

State of Alaska FY2002 Governor's Operating Budget

Department of Environmental Conservation
Air and Water Quality
Budget Request Unit

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BRU Mission

Protect air and water quality.

BRU Services Provided

- Improve air and water quality conditions where they are below public health or environmental standards.
- Issue air and water quality permits based on sound science to facilities and operations that release potentially harmful pollutants.
- Ensure facility compliance with permit conditions.
- Assist communities in the protection of their air and water quality.
- Operate a database to enable rapid public access to air and water quality data.

BRU Goals and Strategies

- 1) IMPROVE AIR AND WATER QUALITY
 - Using the priorities and objectives of the Alaska Clean Water Action Plan, strive to align all governmental water quality enhancement and protection projects to achieve the stated goals of the plan.
 - Develop, amend, and maintain water quality standards to protect and manage the best uses of Alaska's water resources.
 - Implement an Internet based database for air and water quality information to provide broad access to information that will enhance knowledge and decision making capability for air and water resources.
 - Avoid EPA's sanctioning of federal highway funds by assisting Anchorage and Fairbanks in conclusively showing that carbon monoxide exposures will be kept within the public standards.

Key BRU Issues for FY2001 – 2002

The state, federal agencies, local governments and other non-governmental entities are all spending time and money to preserve and enhance water quality. State and local governments receive federal funds for various water quality projects. Several federal agencies are also working to preserve and enhance water quality. It is essential to develop a unified approach to prioritizing and collaborating on water quality projects. DEC has taken the lead in developing the Alaska Clean Water Action plan. The plan is in the process of going through a comprehensive public review and outreach that will be finalized in late 2001. The plan will provide a process to identify and prioritize the highest needs in the state for protecting water quality. It will set common principles for decision making at the state level. Federal agencies, local government and other entities are expected to use this roadmap in prioritizing and funding water quality projects.

Anchorage and Fairbanks continue to have pollution problems from carbon monoxide. Anchorage has attained the national clean air standards, but violations can still occur. Fairbanks has failed to meet the standards. The department will continue to work closely with EPA and both communities to develop effective carbon monoxide control programs not only to avoid the loss of highway funds but also to protect public health.

Major BRU Accomplishments for FY2000

Convened a stakeholder's work group to develop and recommend options to rebuild a comprehensive and efficient state water discharge permit program and set up a plan to implement these options.

Sponsored an EPA Water Quality Standards Academy basis training course for department staff and statewide stakeholders. The training provided an opportunity for state employees and stakeholders to become educated about the Clean Water Act and EPA's water quality standards program.

Resolved a deadlock on issuing air operating permits. Permits are now being issued at a rate of 5 to 8 per month.

Key Performance Measures for FY2002

Measure: The cost per permit issued *(Added by Legislature in FY2001 version.)*

Current Status:

Air Quality: We have a time billing system using codes for various activities. We track the total amount time billed to the companies for staff time on permit issuance activities for permits that have been issued. Under this billing system, an operating permit costs \$9,006.

Water Quality: DEC is re-assessing what would be appropriate fees and related tracking system.

Benchmark:

Determine and reduce the cost per permit issued.

Background and Strategies:

Air Quality: An Air Permit Benchmarking study has just been completed. The study was conducted to find ways to streamline the air permit process. A final report of this study was completed by November 2000. The strategy used to accomplish the benchmark will be the implementation of the key recommendations from the Air Permit Benchmarking study.

Water Quality: To determine and reduce permit costs, the department will be revising fees according to the requirements of HB361.

Measure: Whether the carbon monoxide levels in Fairbanks and Anchorage meet health standards. *(Added by Legislature in FY2001 version.)*

Current Status:

For the past three winters (e.g., 1997, 1998, and 1999) Anchorage has met the health standard benchmark. Violations could still occur. Fairbanks has failed to meet the standard. In 1998, Fairbanks exceeded the standard twice. In 1999, Fairbanks exceeded the standard three times.

Benchmark:

Attainment of the national ambient air quality standards.

Background and Strategies:

DEC is working closely with Fairbanks Borough, Municipality of Anchorage and EPA to develop plans to further improve air quality. The plan for Fairbanks is to be completed by August 2001 and the plan for Anchorage is to be completed by December 2001.

Measure: The average time taken from receipt of a permit application to approval. *(Added by Legislature in FY2001 version.)*

Current Status:

Air Quality: The average time is 278 days.

Water Quality: DEC has just begun the redesign efforts for Water Permits.

Benchmark:

Decrease in time from receipt to approval per permit type.

Background and Strategies:

Air Quality: We maintain a construction permit file of pending permit applications and track issuance of permits. We use median time average for evaluating this performance measure. There are three types of averages: mode, arithmetic mean, and median. Mode is the value that occurs most frequently in a series of data. Arithmetic mean, commonly known as average, is affected by the exceptional and unusual. It emphasizes the extreme variations. In permitting, a complicated or controversial permit may take a very long time increasing the average even if most of the permits take a much shorter time. The most appropriate average measure for air permitting is median time. Median is determined by calculating the time from when the staff begins work on a permit until the permit is effective for operating permits. These times are then arranged in order from the lowest to the highest. For operating permits, the median time is the value where half the permits take a longer time and half the permits take a shorter time.

In accomplishing the benchmark, we will:

- Adopt regulations to make permits more uniform.
- Implement key recommendations from the Air Permits Benchmarking study.

Water Quality: In accomplishing the benchmark, we will:

- Re-design our permitting system to fast-track lower risk activities.
- Examine possible interagency regulatory time clocks for streamlining opportunities.

Measure: The average time taken from receipt of a permittee complaint to resolution of the complaint.

(Added by Legislature in FY2001 version.)

Current Status:

We are currently not tracking this performance measure, as we have not received many permittee complaints.

Benchmark:

Decrease in time from receipt of permittee complaint to resolution.

Background and Strategies:

The Division will begin tracking this measure at the program level and higher. This will be accomplished by establishing a method to track permittee complaints, i.e., complaint log.

Measure: The percentage of facilities inspected according to risk-based inspection frequency.

(Added by Legislature in FY2001 version.)

Current Status:

Air Quality: The risk-based inspection strategy identified 51 facilities requiring inspections. All 51 facilities have been inspected.

Water Quality: We are not currently tracking this performance measure as we do not have a risk-based inspection frequency program.

Benchmark:

Increase the percentage of higher risk facilities inspected.

Background and Strategies:

Air Quality: Some of the factors that make up risk based targeting are:

- Size of facility
- When the facility was last inspected
- Actual quantity of emissions
- Actual hazardous air pollutant emission
- Compliance history

Risk factors should be reconsidered in light of trends regarding non-compliance and the new law which relies upon operator self-reporting and verifying compliance. We expect to maintain our current level of effort.

Water Quality: To increase the percentage of higher risk facilities inspected, we will establish a risk-based inspection program.

Measure: The number of activities covered by fast-track general permits as compared to the total number of permits

(Not yet addressed by Legislature.)

Current Status:

Air Quality: We have developed pre-approved limits, owner requested limits, Permit By Rule, and nine general permit to fast-track the normal permitting process.

Water Quality: We currently issue fast-track general permits and we are also waiving permit requirements for certain low risk activities.

Benchmark:

Increase in number of activities covered by fast-track permits as compared to the total number of permits.

Background and Strategies:

Air Quality: In order to increase the number of activities covered by fast-track permits, we will:

- Adopt the Permit By Rule for oil drilling regulations.
- Combine unified permitting for solid waste landfills.
- Continue to identify general permit opportunities during permit reviews.

Water Quality: In order to increase the number of activities covered by fast-track permits, we will increase other fast-track options based upon risk to the environment and public health.

Measure: Percentage of timber operations inspected using best management practices.

(Not yet addressed by Legislature.)

Current Status:

Based upon the Department of Natural Resource's Best Management Practice (BMP) implementation monitoring completed on private lands in 1997, BMP's wer fully or adequately implemented in the upper eighty to low ninety percentiles. Partial analysis of the 1999 BMP implementation monitoring data indicate overall implementation of selected BMPs on private land as slightly over waht was reported in 1997. Monitoring conducted on federal lands indicates BMP implementation rates approach 98%.

Benchmark:

Implementation by 100% of forest operators.

Background and Strategies:

Continued monitoring and education. Maintain adequate field presence by state resource agencies to work with operators.

Measure: Percentage of construction operations inspected using best management practices.

(Not yet addressed by Legislature.)

Current Status:

We did not historically track this performance measure. We began tracking this measure July 1, 2000.

Benchmark:

Percent increase of construction operations inspected using best management practices.

Background and Strategies:

To accomplish this benchmark, we will be developing a risk-based inspection/monitoring program.

Measure: Number of water bodies with confirmed pollution that have been restored.
(Not yet addressed by Legislature.)

Current Status:

There are fifty-eight water bodies with confirmed pollution. In a typical year, at least two water bodies are identified as restored.

Benchmark:

Decrease number of impaired water bodies with confirmed pollution.

Background and Strategies:

Through the Alaska Clean Water Action Plan, we will develop individual water body recovery plans and institutional control programs.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> • The cost per permit issued. • Whether the carbon monoxide levels in Fairbanks and Anchorage meet health standards. • The average time taken from receipt of a permit application to approval. • The average time taken from receipt of a permittee complaint to resolution of the complaint. • The percentage of facilities inspected according to risk-based inspection frequency. • The number of activities covered by fast-track general permits as compared to the total number of permits. • Percentage of timber operations inspected using best management practices. • Percentage of construction operations inspected using best management practices. • Number of water bodies with confirmed pollution that have been restored. 			X		
			X		
			X		
			X		
			X		
			X		
			X		
			X		
			X		

Air and Water Quality
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures												
None.												
Non-Formula Expenditures												
Air and Water Director	200.8	0.0	262.3	463.1	213.0	0.0	258.3	471.3	214.3	0.0	6.4	220.7
Air Quality	1,146.7	1,408.8	3,690.2	6,245.7	1,148.9	1,620.6	2,156.5	4,926.0	1,144.6	1,623.6	2,282.0	5,050.2
Water Quality	1,400.3	1,549.1	286.9	3,236.3	1,852.9	2,188.4	874.7	4,916.0	2,258.4	2,182.9	245.0	4,686.3
Non-Pnt Source Pollution Cntrl	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,715.4	0.0	1,715.4
Totals	2,747.8	2,957.9	4,239.4	9,945.1	3,214.8	3,809.0	3,289.5	10,313.3	3,617.3	5,521.9	2,533.4	11,672.6

Air and Water Quality

Proposed Changes in Levels of Service for FY2002

The Non Point Source BRU was transferred as a component under the umbrella of Air and Water Quality BRU. There was no benefit for this program to be under a separate BRU since it had been managed and administered by Air and Water Quality. There should be no changes in the services provided by this program.

We expect an improvement in the level of service in waste water discharge permitting. This is a result of the implementations of the comprehensive re-design of this program.

Air and Water Quality

Summary of BRU Budget Changes by Component

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	3,214.8	3,809.0	3,289.5	10,313.3
Adjustments which will continue current level of service:				
-Air and Water Director	1.3	0.0	-251.9	-250.6
-Air Quality	-4.3	3.0	125.5	124.2
-Water Quality	405.5	-5.5	-489.0	-89.0
Proposed budget decreases:				
-Water Quality	0.0	0.0	-140.7	-140.7
FY2002 Governor	3,617.3	5,521.9	2,533.4	11,672.6