



Jessica Spiegel

Vice President, Northwest Region

May 16, 2025

Sent via email to: wqfeeunit@ecy.wa.gov

Matthew Tietjen
Washington Department of Ecology
Water Quality Permit Fee Unit
P.O. Box 47600
Olympia, WA 98504-7600

Subject: Comments on Proposed Revisions to WAC 173-224 *Water Quality Permit Fees*

Dear Mr. Tietjen,

The Western States Petroleum Association (WSPA) appreciates the opportunity to comment on the proposed revisions to WAC 173-224: *Water Quality Permit Fees*. WSPA is a non-profit trade association representing companies that provide the energy Washington relies on today and into the future. This includes renewable diesel, biofuels, solar and sustainable energy projects, electric charging infrastructure, and carbon capture and sequestration. These companies are directly affected by the proposed rulemaking.

WSPA members—and other industrial stakeholders—have long raised concerns about the growing disparity in permit fees. While industrial permits can be complex, they typically require less ongoing time and support from the Department of Ecology, particularly after the initial years of 1988 Initiative 97 *Hazardous Waste Tax and Cleanup Program* implementation. In contrast, the Department increasingly devotes resources to smaller permittees, even as fees for large industrial sources continue to rise. The original shared goal was to gradually close this gap, ensuring that one category of permittee is not effectively subsidizing another. The current fee proposal, however, appears to widen that gap. We believe it is time for the Department to consider alternative funding sources to address the costs associated with smaller entities and to restore balance to the program.

According to RCW 90.48.465, fees must be designed to help Ecology fund and administer its programs, ensuring the cost of regulation is borne by those who benefit from it. Specifically, WAC 173-224 and RCW 90.48.465(1) require that:

“Fees must be designed to fully recover—but not exceed—the expenses incurred by the department for processing applications, conducting inspections, performing monitoring and lab analysis, reviewing plans and documents, and covering agency overhead.”

WSPA members represent the highest individual permit fees of any industrial subcategory. The proposed 6%+ increase for the “Petroleum Refining, 50,000 bbls per day and greater” subcategory would raise annual fees from \$157,000 in fiscal year 2025 to \$166,700 and \$177,100 in fiscal years 2026 and 2027, respectively.

For the past 12–15 biennial fee adjustments, WSPA has consistently expressed that the fees assessed on Petroleum Refining subcategories are disconnected from the statutory criteria used to justify them. Most recently, in a September 2024 letter to Ligeia Heagy of the Water Quality Program, we urged the Department to assess the actual costs associated with administering petroleum refining permits and to examine the inequities between individual NPDES permit subcategories.

Unfortunately, the 2025 proposed revisions do not reflect the analysis required under the law. Instead, the fee proposal appears to rely solely on a uniform percentage increase to reach a predetermined revenue goal, without demonstrating how that increase aligns with actual costs. As you know, in our letter on this topic dated April 23, 2025 we asked that Ecology provide the materials in the CR 102 to WSPA establish a better standing of how the fee is assessed. Ecology refused to do so, making it difficult to provide feedback on the rulemaking as key data is missing.

WSPA would welcome the opportunity to meet and discuss how these statutory criteria can be better applied to create a more equitable and accurate fee structure.

If you have any questions regarding our comments, please do not hesitate to contact me directly at (360) 9182178 or via email at jspiegel@wspa.org.

Sincerely,



Jessica Spiegel
Vice President, Northwest Region

