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ENVIRONMENTAL PROTECTION

WATER RESOURCE MANAGEMENT

DIVISION OF WATER QUALITY

Notice of Adoption

New Jersey Pollutant Discharge Elimination System (NJPDES)

Fiscal Year 2019 Annual Fee Report and Assessment of Fees

N.J.A.C. 7:14A-3.1

Take notice that the Department of Environmental Protection (Department) hereby adopts the Fiscal Year 2019 (FY 2019) New Jersey Pollutant Discharge Elimination System (NJPDES) Annual Fee Report and Assessment of Fees (Annual Fee Report). In accordance with N.J.A.C. 7:14A-3.1, publication of this notice marks the completion of the FY 2019 budgeting and fee assessment process for the NJPDES permit program.

Notice of the public hearing and opportunity to comment on the proposed FY 2019 budget and fee schedule was provided in the New Jersey Register on April 1, 2019, at 51 N.J.R. 480(a), and in the Trenton Times newspaper on April 1, 2019. Notice of availability of the Annual Fee Report on the Department's website at www.nj.gov/dep/dwq/njpdessfees.html was mailed to all NJPDES permit holders.

The Department held a public hearing on the FY 2019 NJPDES Annual Fee Report on May 1, 2019, at the Department's offices at 401 East State Street, Trenton, New Jersey. One person attended the public hearing and gave oral testimony on the proposed NJPDES budget

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and the fee schedules. Terry Beym, Project Manager for the Permit Administration, Division of Water Quality, served as the hearing officer for the public hearing.

The public comment period for the FY 2019 Annual Fee Report closed on May 1, 2019. In addition to the comments received during the public hearing, one person submitted written comments. The comments submitted are available for inspection by contacting the Department as follows:

Mail Code 401-02B
NJDEP – Water Pollution Management Element
Permit Administration Section
PO Box 420
Trenton, New Jersey 08625-0420

After reviewing the record regarding the NJPDES Annual Fee Report, the Department adopted the Annual Fee Report, with no amendments.

As discussed in the Annual Fee Report, the Department used the existing fee assessment methodology established at N.J.A.C. 7:14A-3.1 in calculating permit fees for FY 2019. There were no changes to the rates between proposal and adoption. The final rates and the permit category amounts to be billed for FY 2019 are as follows:

CATEGORY	TOTAL ENVIRONMENTAL IMPACT	FINAL RATE	AMOUNT TO BE BILLED
Surface Water Municipal	34,403.22844	212.0939	\$7,058,514

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Surface Water Industrial	478,982.82071	10.5806	\$3,752,323
Stormwater	---	---	\$5,291,450
Groundwater	1,387,066	0.7615	\$2,439,475
Significant Indirect User	13,470.60124	48.5028	\$695,861
Residuals	---	---	\$157,350
TOTAL:	1913922.65	---	\$19,394,973

The following is a list of those persons who provided oral or written comments concerning the Annual Fee Report and/or general comments concerning the NJPDES fee assessment methodology.

Name and Affiliation

1. Ray Cantor, Vice President of Government Affairs, NJ Business and Industry Association
2. Dennis Palmer, Executive Director/Chief Engineer, Landis Sewerage Authority

The comments received and the Department’s responses are summarized below. The number(s) in parentheses after each comment identify the respective commenter(s) listed above.

Summary of Public Comments and Agency Responses:

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1. COMMENT: The present system provides no level of predictability for future budget planning purposes and contains many variables that result in swings in fees from year to years. As authorities and other providers of water and wastewater service and facilities are to perform asset management plans to evaluate and predicate areas of repairs and improvements, the Departments needs to do a NJPDES permit fee management plan to provide a predictable and foreseeable permit program so dischargers can reasonably prepare budgets and operating costs that go out for several years.

The Department and the administration should move forward in an expeditious manner to have a NJPDES permit fee program in place by the next fee cycle. The minimum fee should also be changed. While costs both direct and indirect as well as fringe benefits have increased for 12 years, the minimum fee has not been increased since 2007, placing an unfair additional cost burden on all other fee payers. (2)

2. COMMENT: The Department should amend the rules to allow for a more equitable distribution of fees among the permitted universe. Because minimum fees have not been updated in several years, a higher financial burden has been placed on a small percentage of permit holders whose fees are derived based on the environmental impact associated with their discharge. The Department and the administration should reconvene stakeholders to come up with a more equitable and predictable way of charging NJPDES fees. (1)

RESPONSE: The Department recognizes that the NJPDES fee structure in the existing NJPDES regulations (N.J.A.C. 7:14A-3.1) is complicated and provides no reliable level of

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predictability for future budget planning purposes. The Department will continue to consider a structure that yields predictable fees, provides a fair distribution of program costs across the universe of NJPDES permittees, and continues to cover the cost of administering the program as part of any future rulemaking related to NJPDES fees.