

## Title V Emissions Fee Rate Calculation for Calendar Year 2015

### 1. Emission Fee References

#### A. Reference Documentation for CPI

CPI - All Urban Consumers (1982-84=100)

CPI Reference Source website <http://www.bls.gov/ro1/9130.htm>

#### B. Clean Air Act, Part 70 and Reservation Air Code Emission Fee Indexing Citations

**Clean Air Act:** Title 42 United States Code Chapter 85, Subchapter V, §7661a(b)(3)

**Part 70:** 40 Code of Federal Regulations §70.9(b)(2)(iv)

**Reservation Air Code:** RAC 2-119(1)(d)

### 2. Example Calculations

**Step 1 =** Retrieve Consumer Price Index (CPI) information from U.S. Department of Labor, Bureau of Labor Statistics. Use All Urban Consumers (CPI-U) 1982-84=100.

**Step 2 =** Average CPI values from September through August for current and previous year.

$$CPI_{avg} = \Sigma \text{ Monthly CPI values September through August} \div 12$$

**Step 3 =** Subtract current year monthly average from previous year monthly average.

$$\Delta CPI = \text{Current } CPI_{avg} - \text{Previous } CPI_{avg}$$

**Step 4 =** Divide difference of current year and previous year monthly averages by current year monthly average. Multiply value by 100 to convert to percentage.

$$ADJ\% = \Delta CPI \div \text{Current } CPI_{avg} \times 100$$

**Step 5 =** Multiply previous years emission fee in dollars/ton by inflation adjustment percentage.

$$FEE\$_{increase} = FEE\$_{previous} \times ADJ\%$$

**Step 6 =** Add increase in dollars/ton to previous year's emission fee to obtain current year fee in dollars/ton.

$$FEE\$_{current} = FEE\$_{previous} + FEE\$_{increase}$$

### 3. Calculate Revised Emissions Fees for Current Year

#### A. Previous Year Monthly Consumer price Index for (September 2013 through August 2014)

Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
234.149	233.546	233.069	233.049	233.916	234.781	236.293	237.072	237.900	238.343	238.250	237.852

**Previous Year Monthly Avg: 235.685**

#### B. Current Year Monthly Consumer price Index for (September 2014 through August 2015)

Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15
238.031	237.433	236.151	234.812	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316

**Current Year Monthly Avg: 236.749**

#### C. Calculate Difference between CPI Previous and Current Year Monthly Averages

Current Year Monthly Avg:	<b>236.749</b>	<i>Current year's monthly avg. index value change</i>
Prior Year Monthly Avg:	<b>235.685</b>	<i>Previous year's monthly avg. index value change</i>
Difference:	<b>1.0639</b>	<i>Difference between the two Annual Monthly Averages</i>

#### D. Derive Annual Average Monthly % Adjustment Factor

Avg Monthly %: **0.44940%**  
(change in CPI)

#### E. Adjust Fees to Current Year

Last Year's Emissions Fee<sup>1</sup>: \$140.00

Inflation Adjustment: \$0.63

**Revised Fee for 2015 \$140.63**

1. Base emission fee was increased on September 24, 2014 by resolution of the Environmental Commission (No. 2014-03)