

$$Fee_i = \left( \frac{\text{System Setup Cost}}{\text{Years} \times N_i} \right) + \left( \text{Marginal Cost}_i + \frac{\text{O\&M}_i \text{ Cost}}{N_i} \right) \times (1 + \text{Indirect Cost Factor})$$

*System Setup Cost = Procurement Cost + EPA Program Cost*

*O\&M<sub>fully electronic</sub> Cost =*

*Electronic System O\&M Cost + Help Desk Cost + EPA Program Cost + CROMERR Cost + LifeCycle Cost to Modify or Upgrade eManifest System Related Services*

*O\&M<sub>all other</sub> Cost = Electronic System O\&M Cost + Paper Center O\&M Cost + Help Desk Cost + EPA Program Cost + CROMERR Cost + LifeCycle Cost to Modify or Upgrade eManifest System Related Services*

Where  $N_i$  refers to the total number of one of the four manifest submission types “i” completed in a year and  $\text{O\&M}_i \text{ Cost}$  refers to the differential O\&M Cost for each manifest submission type “i.”

(2) At the completion of four years of system operations, EPA shall publish a notice:

(i) Stating the date upon which the fee formula set forth in paragraph (b)(1) of this section shall become effective; or

(ii) Stating that the fee formula in paragraph (b)(1) of this section shall not go into effect under this section, and that the circumstances of electronic manifest adoption and the appropriate fee response shall be referred to the System Advisory Board for the Board’s advice.

**§ 265.1313 User fee revisions.**

(a) *Revision schedule.* (1) EPA will revise the fee schedules for e-Manifest submissions and related activities at two-year intervals, by utilizing the applicable fee calculation formula prescribed in § 265.1312 and the most recent program cost and manifest usage numbers.

(2) The fee schedules will be published to users through the e-Manifest program website by July 1 of each odd numbered calendar year, and will cover the next two fiscal years beginning on October 1 of that year and ending on September 30 of the next odd numbered year.

(b) *Inflation adjuster.* The second year of each two-year fee schedule shall be adjusted for inflation by using the following adjustment formula:

$$Fee_{i_{Year2}} = Fee_{i_{Year1}} \times (CPI_{Year2-2} / CPI_{Year2-1})$$

Where:

$Fee_{i_{Year2}}$  is the Fee for each type of manifest submission “i” in Year 2 of the fee cycle;

$Fee_{i_{Year1}}$  is the Fee for each type of manifest submission “i” in Year 1 of the fee cycle; and

$CPI_{Year2-2} / CPI_{Year2-1}$  is the ratio of the CPI published for the year two years prior to Year 2 to the CPI for the year one year prior to Year 2 of the cycle.

(c) *Revenue recovery adjusters.* The fee schedules published at two-year intervals under this section shall include an adjustment to recapture revenue lost in the previous two-year fee cycle on account of imprecise estimates of manifest usage. This adjustment shall be calculated using the following adjustment formula to calculate a revenue recapture amount which will be added to O\&M Costs in the fee calculation formula of § 265.1312:

$$\text{Revenue Recapture}_i = [(N_{i_{Year1}} + N_{i_{Year2}})_{\text{Actual}} - (N_{i_{Year1}} + N_{i_{Year2}})_{\text{Est}}] \times Fee_{i(Ave)}$$

Where:

$\text{Revenue Recapture}_i$  is the amount of fee revenue recaptured for each type of manifest submission “i;”

$(N_{i_{Year1}} + N_{i_{Year2}})_{\text{Actual}} - (N_{i_{Year1}} + N_{i_{Year2}})_{\text{Est}}$  is the difference between actual manifest numbers submitted to the system for each manifest type during the previous 2-year cycle, and the numbers estimated when we developed the previous cycle’s fee schedule; and

$Fee_{i(Ave)}$  is the average fee charged per manifest type over the previous two-year cycle.