TITLE 252. DEPARTMENT OF ENVIRONMENTAL QUALITY
CHAPTER 100. AIR POLLUTION CONTROL

Before the Air Quality Advisory Council on December 9, 2026
Before the Environmental Quality Board on January 20, 2027

RULE IMPACT STATEMENT

Subchapter 8. Permits for Part 70 Sources and Major New Source Review (NSR) Sources
Part 3. Permit Application Fees
252:100-8-1.8 [NEW]

A. Statement of need for the rule change and legal basis supporting it.

DEQ is proposing a new section, OAC 252:100-8-1.8, that creates a voluntary expedited permitting program for certain air quality permits. Participants in the voluntary expedited permitting program will pay a surcharge in addition to the normal permit application fee. The surcharge will be used to compensate permit review staff that are willing to do permit review work on weekends or after-hours so that the permit can be issued in less time. The gist of the proposed rule is to create a voluntary permitting mechanism for industry that may shorten permit issuance time by authorizing additional paid staff time.

The legal basis for the proposed changes is supported by:
Environmental Quality Board; 27A O.S. §§ 2-2-101, 2-2-201, 2-3-402, and 2-5-106. Establishes a 13-member, rule-promulgating body for DEQ with authority to review, adopt, amend or repeal rules required to execute environmental laws and policies.
Air Quality Advisory Council, 27A O.S. §§ 2-2-201 and 2-5-107. Establishes a governor-appointed, stakeholder-driven body that holds public hearings and formally recommends all state air quality rules before adoption by the Environmental Quality Board.
Oklahoma Clean Air Act, 27A O.S. §§ 2-5-101 through 2-5-130. Establishes legal framework for Oklahoma's air quality program, granting DEQ statutory authority to monitor air quality, issue permits, enforce compliance, and implement requirements under the federal Clean Air Act.
Implementation of Comprehensive Permitting Program, 27A O.S. § 2-5-112. Authorizes DEQ to implement a comprehensive air permitting program under the Oklahoma Clean Air Act and to grant a reasonable measure of priority to the processing of permit applications for new construction or modifications.
Oklahoma Uniform Permitting Act, 27A O.S. §§ 2-14-101 through 2-14-304. Authorizes DEQ to develop and implement a three-tier permitting system that unifies public participation, legal notice requirements, and administrative procedures for all permits issued by DEQ.
Overtime, Holiday and Compensatory Time, 74 O.S. 840-2.15. Authorizes the payment of overtime to employees pursuant to the federal Fair Labor Standards Act.

B. Classification of rule change (major/non-major), justification for that classification, and business cost estimate over the first five (5) years.

The proposal is a non-major rule change (as defined in 75 O.S. Section 303(D)(3)(b)) because the total cost estimates do not exceed the threshold of $1,000,000 over the initial five-year period following the promulgation of the proposed rule. Business costs under this rule impact analysis include expedited review surcharges and other costs associated with permit drafting and review. This analysis yielded a total estimated impact of $625,000 over the initial five-year period. See item F below for more information on cost estimates and item G below for calculation methodology.

C. Description of the purpose of the proposed rule change, whether the change is mandated by federal law or is required to participate in or implement a federal program, and whether the change exceeds the requirements of the federal law.
DEQ is proposing a new section that creates a voluntary expedited permitting program for certain air quality permits. Participants in the voluntary expedited permitting program will pay a surcharge in addition to the normal permit application fee. The surcharge will be used to compensate permit review staff that are willing to do permit review work on weekends or after hours so that the permit can be issued in less time. The gist of the proposed rule is to create a voluntary permitting mechanism for industry that may shorten permit issuance time by authorizing additional paid staff time. There is no comparable federal law or program that addresses this rulemaking's activities. This proposed rule change is not mandated by federal law, not required for participation in a federal program, nor does the change exceed the requirements of the federal law.

D. Description of the classes of persons who most likely will be affected by the proposed rule(s), including classes that will bear the costs of the proposed rule(s), and any information on cost impacts received by the agency from any private or public entities.
The classes of persons most likely to be affected by the proposed rules are the owners and operators of permitted facilities that voluntarily request expedited review of an application for a permit, Tier determination, or applicability determination for a new or existing facility. If a facility opts into the process and requests an expedited review then they would bear the cost of the additional surcharge under the new process and any other associated permitting costs (consultation, facility staff time, etc.). See item F for more information on cost estimates including assumptions and a breakdown of the total economic impact. DEQ has not received any additional information regarding cost impacts from private or public entities.

E. Description of the classes of persons who will benefit from the proposed rule(s).
The citizens of Oklahoma and the owners and operators of applicable facilities will benefit from the proposed rule by the assurance that some permits may be issued in less time and the state permitting process is operating with increased efficiency.

F. Comprehensive analysis of the rule change's economic impact, including impacts to the full-time-employee count of the agency, costs or benefits, a quantification of implementation and compliance costs on the affected businesses, business sectors, public utility ratepayers, individuals, state or local governments, and on the state as a whole, with a listing of all fee changes and justification for each fee change.
DEQ expects minimal economic impact on the affected classes of persons from this rulemaking activity, and since this is a non-major rule (as described in item B above) the

impact is limited in scope. Associated costs imposed by this rule would impact affected businesses that voluntarily opt into the expedited review process. The economic impact to affected businesses primarily concerns the additional application surcharge for owners and operators of permitted facilities (or those who wish to build new facilities) where the applicants voluntarily request an expedited review of their application for a permit, Tier determination, or applicability determination. This additional surcharge imposed by the program is intended to offset the cost of increased working hours (outside of the traditional workday) for permit writers and implementation of the expedited process within the agency.

Assumptions

DEQ assumes an estimated eight applications (two of each eligible type) would be processed under this program annually. Further, DEQ assumes that the expedited surcharge (additional fee for expedited processing) would be sufficient to cover *all* personnel costs associated with additional work beyond the traditional workday (i.e., evenings and weekends). The surcharge amounts are shown below.

Application Type	Number per Year	Surcharge	Subtotal
PSD Construction	2	$15,000	$30,000
Tier II Construction	2	$12,000	$24,000
Applicability Determination	2	$5,000	$10,000
Tier Determination for Minor Mod	2	$5,000	$10,000
Annual Subtotal			$74,000

Agency overhead costs were estimated based on other comparable rule analyses to be $3,000 per year. This cost is included to account for instances where the surcharge is inadequate to offset the total cost of an expedited review.

Costs

There are no additional, required fees mandated by this rulemaking; the only new cost would be a surcharge added to the existing cost of a permit application which would only impact facilities voluntarily opting into the program. The total economic impact on a facility would depend on the number of applications as well as the type of application. As stated under "Assumptions," DEQ does not anticipate more than eight applications per year during the first five years of implementation; this assumption is based on the current availability of qualified staff and anticipated implementation of this program.

While no additional fees are needed, DEQ assumes that the applicant will experience additional costs to monitor progress on application review and to expedite any necessary requests for additional information to assist DEQ reviewers. To estimate the additional costs incurred by the applicants, DEQ estimated that the applicant will require 60 additional hours of consultant time per application per year. Consultant fees are estimated to sum to $100 per hour (on a loaded basis). Multiplying the additional 60 hours of consulting time per application by 8 applications per year yields 480 additional hours. At a loaded rate of $100 per hour and multiplying by the five-year look-ahead period, yields additional consulting fees

totaling $240,000. The total estimated economic impact to businesses sums to $610,000 over the five-year period evaluated for this Regulatory Impact Statement.

As noted above, the additional costs for agency employees are assumed to be completely offset by the additional expedited permitting surcharges. However, the additional overhead that the DEQ may experience has been estimated at $3,000 per year, yielding $15,000 over the first five years after the rule is in effect.

Summing business costs and agency overhead costs yields a total economic impact of approximately $625,000 over the first five years of implementation. This amount combines the potential agency costs as well as the business costs expected for participants in the program. No other costs or economic impacts are expected as a result of this rulemaking.

G. Detailed explanation of methodology and assumptions used to determine the economic impact, including dollar amounts calculated.

DEQ's methodology in determining the conclusion above is based on research conducted on other state programs with similar mechanisms as well as existing agency experience and knowledge of the permit process. Further, some data were gathered during a pilot project that ran for approximately six months.

The provided "Assumptions" (see item F above) in estimating economic impact began with research into states with existing expedited permit review processes. Of the states with existing programs, Texas, South Carolina, Georgia, and Louisiana were evaluated for cost comparison. DEQ staff evaluated potential projects that could request an expedited review to determine the rule classification (item B above). Input from existing permit staff informed the estimates for the quantity of working hours, types of permits expected, and permit work hourly rates. The final surcharge amounts were averaged to match expected costs associated with implementation of an expedited permit review program in Oklahoma. Existing permit fees are imposed upon applicable facilities regardless of any expedited review; therefore, these costs are *not* included in the estimated economic impacts.

Many of the assumptions and estimates were refined using institutional knowledge and experience of qualified agency staff which will continue to inform this and any future rulemaking. If approved and implemented, DEQ would evaluate actual costs to the agency against the imposed surcharge and may make adjustments as necessary to ensure an equitable, near-neutral offset between agency and applicants. If necessary, these adjustments would be addressed through future rulemaking.

H. Determination of whether implementation of the proposed rule(s) will have an economic impact on any political subdivisions or require their cooperation in implementing or enforcing the rule(s).

DEQ anticipates no economic impact on political subdivisions. No cooperation from political subdivisions is required to implement or enforce the rule. DEQ will be responsible for all aspects of implementation and enforcement of these regulations.

I. Determination of whether implementation of the proposed rule(s) may have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act.

DEQ anticipates no adverse economic impact on small businesses. The proposed rule would create an entirely voluntary process for the expedited review of certain permits.

J. Any measures taken by the agency to minimize cost and impact of the proposed rule change on business and economic development in the state, local governmental units, and for individuals.

DEQ anticipates that this proposed rule would benefit businesses by providing a mechanism to streamline aspects of the air quality permit process. There are no additional compliance costs expected as the proposed rule is entirely voluntary. The additional surcharge imposed on participants is intended to offset the cost of permit writers working on applicable permits with an expedited review. When researching other state programs DEQ aimed for an average surcharge amount that would follow these existing programs and attempted to minimize cost where possible and appropriate. In setting the surcharge amounts DEQ kept the rates low enough to be feasible for facilities and high enough to offset staff compensation associated with additional permit review work. The total economic impact on businesses and agencies is outlined in item F, and the associated methodology is described in item G.

K. Determination of the effect of the proposed rule(s) on the public health, safety and environment and, if the proposed rule(s) is/are designed to reduce significant risks to the public health, safety and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk.

There is no expected impact on public health, safety, or the environment as a result of this rulemaking. The proposed rule is designed to streamline aspects of air quality permit issuance through a voluntary process, which is not designed to reduce significant risk.

L. Determination of any detrimental effect on the public health, safety and environment if the proposed rule(s) is/are not implemented.

If the proposed changes are not implemented, then there will be no change to the permitting process as the rule change is an entirely voluntary process. There will be no detrimental effect on public health, safety, and environment if the proposed rule is not implemented.

M. Analysis of alternatives to adopting the rule.

DEQ has determined that adoption of this rule is the least costly and most effective method to create a voluntary permitting mechanism that may shorten permit issuance time by authorizing additional paid staff time.

N. Estimates of the amount of time that would be spent by state employees to develop the rule and of the amount of other resources that would be utilized to develop the rule.

During the initial pilot project, staff worked an estimated 250 hours of professional time for pre-rule program development including, but not limited to, internal meetings, legal review, policy drafting, coordination with stakeholders, state program research, coordination with Administration and Finance staff, and presenting program information to stakeholders and the public. During the rulemaking portion of this program's development, DEQ staff

estimated less than 100 hours of professional time for rule development, including but not limited to, rule drafting, legal review, stakeholder coordination, as well as anticipated time for formal presentation of the proposed rule to the Air Quality Advisory Council and Environmental Quality Board. Further, staff time includes estimated time managing public comment periods and filing the final rule. An estimated total of 350 hours represents time that would be spent by state employees to develop this rule. Existing staff resources would be utilized, and no additional resources would be necessary.

O. Summary and preliminary comparison of any existing or proposed federal regulations that are intended to address the activities to be regulated by the proposed rule.
This rulemaking would create a voluntary permitting mechanism for industry that may shorten permit issuance time by authorizing additional paid staff time. The proposal is based on research into equivalent permitting processes in comparable states; there is no federal policy or regulation that is intended to address this rulemaking's activities.

P. This rule impact statement was prepared on: November 2, 2026
Modified on: