

Water Quality Certification Fees Stakeholder Meeting



Wednesday, May 7, 2025 at 1:00 – 3:00 PM

Webcast and Zoom Meeting Only

NO PHYSICAL MEETING LOCATION

Live Webcast: <https://video.calepa.ca.gov/>

Fee Branch Email: FeeBranch@waterboards.ca.gov

AGENDA

1. Welcome and Introductions
2. Fee Development Timeline
3. Guiding Principles for Waste Discharge Permit Fund (WDPF) Program Fees
4. Water Quality Certification Fee Background
5. New Water Quality Certification Fee Methodology Proposal (Attachment 1)
6. Open Discussion
7. Next Steps

Water Quality Certification New Fee Methodology Proposal

Background:

State Water Resources Control Board staff is exploring an updated fee methodology to improve consistency and predictability of the Water Quality Certification (WQC) program revenue stream. There has been a revenue-expenditure gap over the past six years resulting in permit fees increasing an average of 12.3% each year. In addition, fiscal year 2024-2025 saw fees increase by 41% to account for staff and resource increases related to the 2023 U.S. Supreme Court's *Sackett v. Environmental Protection Agency* decision (https://www.supremecourt.gov/opinions/22pdf/21-454_4g15.pdf).

The goals of this proposal are to determine if an alternative approach is more beneficial for the health and longevity of the WQC program, ensure sufficient resources to cover increased workload related to *Sackett*, reduce the fee barrier to permitting, and more accurately scale fees based on required staff resources.

Current Fee Regulations: [FY 2024-25 Water Quality Fee Schedule](#).

Additional Information on *Sackett*: <https://www.epa.gov/wotus>

Impacted Discharge Categories:

This proposal would affect two dredge or fill fee categories:

- Fill and Excavation Discharges (Category A)
- Low Impact Discharges (Category E)

Fee Determining Factors:

The factors identified below correlate with increased risk to water quality and would more closely tie fees to required staff resources for the WQC program.

- **Permit Type:**
 - Individual Clean Water Act Section 401 Water Quality Certification – State Certification of Water Quality for Dredge or Fill Permit.
 - Individual Waste Discharge Requirement – Under the Porter-Cologne Water Quality Control Act, the Water Boards regulate waste discharges that could affect water quality, including the discharge of dredged or fill material, by issuing waste discharge requirements (also known as WDRs).
 - General Order Enrollee – Projects that qualify for enrollment under a General Order, such as the Nationwide Permit General Order, Regional Board General Permits, and General WDR Waivers.

- **Aquatic Resource Impacts (acres):**
 - Permanent Impacts – Generally impacts NOT restored to pre-construction contours within 12 months, compensatory mitigation typically required.
 - Temporary Impacts – Generally impacts restored to pre-construction contours within 12 months.
- **Alternatives Analysis:** An alternatives analysis is the process of analyzing project alternatives, including the proposed project, to determine the alternative that is the least environmentally damaging practicable alternative. Alternatives analyses should be commensurate with the significance of the impacts (Procedures section IV.A.1.h). [State Wetland Definition and Procedures for Discharges of Dredged or Fill Material to Waters of the State](https://www.waterboards.ca.gov/water_issues/programs/cwa401/docs/2021/procedures.pdf) (https://www.waterboards.ca.gov/water_issues/programs/cwa401/docs/2021/procedures.pdf)
 - Tier 1 – Impacts to less than or equal to 0.1 of an acre or less than, or equal to 100 linear feet (document avoid and minimize only)
 - Tier 2 - Impacts to more than 0.1 and less than or equal to 0.2 of an acre, or more than 100 and less than or equal to 300 linear feet (on-site only)
 - Tier 3 - Impacts to more than 0.2 of an acre, or 300 linear feet (on-site and off-site)

Points and Tier Methodology Proposal:

Under the proposed fee methodology, a point value would be assigned for each factor. Points would be totaled and placed into a tier range (Fee Tier 1, Fee Tier 2, Fee Tier 3, etc.) which would determine the fee amount.

- Fee Tier 1 would replace the Low Impact Discharge Category (Category E), and be a lower flat application fee.
- Fee Tiers 2 through Fee Tier 5 would be calculated as an application fee plus an additional per acre fee. The multiplier would be lowest for Tier 2 and highest for Tier 5.
 - For Example:
 - A project in Fee Tier 2 could be calculated as a \$2,000 application fee PLUS \$20,000 per acre.
 - A project in Fee Tier 5 could be calculated as a \$2,000 application fee PLUS \$50,000 per acre.

**Reminder that these numbers are conceptual placeholders and would be determined after the methodology is defined.*

Example of the proposed fee point calculator:

Fee Factor	Threshold	Check if Yes	Points
General Order	Qualifies for enrollment under a General Order	<input type="checkbox"/>	0
	Does not qualify	<input type="checkbox"/>	1
Individual WDR Adopted by Regional Board Required?	No	<input type="checkbox"/>	0
	Yes	<input type="checkbox"/>	6
Permanent Impacts	<0.01	<input type="checkbox"/>	1
	between 0.01- 0.5 acres	<input type="checkbox"/>	2
	>0.5 acres	<input type="checkbox"/>	4
Temporary Impacts	less than 0.1	<input type="checkbox"/>	0
	between 0.1 and 0.2 acres	<input type="checkbox"/>	1
	Greater than 0.2 acres	<input type="checkbox"/>	2
Alternatives Analysis Required	None	<input type="checkbox"/>	0
	Tier 1	<input type="checkbox"/>	0
	Tier 2	<input type="checkbox"/>	1
	Tier 3	<input type="checkbox"/>	2
Total Points:			

Example of Fee Tier Point grouping:

Fee Tiers:	1	2	3	4	5
Point Ranges:	1	2--4	5--6	7--10	>10