



Chapter 102 Regulatory Fee and Program Cost Analysis Report

Environmental Quality Board

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Tom Wolf, Governor

Ramez Ziadeh, P.E., Acting Secretary

Background

- Chapter 102 regulations - erosion and sediment control and post-construction stormwater management for earth disturbance activities
- Current Chapter 102 regulations effective November 19, 2010
- 25 Pa. Code § 102.6(b)(2) requires DEP to evaluate adequacy of fees and report to Environmental Quality Board (EQB)

Background

Table 1. Fee for Chapter 102 Permits Under 25 Pa. Code § 102.6(b)(1)

Fee Type	Permit Type	Fee
Base Administrative Filing Fee	General Permits (NPDES PAG-01 and PAG-02 and ESCGP)	\$500
Base Administrative Filing Fee	Individual Permits (NPDES and E&S)	\$1,500
Disturbed Acreage Fee	All Permits	\$100 x each disturbed acre

Fees

Fees collected by DEP

- Disturbed Acreage Fee
- Base Administrative Filing Fee – DEP only collects if performing completeness review of application

Fees collected by delegated Conservation Districts

- Base Administrative Filing Fee
- Service Fees (Erosion & Sediment and Post-Construction Stormwater Management, if applicable)

DEP Program Costs and Fees Collected

- Fiscal Years (FY) 2013-14 through 2020-21
- Program Costs = DEP Staff Costs (Central and Regional Offices) (multiplied by 28%) & Training Costs
- Fees Collected = Base Administrative Filing Fees & Disturbed Acreage Fees

DEP Program Costs and Fees Collected

Table 2. Costs and Fees Collected Associated with DEP's Implementation of the Chapter 102 Program

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Program Costs	\$5,450,220	\$5,674,336	\$6,248,832	\$7,173,832
Fees Collected	\$5,426,667	\$4,609,907	\$4,510,875	\$3,856,362

DEP Program Costs and Fees Collected

Table 2. Costs and Fees Collected Associated with DEP's Implementation of the Chapter 102 Program

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Program Costs	\$7,187,495	\$7,111,103	\$7,463,643	\$7,820,512
Fees Collected	\$3,690,777	\$3,610,190	\$3,349,060	\$3,987,298

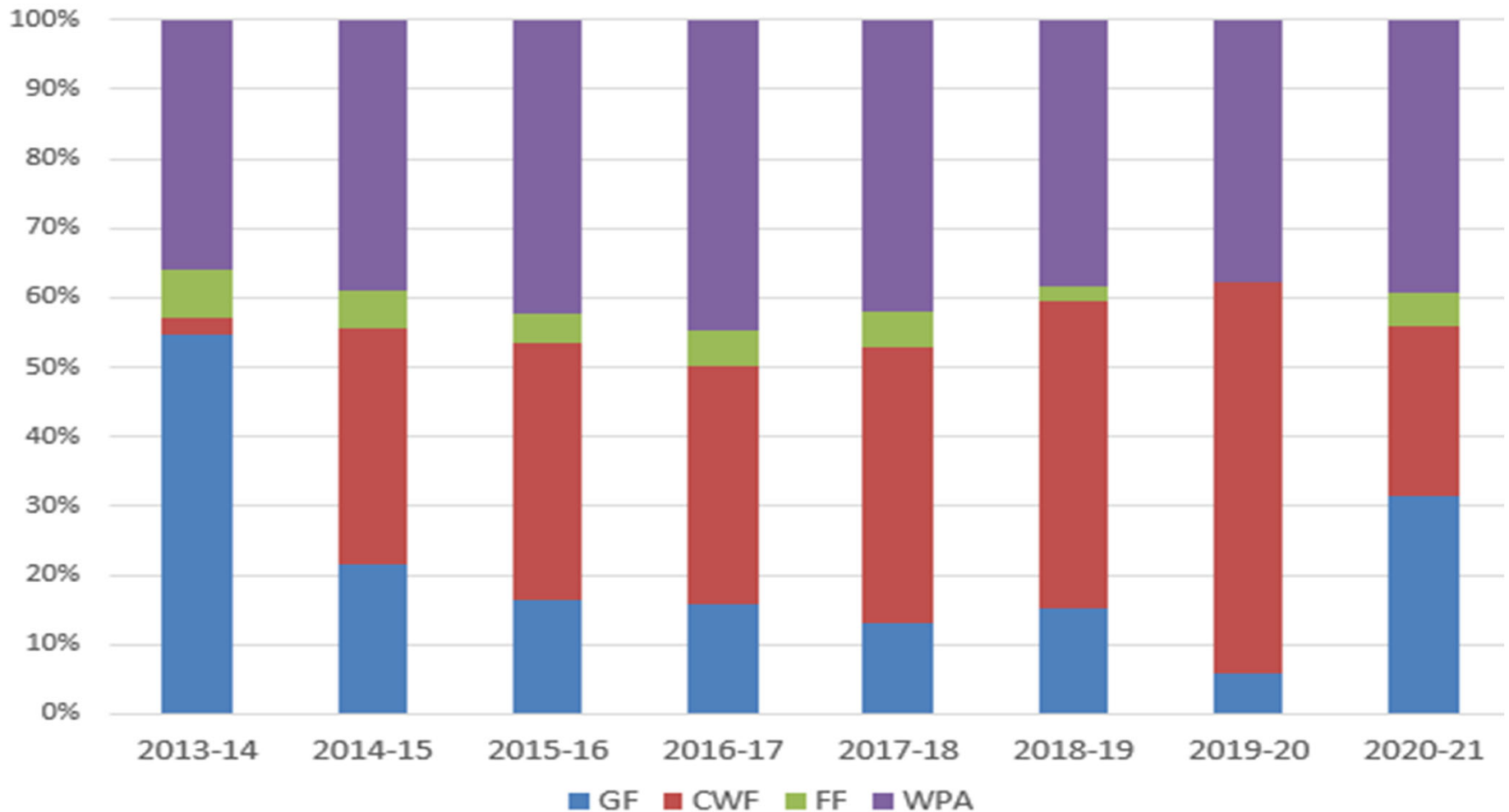
DEP Program Costs and Fees Collected

To close the gap between fees collected and program expenses, DEP uses:

- General Fund (GF)
- Clean Water Fund (CWF)
- Well Plugging Account (WPA)
 - DEP Oil and Gas staff costs for Chapter 102 activities
- Federal Funds (FF)

DEP Program Costs and Fees Collected

Figure 1. Allocation of Funding Sources for DEP's Chapter 102 Program Costs, FY 2013-14 to 2020-21



DEP Program Costs and Fees Collected

Table 3. Costs and fees collected associated with DEP's implementation of the Chapter 102 program illustrating the revenue to cost ratio without Oil and Gas Program costs

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Program Costs	\$5,450,220	\$5,674,336	\$6,248,832	\$7,173,832
Oil and Gas Costs	\$1,525,608	\$1,720,988	\$2,063,390	\$2,501,080
Program Costs minus Oil and Gas Costs	\$3,924,612	\$3,953,348	\$4,185,442	\$4,672,752
Fees Collected	\$5,426,667	\$4,609,907	\$4,510,875	\$3,856,362
Difference	\$1,502,055	\$656,559	\$325,433	(\$816,390)
Revenue:Costs	138%	117%	108%	83%

DEP Program Costs and Fees Collected

Table 3. Costs and fees collected associated with DEP's implementation of the Chapter 102 program illustrating the revenue to cost ratio without Oil and Gas Program costs.

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Program Costs	\$7,187,495	\$7,111,103	\$7,463,643	\$7,820,512
Oil and Gas Costs	\$2,348,893	\$2,123,883	\$2,201,762	\$2,395,152
Program Costs minus Oil and Gas Costs	\$4,838,602	\$4,987,220	\$5,261,881	\$5,425,360
Fees Collected	\$3,690,777	\$3,610,190	\$3,349,060	\$3,987,298
Difference	(\$1,147,825)	(\$1,377,030)	(\$1,912,821)	(\$1,438,062)
Revenue:Costs	76%	72%	64%	73%

CD Program Costs and Fees Collected

- Fiscal Years (FY) 2013-14 through 2020-21
- Program Costs = Total Program Costs reported by Conservation Districts (multiplied by 53%)
- Fees Collected = Base Administrative Filing Fee and Service Fees

CD Program Costs and Fees Collected

Table 4. Conservation District Costs and Fees Collected Associated with Districts' Implementation of the Chapter 102 Program

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Program Costs	\$14,736,282	\$15,663,133	\$18,262,028	\$18,673,069
Fees Collected	\$8,870,311	\$9,659,101	\$10,800,234	\$10,440,288
Transfer	\$1,493,250	\$1,254,660	\$1,254,660	\$1,254,660
Difference	(\$4,372,721)	(\$4,749,372)	(\$6,207,134)	(\$6,978,121)
Revenue:Costs	70%	70%	66%	63%

CD Program Costs and Fees Collected

Table 4. Conservation District Costs and Fees Collected Associated with Districts' Implementation of the Chapter 102 Program

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Program Costs	\$20,627,921	\$20,186,165	\$21,014,529	\$21,553,271
Fees Collected	\$11,002,592	\$12,000,639	\$11,854,867	\$13,371,638
Transfer	\$1,292,082	\$1,292,082	\$1,292,082	\$1,292,082
Difference	(\$8,333,247)	(\$6,893,444)	(\$7,867,580)	(\$6,889,551)
Revenue:Costs	60%	66%	63%	68%

Projections

- Fiscal Years (FY) 2021-22 through 2023-24
- Program Costs estimated to increase by 4%
- Fees Collected estimated to increase by 1.5%, 5.4%, and 6.4% for FYs 2021-22, 2022-23, and 2023-24, respectively

DEP Projections

Table 5. DEP's Projected Costs and Fees Collected Associated with the Chapter 102 Program

	FY 2021-22	FY 2022-23	FY 2023-24
Projected Program Cost	\$5,742,375	\$5,968,070	\$6,202,792
Projected Fees Collected	\$4,047,107	\$4,265,651	\$4,525,856
Projected Difference	(\$1,695,268)	(\$1,702,419)	(\$1,676,936)
Ratio	70%	71%	73%

CD Projections

Table 6. Conservation District Projected Costs and Fees Collected Associated with the Chapter 102 Program

	FY 2021-22	FY 2022-23	FY 2023-24
Projected Program Cost	\$23,240,032	\$24,169,633	\$25,136,419
Projected Fees Collected	\$13,573,110	\$14,306,058	\$15,178,727
Transfers	\$1,292,082	\$1,292,082	\$1,292,082
Projected Difference	(\$8,374,840)	(\$8,571,493)	(\$8,665,610)
Ratio	64%	65%	66%

Recommendation

- Fees collected are projected to cover approximately 70% and 65% of DEP's and conservation districts' expenses, respectively, over the next 3 years
- DEP is recommending an increase in Chapter 102 fees and plans to begin drafting a proposed rulemaking



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