013

Instructions for completing the Section 185 baseline amount for new sources, new construction at existing major stationary sources, and sources with less than 24-months of operation at or after the attainment date (Form 110A)

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Background

Sections 182 and 185 of the Federal Clean Air Act (FCAA) require that states with severe and extreme ozone nonattainment areas submit a revision to the state implementation plan that assesses fees on certain major stationary sources if the area fails to attain the ozone National Ambient Air Quality Standard (NAAQS) by the applicable attainment date.

The Houston-Galveston-Brazoria (HGB) area (Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller counties) was originally classified as severe for the one-hour ozone NAAQS and was required to attain this standard by November 15, 2007. A finding of failure to attain notice was published on February 1, 2012 for the HGB one-hour nonattainment area, and the area is currently not attaining the one-hour NAAQS.

About These Forms and Instructions

Use this form if a source is a new major stationary source (was not subject to the rule by the attainment date), had new construction authorized by a nonattainment new source review permit issued under Chapter 116, Subchapter B, Division 5, or operated for less than 24-months by November 15, 2007 or later. This form and instructions are intended for reporting a baseline amount under 30 Texas Administrative Code (TAC) Section (§) 101.110. For other baseline amount reporting forms, please see the Section 185 Webpage at <http://www.tceq.texas.gov/airquality/point-source-ei/sipsection185.html>.

Applicability

This fee program applies to all regulated entities (REs) that are major stationary sources of volatile organic compounds (VOC) emissions or nitrogen oxides (NO_x) emissions in the HGB one-hour ozone nonattainment area on or after November 15, 2007. For the HGB one-hour ozone nonattainment area, a major stationary source is any RE with actual or potential emissions of 25 tons per year of either VOC emissions or NO_x emissions. An RE can be classified as a major stationary source for either of the two pollutants or for both pollutants. A baseline amount determination is required from any RE that is a major stationary source for either VOC or NO_x.

Baseline Amount

The baseline amount is the lower of the baseline emissions or authorized emissions in the attainment year which is 2007 for the HGB one-hour ozone nonattainment area. This lower amount is referred to as the “basis” of the baseline amount. Major stationary

sources that have irregular, cyclical operations or have emissions that vary significantly from year to year may select a consecutive 24-month period between 2002 through 2006 for electric utility steam-generating units (EGU) and between 1997 through 2006 for non-EGUs for determining annual baseline emissions. The year 2007 or the 24-month consecutive period used for the basis is referred to as the “period.” To request an baseline amount under §101.106, please see “Baseline Amount Forms” at <http://www.tceq.texas.gov/airquality/point-source-ei/sipsection185.html>.

Some sources may be newly major after the attainment date or may had construction at a site after the attainment date or after establishing a baseline amount. An initial baseline amount is required based on one-year of continuous operation. The baseline is the lower of the baseline emissions (emissions reported in the EI) and the authorized limits. These forms are designed to allow these sources to report new or modified baseline amounts. Additionally, after 24-months of operation, a major source may use these forms to submit a modified baseline amount.

Subsequent Fee Calculation

Any subsequent fees will use the baseline amount for determining the fee for the major stationary source. If the major stationary source is part of a group, the fee will be assessed on the group.

The first fee will be based on actual emissions from calendar year 2012 emissions and will be assessed annually on actual emissions until the program ends. Actual emissions are annual emissions; maintenance, start-up, and shutdown (MSS) emissions; and emissions from emissions events in excess of 80% of the baseline amount for the Section 185 Account.

Required Forms

The forms are available for download from <http://www.tceq.texas.gov/airquality/point-source-ei/sipsection185.html>. There is one form for determining a baseline amount for new sources. This form can also be used to modify a baseline amount for sources that operated for less than 24-months when the baseline amount was determined.. The forms are designed to accommodate a single major stationary that is requesting an alternative baseline amount. Each form submitted will result in the creation of a Section 185 Account Number.

If this form is being submitted for a new construction (or an acquisition of a site or unit that is not part of a baseline amount in another account), the baseline amount for all emissions units at the major source at the attainment year should be established with the forms for §185 Baseline Amounts under §101.106 and §101.107. Submit all forms together if this baseline amount under §101.110 is being established at the same time as the baseline amounts for other emissions units under §101.106 and §101.107.

Submitting the Forms

An electronic copy and a printed/signed copy of the completed form(s) are required to be submitted.

1. Save the appropriate form(s) to your computer.
2. Complete the form(s) using the electronic template (do not print and complete).
3. Print and sign the completed form(s).
4. Save a copy of the completed electronic form(s) on a compact disc (CD).
5. Mail the signed, completed forms and the CD to the TCEQ.

Please contact the EAS if an electronic copy, either on CD or stick memory (thumb drive), cannot be submitted with the signed copy of the forms.

Mailing Instructions

Mail both the signed forms and the CD with the electronically completed baseline forms:

Section 185 Baseline Amount, MC 166
Texas Commission on Environmental Quality
P. O. Box 13087
Austin, Texas 78711-3087

Section 185 Baseline Amount Form For New Major Stationary Sources, New Construction at a Major Stationary Source, or Major Stationary Source with Less Than 24 Months of Operation (form 110A)

Section A: Customer Information

- 1. Customer Reference Number (CN):** The number assigned by the TCEQ to an individual or business that is responsible for one or more regulated entities. For example, the organization or individual that owns or operates a site or facility. This CN identifies the customer for either the major stationary source or the group of major stationary sources that will be aggregated under a baseline amount. For aggregated groups, select one valid CN to represent the group. It must be associated in the agency's Central Registry Database with at least one of the RNs in the group.
- 2. Customer Name:** Name of the owner or operator responsible for submitting the Section 185 fee program information.
- 3. Regulated Entity Reference Number (RN):** The number assigned by the TCEQ to a location where a TCEQ-regulated activity occurs. If an RN has not already been assigned, complete a Core Data form and submit it to Central Registry. Submit a copy of this form with the Baseline Amount Determination Form. If this form is

being submitted for new construction at one source, supply that number. If the RN is part of a group identified by a Section 185 Account Number, the baseline amount modification will apply to the baseline amount for the entire group.

4. **Company Name:** The name for the regulated entity (RE).
5. **Site Name:** The name of location of the RE.
6. **SIC:** Standard Industrial Classification (SIC). Include the four-digit numeric code that best describes the RE's primary business activity and operations.

Section B: Section 185 Contact Information

Note: This information must be associated with an RE and cannot belong to a consulting firm, law office, etc.

7. **First Name:** The first name of the company employee who will serve as the contact for items related to the Section 185 fee program.
8. **Last Name:** The last name of the company employee who will serve as the contact for items related to the Section 185 fee program.
9. **Title:** The job title of the Section 185 fee program contact.
10. **Business Address:** The address where correspondence related to the Section 185 fee program can be sent.
11. **Mailing Address:** The Section 185 contact's physical address if different from the mailing address.
12. **Telephone and Fax Numbers and E-mail Address:** Contact information for the Section 185 contact.

Note: Only one Section 185 contact person can be listed per form. If the affected site is in an aggregated group, the contact person listed will be considered the Section 185 contact for all REs in the Section 185 account.

Section C: Baseline Amount Worksheet

13. **Submission Type:** Indicate if the form is being submitted for a
 - a. New major source – this source was not previously considered a major source or did not exist;
 - b. New Construction at an existing source – new construction was authorized after November 15, 2007 by a nonattainment new source review permit, issued under Chapter 116, Subchapter B, Division 5; or

- c. 24-month adjustment – newly established baselines are adjusted after 24-months of operation.

Table C.1. Compare Baseline Emissions and Authorized Emissions

List the VOC and NO_x baseline emissions and authorized limits. If the sources are aggregated into a single baseline amount add the VOC and NO_x baseline amounts together.

If the baseline amount is being created for a new major source, list the baseline and authorized emissions for all the units at the site. If more than one authorization is applicable for this site, please use Attachment 1. Authorizations.

A new major source (if it is not part of another Section 185 Group) may keep its VOC baseline amount separate from its NO_x baseline amount or it may aggregate them together. If the sources are aggregated into a single baseline amount, add the VOC and NO_x baseline amounts together.

If aggregation is NOT intended, DO NOT aggregate VOC and NO_x baseline amounts together.

If the baseline amounts are being added to an existing Section 185 Account as a result of new construction, the baseline amounts will be added to the baseline amounts in the same manner as the originally selected aggregation. For example, if the original baseline amount for the Section 185 Account was for VOC only, VOC will be added to the baseline amount. Any newly authorized NO_x will need to be added to the Section 185 Account that contained the NO_x emissions for the RN. Therefore, if the VOC baseline was not aggregated with the NO_x baseline amount for the original Section 185 baseline amount determination, they can not be aggregated for this requested modification. If the RN is part of a Section 185 group, the group will then be credited with the additional baseline amount.

If this form is being submitted to revise a baseline amount based on 24-months of operation, the same aggregation method that was originally selected will be maintained. For example if VOC were not aggregated with NO_x in the original submission, it cannot be aggregated with NO_x.

Baseline Emissions:

- 14.** The baseline emissions are the emissions reported in tons in the annual emissions inventory submitted to and recorded by the agency each calendar year per the emissions inventory requirements of §101.10. The baseline emissions must include all annual emissions associated with authorized normal operations, startups, shutdowns, and maintenance activities and excludes emissions from emissions events reported.

15. All emissions and REs reported within a form must use the same basis and period.
16. **Authorized Limit:** The sum of the annual limit at each unit in the authorization. New construction at an existing source must have the new construction authorized by a nonattainment new source review permit issued under Chapter 116, Subchapter B, Division 5.
17. **Authorized Date:** Date the permit was authorized.
18. **Authorization Number:** The permit authorization number (including Permits by Rule and Standard Operating Permits).
19. **Operating Start or Acquisition Date:** Date the unit(s) began operating. If these emissions units were part of a source that was not major, acquisition of these sources into a major source will cause these to be considered a newly major source. List the acquisition date. To obtain credit for these emissions units, these units can not be part of another major source's baseline amount.

Table C.2. Adjust or Create an Existing Baseline Amount for Indicated RN

20. **Lower Amount:** The type of emissions that were used to determine a baseline amount. This will be the lower or the baseline emissions or the authorized limit.
21. **Basis:** The type of emissions that were used to determine a baseline amount. If the lower amount in Table C1 was based on emissions reported in the annual emissions inventory, indicate "Baseline Emissions." If the lower amount in Table C1 were based on authorized emissions, indicate "Authorized Limit." All emissions units in this comparison must use the same basis.
22. **Section 185 Account Number:** The number, if known, for the RN and pollutant. A new major source may not have this assigned yet. The TCEQ will assign the number.

Table C.3. Substituted Amount

23. **Baseline Amount to be Updated:** If the submission is being made to update a baseline amount based on 24-months of operation, please complete this section. List the earlier reported amount of VOC, NO_x, or VOC and NO_x that is being updated.

Section D: Certification

24. **Signature:** This should only be signed by the legally responsible person or delegated representative for the RE. The responsible party is certifying that the information presented on the Section 185 Baseline Amount form is true and accurate to the best of the signor's knowledge.

Note: The responsible person cannot be a consultant.

Contact Us

E-mail: 185Rule@tceq.texas.gov

El helpline: 512-239-1773

Kathy Pendleton: 512-239-1936 or at kathy.pendleton@tceq.texas.gov

Examples of Completed Forms

Example 1. A site has new construction and, after 12 months of operation, is adding baseline amount to an existing Section 185 Account. This account had the VOC baseline amount aggregated with the NO_x baseline amount. Because the new authorization is requested on the form, an Attachment 1 for authorizations is not requested.



Texas Commission on Environmental Quality

Baseline Amount Form for New Major Stationary Sources, New Construction at a Major Stationary Source, or Major Stationary Source with Less Than 24 Months of Operation

Use this form to request a new or adjusted baseline amount from one stationary source under 30 Texas Administrative Code Section 101.110. If this source is part of an existing group, this request will adjust that group's baseline amount.

Section A: Customer Information					
Customer Number (CN): ¹	CN123456788	Customer Name: ²	ACE		
Section B: Section §185 Contact Information					
RN: ³	RN123456890	Company Name: ⁴	MANUFACTURING		
Site Name: ⁵	PLT 1			SIC: ⁶	9999
First Name: ⁷	JOHN	Last Name: ⁸	DOE	Title: ⁹	MGR
Business Address: ¹⁰	143 MAIN		Mailing Address: ¹¹		
City:	HOUSTON		City:		
State:	TX	Zip Code:	12345	+ 4:	1234
State:		Zip Code:		+ 4:	
Telephone Numbers and E-Mail Address ¹²					
Business:	(703) 123-4567		Ext:		
Alternate Business:			Ext:		
Fax:	(703) 123-4568		E-Mail Address:	JOHN.DOE@MANUFACTURING.COM	

Section C: Baseline Amount Worksheet

Submission Type¹³

Table C.1: Compare Baseline Emissions and Authorized Emissions for New Sources

Pollutant	Baseline Emissions Total (Tons) ¹⁴	Authorized Limit ¹⁵	Authorized Date ¹⁶	Authorization Number ¹⁷	Operating Start or Acquisition Date ¹⁸
VOC	<input type="text" value="150"/>	<input type="text" value="160"/>	<input type="text" value="02/19/2014"/>	<input type="text" value="123"/>	<input type="text" value="12/15/2014"/>
NO _x	<input type="text" value="50"/>	<input type="text" value="60"/>	<input type="text" value="02/19/2014"/>	<input type="text" value="123"/>	<input type="text" value="12/15/2014"/>

If the VOC and NO_x baseline amounts are to be aggregated, please complete the following. Do NOT complete if aggregation is not intended.

Pollutant	Baseline Emissions Total (Tons)	Authorized Limit	Authorized Date	Authorization Number	Operating Start or Acquisition Date
VOC + NO _x	<input type="text" value="200"/>	<input type="text" value="220"/>	<input type="text" value="02/19/2014"/>	<input type="text" value="123"/>	<input type="text" value="12/15/2014"/>

Table C.2: Adjust or create an existing Baseline Amount for indicated RN. If known, list the Section 185 Account(s) that will be modified.

Pollutant	Lower Amount from Table C.1. ¹⁹	Basis (Select One) ²⁰	Section 185 Group Number ²¹
VOC	<input type="text"/>	<input type="text"/>	<input type="text"/>
NO _x	<input type="text"/>	<input type="text"/>	<input type="text"/>

For aggregated baseline amounts, please complete the following. Do NOT complete if aggregation is not intended.

Pollutant	Lower Amount from Table C.1.	Basis (Select One)	Section 185 Group Number
VOC + NO _x	<input type="text" value="200"/>	<input type="text" value="Baseline Emissions"/>	<input type="text" value="122121"/>

Table C.3: For 24 month update on a baseline amount, report the amount of baseline amount that is being updated.	
Pollutant	Baseline Amount to be Substituted (Tons) ²²
VOC	<input type="text"/>
NO _x	<input type="text"/>
VOC + NO _x	<input type="text"/>
Certification²³	
The information reported on this baseline amount determination form is true and accurately represents authorizations and baseline emissions for this site to the best of my knowledge.	
Signature: <i>John Doe</i>	Date:

Example 2. Because of higher annual emissions, this same company wants to update its baseline amount for those new units after 24-months of operation.



Texas Commission on Environmental Quality

Baseline Amount Form for New Major Stationary Sources, New Construction at a Major Stationary Source, or Major Stationary Source with Less Than 24 Months of Operation

Use this form to request a new or adjusted baseline amount from one stationary source under 30 Texas Administrative Code Section 101.110. If this source is part of an existing group, this request will adjust that group's baseline amount.

Section A: Customer Information																													
Customer Number (CN): ¹		CN123456788		Customer Name: ²		ACE																							
Section B: Section §185 Contact Information																													
RN: ³		RN123456890		Company Name: ⁴						MANUFACTURING																			
Site Name: ⁵				PLT 1				SIC: ⁶		9999																			
First Name: ⁷			JOHN			Last Name: ⁸			DOE			Title: ⁹		MGR															
Business Address: ¹⁰						143 MAIN				Mailing Address: ¹¹																			
City:						HOUSTON				City:																			
State:		TX		Zip Code:		12345		+ 4:		1234		State:				Zip Code:				+ 4:									
Telephone Numbers and E-Mail Address ¹²																													
Business:						(703) 123-4567						Ext:																	
Alternate Business:												Ext:																	
Fax:						(703) 123-4568						E-Mail Address:												JOHN.DOE@MANUFACTURING.COM					

Section C: Baseline Amount Worksheet

Submission Type¹³

Table C.1: Compare Baseline Emissions and Authorized Emissions for New Sources

Pollutant	Baseline Emissions Total (Tons) ¹⁴	Authorized Limit ¹⁵	Authorized Date ¹⁶	Authorization Number ¹⁷	Operating Start or Acquisition Date ¹⁸
VOC	<input type="text" value="150"/>	<input type="text" value="160"/>	<input type="text" value="02/19/2014"/>	<input type="text" value="123"/>	<input type="text" value="12/15/2014"/>
NO _x	<input type="text" value="55"/>	<input type="text" value="60"/>	<input type="text" value="02/19/2014"/>	<input type="text" value="123"/>	<input type="text" value="12/15/2014"/>

If the VOC and NO_x baseline amounts are to be aggregated, please complete the following. Do NOT complete if aggregation is not intended.

Pollutant	Baseline Emissions Total (Tons)	Authorized Limit	Authorized Date	Authorization Number	Operating Start or Acquisition Date
VOC + NO _x	<input type="text" value="214"/>	<input type="text" value="220"/>	<input type="text" value="02/19/2014"/>	<input type="text" value="123"/>	<input type="text" value="12/15/2014"/>

Table C.2: Adjust or create an existing Baseline Amount for indicated RN. If known, list the Section 185 Account(s) that will be modified.

Pollutant	Lower Amount from Table C.1. ¹⁹	Basis (Select One) ²⁰	Section 185 Group Number ²¹
VOC	<input type="text"/>	<input type="text"/>	<input type="text"/>
NO _x	<input type="text"/>	<input type="text"/>	<input type="text"/>

For aggregated baseline amounts, please complete the following. Do NOT complete if aggregation is not intended.

Pollutant	Lower Amount from Table C.1.	Basis (Select One)	Section 185 Group Number
VOC + NO _x	<input type="text" value="214"/>	<input type="text" value="Baseline Emissions"/>	<input type="text" value="122121"/>

Table C.3: For 24 month update on a baseline amount, report the amount of baseline amount that is being updated.	
Pollutant	Baseline Amount to be Substituted (Tons) ²²
VOC	<input type="text"/>
NO _x	<input type="text"/>
VOC + NO _x	200
Certification²³	
The information reported on this baseline amount determination form is true and accurately represents authorizations and baseline emissions for this site to the best of my knowledge.	
Signature:	Date: