

RULE 3156 FEES FOR EQUIPMENT SUBJECT TO RULE 2260 REGISTRATION REQUIREMENTS FOR EQUIPMENT SUBJECT TO CALIFORNIA'S OIL AND GAS REGULATION (Adopted December 21, 2017)

1.0 Purpose

The purpose of this rule is to recover the District's costs of developing and maintaining an effective registration program, as required by Rule 2260 (Registration Requirements for Equipment Subject to California's Oil and Gas Regulation).

2.0 Applicability

This rule applies to owners or operators of equipment subject to Rule 2260 (Registration Requirements for Equipment Subject to California's Oil and Gas Regulation).

3.0 Definitions

Unless otherwise defined, terms used in this rule are defined in Rule 2260 (Registration Requirements for Equipment Subject to California's Oil and Gas Regulation) and in California's Oil and Gas Regulation.

3.1 CARB: California Air Resources Board

3.2 Fiscal Year: The 12-month period between July 1 and the following June 30, inclusive.

4.0 Registration Fees

4.1 Registration Application Filing Fee:

4.1.1 An application filing fee is not required for Registration applications submitted electronically in a format specified by the District.

4.1.2 The owner or operator of a Facility subject to Rule 2260 shall pay a data processing fee for the processing of Registration applications not submitted electronically in a format specified by the District. The fee shall be calculated using the staff hours expended and the prevailing weighted labor rate. Notwithstanding the provisions of Section 5.0, such fee shall be invoiced upon issuance of the Registration.

4.2 Annual Registered Equipment Fee: The owner or operator of a Facility subject to Rule 2260 is subject to the following annual fee schedules shown in Table 1 below.

Table 1: Annual Registered Equipment Fees

Equipment at Facilities Subject to Registration Under Rule 2260, Except at Natural Gas Underground Storage Facilities	
Schedule	Cost (\$ per year)
A - Each Separator and Tank System subject to flash testing	\$60
B - Each Separator and Tank System subject to Leak Detection and Repair	\$90
C - All Reciprocating and Centrifugal Natural Gas Compressors at a Facility	\$190
D - All Natural Gas Powered Pneumatic Devices and Pumps at a Facility (per 25 units or portion thereof)	\$145
E - All Well Casing Vents Open to the Atmosphere at a Facility (per 10 wells or portion thereof)	\$60
F - Natural Gas Processing Plant	\$90
G - Natural Gas Production Operation (per 10 wells or portion thereof, excluding Well Casing Vents Open to the Atmosphere),	\$135
H - Crude Oil Production Operation (per 10 wells or portion thereof, excluding Well Casing Vents Open to the Atmosphere)	\$100
Equipment at Natural Gas Underground Storage Facilities Subject to Registration Under Rule 2260	
Schedule	Cost (\$ per year)
I - Separator System (per unit)	\$90
J - Dehydration System (per glycol unit)	\$300
K - Odorizer Skid (per skid)	\$30
L - Production/Injection Wells (per 10 wells or portion thereof)	\$135
M - All Reciprocating and Centrifugal Natural Gas Compressors at a Facility	\$190

5.0 Registration Program Fee Notification

5.1 Registration program fees due for each Facility shall be determined as follows:

5.1.1 By July 1 of each Fiscal Year, District costs to implement Rule 2260 shall be determined for that Fiscal Year (as determined in the District’s Fiscal Year Budget). District costs are all costs associated with the program, including, but not limited to, staff time required to develop and modify the registration program, process and issue initial Registrations, modify

existing Registrations, conduct ongoing inspections, and perform related support activities. District costs shall be based on Registrations in effect on July 1 of each Fiscal Year.

- 5.1.2 If the District's allocation of funding from CARB in the State budget to implement California's Oil and Gas Regulation does not include sufficient funds to reimburse the District costs of implementing Rule 2260 (as specified in section 5.2.1), the District shall collect registration program fees from each Facility subject to Rule 2260 for the balance of District costs to implement Rule 2260 pursuant to Section 5.2.4.
- 5.1.3 The annual fee for each Facility shall be reduced by a prorated portion of the funds provided by CARB, determined as follows:
 - 5.1.3.1 Determine the program funds balance: total District costs to implement Rule 2260 (determined per section 5.2.1) reduced by the annual funds received from CARB. If the program funds balance is less than or equal to zero, no registration program fees are due from individual Facilities;
 - 5.1.3.2 Determine the Facility's ratio: the Annual Registered Equipment Fees that should have been paid by each Facility according to Section 4.0, Registration Fees, divided by the total Annual Registered Equipment Fees for all Facilities.
 - 5.1.3.3 Multiply the program funds balance by the Facility's ratio to determine the Registration Program Fee due from the Facility.
- 5.1.4 If no funds are provided by CARB, the Registration Program Fees due by each Facility are those specified in Section 4.0, Registration Fees of this rule.
- 5.2 If there are Registration Program Fees due for a Facility, the District shall provide the owner or operator with an invoice for the Registration Program Fees within 30 days District receipt of annual implementation funds from CARB.
- 5.3 Registration Program Fees shall be due within 60 days of the date of the District invoice.
- 5.4 Registration Program Fees not paid in accordance with deadlines specified in this section shall be subject to late fees in accordance with the schedule provided in Rule 3010, Section 11.0, Late Fees.
- 5.5 Nonpayment of registration fees and all related late fees within 90 days of the original invoice date may result in suspension or cancellation of the registration.

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