

STATE OF TENNESSEE

DEPARTMENT OF ENVIRONMENT AND CONSERVATIONDIVISION OF FISCAL SERVICES – AIR POLLUTION CONTROL

William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue, 10th Floor, Nashville, TN 37243-1534

September 30, 2014

Mark Cain, CEO Campbell County HMA, LLC 923 East Central Avenue LaFollette, TN 37766

RE: 07-0027; Site Location: East Central Avenue, LaFollette, TN

PAYMENT OF ANNUAL EMISSIONS FEE

Dear Mr. Cain:

The annual emissions fee is based on a source's allowable emissions as defined in Subparagraph (2)(d) of the Division of Air Pollution Control's Chapter 1200-03-26, Administrative Fees Schedule. You may contact us at the address above for a copy of the rule. The appropriate annual emissions fee for minor and conditional major sources in operation on or after July 1, 1993, shall be calculated at an emission fee rate of \$18.75 per ton of allowable emissions of regulated pollutants. This amount due must be received **no later than January 1, 2015 to avoid penalty and interest.** Please make your check payable to the State of Tennessee, Treasurer, and mail your payment in the envelope provided. Please include your company name and reference number (RE: 07-0027) or the yellow copy of this letter with your payment to the address shown above. Your annual emissions fee, based on the enclosed Fee Emissions By Plant, has been calculated on 68.0 tons per year of regulated pollutants, and **the annual emissions fee due** is \$1,275.00. See calculation below:

[ADJUSTED EMISSIONS = TOTAL EMISSIONS - (CO + EXEMPT EMISSIONS)]
[ANNUAL EMISSIONS FEE = RATE X ADJUSTED EMISSIONS (4,000 ton cap/pollutant)]
(Fee is based on allowable emissions as shown below.)

TONS PER YEAR (TPY) ALLOWABLE ÉMISSIONS

TPY **TOTALS** HAPS **EXEMPT MISC** NOX CO VOC SO2 **PART** 77.4 9.4 5.0 0.0 0.0 5.3 0.2 19.8 37.7

The formula to calculate the fee per 1200-03-26-.02(6)(e) is as follows: PLEASE SEE REVERSE SIDE FOR PERMIT UNITS 77.4 TPY - (9.4 CO + 0.0 EXEMPT) = 68.0 TPY X \$18.75 = \$1,275.00

New sources with construction permit expiration dates prior to this bill due date may be included in this billing on the assumption that operation will commence prior to that date. If you feel that your fee assessment is incorrect for this or any other reason, or if you would like to discuss lowering your fee by lowering your allowable emissions, an informal meeting can be arranged. PLEASE NOTE! that this meeting must be requested in writing at least 90 DAYS PRIOR TO January 1, 2015, as per 1200-03-26-.02(3) General Provisions (d). After the terms are reached or the corrections are made, a new assessment or agreement letter will be mailed.

If you have any technical questions related to the emissions used for fee purposes, please call Srini Kusumanchi at (615) 532-0267. For fiscal related questions please contact Fred Cobbinah at (615) 532-0336.

Sincerely,

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Fred Cobbinah, Fee Coordinator Division of Fiscal Services, Consolidated Fee Section

c: Knoxville Field Office ENCLOSURES 14/2/14

14/19/14