

# Department of Environmental Protection Report to the Citizens Advisory Council January 2014

(new and updated information is in italics)

## **DEP Highlights**

## Draft Proposed Rulemaking - Chapter 78, Subchapter C

DEP presented the proposed Chapter 78, Subchapter C regulations to the Environmental Quality Board on Aug. 27, 2013, who adopted the proposal for public comment. The proposed rulemaking was then reviewed by the Office of General Counsel and was forwarded to the Attorney General on Sept. 26. After DEP responded to a tolling memo, the proposed rule was published in the Pennsylvania Bulletin for the 60-day public comment period. The public comment period opened on Dec. 14, 2013 and closes on Feb. 12, 2014. The EQB will host 7 public hearings throughout each of the regions of Pennsylvania between Jan. 9- 27, 2014. The specific dates and locations of all public hearings are available on DEP's website (click on the "Proposed Oil and Gas Regulations" button) and are included in Attachment 1. The department will consider all comments received as it proceeds with the development of the final rulemaking.

The department hosted webinars on Dec. 19, 2013 and Jan. 3, 2014 to brief the public on the key provisions of the proposed rulemaking and inform the public how comments can be submitted. The webinars are available on the DEP website at: <a href="www.dep.state.pa.us">www.dep.state.pa.us</a>, select Public Participation Center, Be Informed, Webinars, Oil and Gas, Proposed Regulations for Oil and Gas Surface Activities Webinar.

#### **Climate Change Action Plan Update**

Act 70 of 2008 requires the department to submit an update to the Climate Change Action Plan (originally issued Dec. 2009) to the Governor every three years. The Plan must address the following; (1) greenhouse gas emissions and sequestration trends and baselines; (2) cost-effective strategies for reducing or offsetting GHG emissions from various sectors; (3) costs, benefits and co-benefits of GHG reduction strategies including the impact on future energy demand; (4) areas of agreement and disagreement among Climate Change Advisory Committee (CCAC) members concerning the Plan; and (5) recommendations to the General Assembly regarding legislative changes necessary to implement the Plan.

The CCAC met on Dec.5, 2013, to consider the remaining draft work plans. At the meeting, the CCAC endorsed 7 work plans and recommended that four of the work plans be considered for further action in the next reporting cycle. During the Dec. 5<sup>th</sup> meeting, the department advised the CCAC of the schedule to finalize the Climate Change Action Plan. A conference call was held on Dec. 18 and a meeting was held on Dec. 20 to receive comments on the Action Plan.

On Dec.31, 2013, the department submitted the "Pennsylvania Climate Change Action Plan Update" (Plan) to Governor Corbett as required under the Pennsylvania Climate Change Act (Act 70 of 2008). The Climate Change Advisory Committee (CCAC) advised the department during the development of the updated Plan, which addresses the following: (1) actions in the commonwealth that have reduced greenhouse gas emissions (GHG); (2) the GHG emissions inventory; (3) recent changes in the electric generation and natural gas sectors; (4) a summary of the work plans for various sectors; (5) a macro-economic analysis of the work plans; and (6) recommendations for action by the General Assembly. The Plan also describes cost-effective strategies that will result in gross GHG emissions in Pennsylvania being further reduced by 2020. These reductions will occur primarily in the agriculture, commercial, residential, transportation and waste sectors.

The updated Plan has also been distributed to the General Assembly and posted on the DEP website at: <a href="www.dep.state.pa.us">www.dep.state.pa.us</a>, select Public Participation Center, Advisory Committees, Climate Change Advisory Committee, Draft Climate Change Action Plan. The next update on the Plan will be due in Dec. 2015.

### **DEP** at Home Exhibit

The department's "DEP at Home" educational interactive display made its debut at the 2013 Pennsylvania Farm Show where it won the award for "Best Educational Display" among the show's 10,000 competitive exhibits and nearly 300 commercial exhibitors. More than 400,000 visitors toured the display that teaches people how they can make changes in and around their homes to make them more energy efficient and environmentally friendly. DEP's three-room exhibit has a bathroom/laundry area, kitchen and living room that showcase décor, appliances and building materials that help improve energy efficiency, water conservation, radon awareness, air quality and other staples of environmental awareness. The new display was featured in numerous stories by newspapers and television stations across the state and drew large crowds throughout the week-long event.

In addition to the Farm Show, the display was showcased throughout 2013 at the State Capitol during Earth Week, at this year's Envirothon competition for high school students held in May, at Penn State's Ag Progress Days this past Aug. and several home shows held in Pittsburgh, Erie and Bucks County. Since its debut, nearly a million visitors have viewed the exhibit.

The exhibit was modified in time for the 2014 Farm Show to include a garage that features options for alternative fuel vehicles, like natural gas and electric. The garage features environmentally safe products for vehicle and property maintenance, and a Nissan Leaf EV is on loan from a local dealer and the centerpiece of the exhibit. Environmental Education and Energy Office staff is working with the vendor, Purpose 1 to revise graphics and include hands-on CNG and EV fueling and charging stations within the exhibit.

#### **Radon Action Month**

January is Radon Action Month. Elevated levels of radon affect nearly half of all Pennsylvania homes. The colorless, odorless, radioactive gas occurs naturally through the breakdown of Uranium in soil and rocks. PA has these geological conditions that make it prone to elevated radon levels. Radon is the second leading cause of lung cancer in PA. To test for radon in the home, a certified radon testing company can be hired or a radon kit can be purchased at home improvement stores or from a certified PA radon laboratory. EPA's action level for radon is 4 picocuries per liter. When levels are elevated in a home, a radon mitigation system is recommended to vent the gas to reduce the pathway into homes or buildings. Secretary Abruzzo has made a Public Service Announcement to help increase awareness that is running on the radio and television. More information, including a video series about radon, is available on the DEP website at: www.dep.state.pa.us, select Radiation Protection, The Division of Radon.

#### Governor's Budget Office Publishes Commonwealth Performance Report

The 2012-2013 report on state performance was made available late December 2013. DEP's performance objectives are: (1) reducing risks to communities posed by dams; (2) improving environmental health and safety through permitting, inspections and enforcement; (3) improving quality of life by protecting the health and safety of PA residents, increasing the development of and leveraging private investment for alternative energy sources in PA, reducing impacts of pollution to PA land, air and water resources; and (4) restoring PA lands impacted by legacy environmental issues. The report can be found at: http://www.budget.state.pa.us/portal/server.pt/community/performance\_reports/4677.

### **Environmental Quality Board Launches New Online Public Comment Tool**

DEP's Bureau of Information Technology in conjunction with the Policy Office has developed an online public comment tool to more efficiently receive all public comments associated with proposed and final rulemakings and to effectively prepare responses to those comments. Previously, public comments were accepted by way of e-mail and in hardcopy through the U.S. Postal Service. This tool enables a commenter an additional option of submitting their comments electronically so that DEP can more effectively assemble, track and respond to public comments. This tool was launched on Dec. 14, 2013, in time to accept comments received during the 60-day public comment period for the Chapter 78, Subchapter C proposed rulemaking. The Online Public Comment System will be used by EQB to accept public comments for future rulemakings advanced by the department.

## **Water Management**

## **PAG-05 NPDES General Permit**

The Bureau of Point and Non-point Source Management published notice of availability of the National Pollutant Discharge Elimination System (NPDES) General Permit for Discharges from Petroleum Product Contaminated Groundwater Remediation Systems (PAG-05) in the Pennsylvania Bulletin on Dec. 21, 2013. The PAG-05 General Permit is intended to provide NPDES permit coverage to petroleum product contaminated groundwater remediation systems (PPCGRS) that discharge treated effluent to waters of the commonwealth. PPCGRSs are systems installed to remove pollutants from groundwater to acceptable standards under State or Federal regulatory programs. Notice of the availability of a draft PAG-05 General Permit was published Sep. 28, 2013. A 30-day comment period was opened as part of the draft permit publication; however, no comments were received from the public.

## **BWEW-GP-8, Temporary Crossings Permit**

The Bureau of Waterways Engineering and Wetlands published in the *Pennsylvania Bulletin* on Nov. 2, 2013, notice of availability for public comment regarding the proposed Chapter 105 general permit, BWEW-GP-8. The proposed permit will modify BWEW-GP-8 (Temporary Road Crossings) and reissue it as BWEW-GP-8 (Temporary Crossings and Environmental Testing or Monitoring Activities). The permit allows the construction, operation, maintenance and removal of temporary crossings across regulated waters of the commonwealth, including wetlands. The majority of Chapter 105 general permits have not been materially revised since 1996 and the revisions to BWEW-GP-8 represent the opportunity to reorganize and establish a better organized and more concise general permit. This opportunity resulted in several changes to the general permit layout and to the contents of the general permit itself. The organizational changes include the following: standardized definitions for consistency and future revisions; established independent set of instructions, forms, examples, and sample drawings; consolidated coordination and notification section; and cross-referenced terms and conditions. Additionally, the scope of BWEW-GP-8 has been expanded to include the following other temporary activities: expansion of the scope to temporary crossings which includes temporary service lines in addition to road crossings; and the inclusion of environmental testing or monitoring activities, including seismic testing lines, that are temporary in nature and are not specific to waiver provisions contained in 25 Pa Code §105.446(a). *Interested persons* may submit written comments, suggestions or objections to RA-GP8Comments@pa.gov by Jan. 10, 2013. External webinars were held on Dec. 20, 2013, and Jan. 7, 2014. The webinars are available on the DEP website at: www.dep.state.pa.us, select Public Participation Center, Be Informed, Webinars, Water Management, Proposed Modification and Reissuance of General Permit BWEW-GP-8.

## **PAG-04 NPDES General Permit**

The Bureau of Point and Non-point Source Management published notice of availability for public comment a draft of the National Pollutant Discharge Elimination System (NPDES) General Permit for Discharges from Small Flow Treatment Facilities (PAG-04) in the Pennsylvania Bulletin on Jan. 4, 2014. The PAG-04 General Permit is intended to provide NPDES permit coverage to small flow treatment facilities (SFTFs), including Single Residence Sewage Treatment Plants (SRSTPs), with discharges to waters of the commonwealth. The existing PAG-04 General Permit is scheduled to expire on Feb. 4, 2014, but will be extended. DEP is proposing to reissue a final PAG-04 General Permit on or before the expiration date of the administratively extended permit. The draft PAG-04 General Permit includes updated language to conform to DEP's 25 Pa. Code Chapter 92a regulations as published on Oct. 9, 2010. Permittees with PAG-04 General Permit coverage must submit Annual Maintenance Reports (AMRs) to DEP electronically if required by DEP in writing. The proposed Notice of Intent (NOI) fee for coverage to apply under this General Permit is \$100 for SFTFs that are not SRSTPs. There is no NOI fee for SRSTPs. DEP will accept comments on the proposed PAG-04 until Feb. 3, 2014.

## **Waste Management**

### **Municipal and Residual Waste Regulation Revisions**

The proposed Regulated Medical and Chemotherapeutic Waste rulemaking was published in the *Pennsylvania Bulletin* on Aug. 24, 2013, and the 30-day public comment period ended on Sept. 23, 2013. During the official public comment period, the EQB received comments from five commentators. DEP representatives met with Independent Regulatory Review Commission (IRRC) on Oct. 9, 2013 to discuss the IRRC's questions on the rulemaking prior to submitting their formal comments, which were due to the EQB by Oct. 23, 2013. The Bureau of Waste Management (BWM) is currently reviewing all comments received, including IRRC's; preparing the comment/response document; and amending the proposed rulemaking where necessary.

#### **General Permits**

The following residual waste GPs were modified by the Bureau of Waste Management (BWM):

- General Permit Number WMGR081 (Processing and beneficial use of electronic equipment and components by sorting, disassembling or mechanical processing) BWM published notice of a six-month administrative extension of the permit term in the *Pennsylvania Bulletin* on Oct. 26, 2013. The new expiration date for the permit is Apr. 21, 2014. The comment/response document is being drafted and the permit is being amended where necessary.
- General Permit Number WMGR097 (Research & development of the beneficial uses of residual and municipal wastes) The permit was published as final in the Pennsylvania Bulletin and issued on Nov. 23, 2013. The permit will become effective on March 1, 2014. It can be found at <a href="http://www.pabulletin.com/secure/data/vol43/43-51/2374.html">http://www.pabulletin.com/secure/data/vol43/43-51/2374.html</a>

#### **Radiation Protection**

## **Comprehensive Oil and Gas Development Radiation (TENORM) Study**

The Technologically Enhanced Naturally Occurring Radioactive Materials (TENORM) study has been ongoing with field activities including sample collection, radiation surveys, and data analysis since mid-April 2013. As of the end of *Dec*. 2013, the *three* rounds of sampling at the 25 Waste Water Treatment Plants have been completed. With respect to landfills, *39 are being sampled* for leachate to determine if TENORM disposal is increasing the radioactivity in the landfills, and 9 landfills *have been* more extensively sampled and surveyed. Four natural gas underground storage formations have been sampled for Radon-222 during the injection of the natural gas into these storage fields. Subsequent natural gas samples will be taken as the gas is withdrawn from the geologic storage formations for customer use. *This sampling is currently being planned for Jan. 2014.* Finally, *14* well pads have been extensively sampled and surveyed for radiological analysis and contamination *during the four phases of well development, which include* vertical drilling, horizontal drilling, fracing and flowback. *Thirteen different roadways have now been sampled and surveyed where brine has been applied from conventional drilling operations. Well casings have been surveyed from a decommissioned well site for any possible radiological contamination. Still pending is additional work at well production sites, a large gas processing plant, compressor stations, four or five more leachate collections at landfills, and the following of sludge loads from waste water treatment plants to landfills.* 

## **Environmental Cleanup and Brownfields**

### **Land Recycling Cleanup Standards Regulation Revisions**

DEP intends to update the statewide health standard Medium-Specific Concentrations (MSCs) based on new toxicological data published since the last revisions to the MSCs. DEP is required to update the MSCs every three years so the standards include the most current scientific data. DEP's Cleanup Standards Scientific Advisory Board (CSSAB) reviewed the draft regulation revisions at their Oct. 23, 2013, meeting and voted unanimously to endorse the package with comments. DEP's Storage Tank Advisory Committee (STAC) reviewed the draft regulation revisions at their Dec. 3, 2013, meeting and voted unanimously to endorse the package with comments. The proposed revisions to the regulations are anticipated to be presented to the Environmental Quality Board for consideration by the end of the second quarter of 2014.

#### Pennsylvania Brownfields Conference

More than 300 participants attended the ninth annual Pennsylvania Brownfields Conference held on Dec. 9-11 at the Radisson Valley Forge Hotel, King of Prussia. The conference featured over 20 educational sessions, an exhibit hall and two mobile workshops that showcased successful redevelopment at Philadelphia Navy Yard and Conshohocken Waterfront. The event was hosted by DEP's Environmental Cleanup and Brownfields Program in partnership with the Engineers' Society of Western Pennsylvania. The popular Extreme Makeover competition featured the Crossings at Ambler Station of Montgomery County, Wissahickon Charter School of Philadelphia, and the Former Haddonfield Lumber Yard of Bucks County.

#### **Brownfield Success Stories**

Pennsylvania has a rich industrial history. Opportunities for economic redevelopment are showcased in DEP's series of **Brownfield Success Stories**. A collection of videos feature interviews with public and private partners who describe the vision, planning and re-use of former industrial sites and how challenges were met and overcome. All of DEP's Brownfield videos are located on the YouTube link, which can be accessed from the DEP website at: <a href="www.dep.state.pa.us">www.dep.state.pa.us</a>, select Environmental Cleanup & Brownfields, under Brownfield Success Stories, click on the You Tube link.

## **NEW!** Brownfield Development Guide

The Brownfield Development Guide draws on DEP's 18 years of experience in cleaning up more than 4,760 sites and outlines the full spectrum of services and resources available for the often complex steps involved in redeveloping brownfield properties. It seeks to assist a broad audience of private industry, state and local agencies, economic development agencies and redevelopment authorities, local officials, communities, property owners, developers and other stakeholders. DEP fosters and helps to build public-private partnerships, which have proven critical for the timely completion of successful projects. The Brownfield Development Guide can be accessed from the DEP website at: <a href="https://www.dep.state.pa.us">www.dep.state.pa.us</a>, select Environmental Cleanup & Brownfields, under New! Brownfield Development Guide, click on Brownfield Development Guide (PDF).

## **Air Quality**

## **Revision to Title V Emission Fee**

On Feb. 2, 2013, the Environmental Quality Board published, for *public review* and comment, the proposed *amendments* to the Title V emission fee provisions in 25 Pa. Code Chapter 127, Subchapter I (relating to plan approval and operating permit fees). The proposed rulemaking would amend 25 Pa. Code §127.705 (relating to emission fees) to establish a base Title V annual emission fee of \$85 per ton for up to 4,000 tons of each regulated pollutant, beginning with the fees due by Sept. 1, 2014, for emissions from Title V facilities in the 2013 calendar year. The initial base Title V annual emission fee, established at 24 Pa.B. 5899, Nov. 26, 1994, was \$37 per ton of regulated pollutant up to 4,000 tons of each regulated pollutant per Title V facility. As provided in § 127.705(e), the emission fee imposed under § 127.705(a) has been increased in each year after Nov. 26, 1994, by the percentage, if any, by which the Consumer Price Index for the most recent calendar year exceeded the Consumer Price Index for the previous calendar year. Under the existing regulatory framework, the base Title V annual emission fee has not been revised since 1994. The Title V annual emission fee due Sept. 1, 2012, for emissions occurring in calendar year 2011 was \$56 per ton of regulated pollutant for up to 4,000 tons of each regulated pollutant; the 2013 emission fee for 2012 emissions is \$57.50 tons per year up to 4,000 tons of each regulated pollutant emitted from a Title V facility.

Minor clarifying amendments were also proposed for § 127.701 (relating to general provisions). The final rulemaking would revise § 127.701 to clarify that fees paid to the department are deposited into the Pennsylvania Clean Air Fund. The final rulemaking would also make additional editorial changes to this section.

Three public hearings were held in March 2013. The public comment period closed on April 8, 2013. No members of the public provided testimony at the public hearings. Written comments were received from four commenters during the public comment period. Comments from the Independent Regulatory Review Commission were received on May 8. The comments were reviewed and a final rulemaking package has been prepared. The draft final-form regulation was considered by the Air Quality Technical Advisory Committee during the June 13, 2013 meeting. The final draft rulemaking was discussed with the CAC Policy and Regulatory Oversight Committee on June 21, 2013. The CAC voted to support the department's recommendation to move the rulemaking package to the EQB for final consideration on July 16, 2013. The SBCAC voted to support the department's recommendation to move the rulemaking package to the EQB for final consideration on July 24, 2013. The final rulemaking package was unanimously approved by the Environmental Quality Board at the Board's Sept. 17, 2013 meeting, and was submitted to the Independent Regulatory Review Commission (IRRC) and the Standing Environmental Resources and Energy Committees on Oct. 3, 2013. *The IRRC unanimously approved the final rulemaking* at its Nov. 7, 2013, meeting. *The final rulemaking was published in the Pennsylvania Bulletin on Dec.* 28, 2013. (43 Pa.B 7268) The final regulation will be submitted to EPA as an amendment to the State Implementation Plan and as a revision to the Title V program.

### **PM 2.5 Designation Recommendations**

On Nov. 2, 2013, the department *published* a notice concerning an opportunity for public review and comment on the draft attainment designation recommendations for the 2012 annual PM 2.5 National Ambient Air Quality Standard (NAAQS). The EPA revised the NAAQS in Dec. 2012, setting a new annual standard of 12 micrograms per cubic meter (µg/m3). As required by Section 107(d)(1) of the federal Clean Air Act, Pennsylvania's recommendations for designations of areas of the commonwealth as attainment, nonattainment or unclassifiable/attainment areas are due to EPA by Dec. 13, 2013. The proposed designation recommendations are based primarily on air quality ambient monitoring (2010-2012), as well as emissions data, meteorology, geography/topography and jurisdictional boundaries. *DEP's final PM 2.5 designation recommendations were submitted to EPA on Dec. 10, 2013. The department recommended that EPA designate as "nonattainment" areas the Greater Philadelphia Area (Chester, Delaware and Philadelphia counties), Northampton County, Lancaster County, Cambria County, the Greater Pittsburgh Area (Allegheny and Westmoreland counties) and a partial county nonattainment designation for the Liberty/Clairton Area. All other areas were recommended to be designated as "attainment" (monitored areas achieving the 2012 standard) or "unclassifiable/attainment" areas.* 

### Section 111(d) Listening Sessions and Public Comment

The U.S. Environmental Protection Agency (EPA) was directed to address carbon pollution from existing power plants under Section 111(d) of the federal Clean Air Act. The department decided to convene two "listening sessions" to receive input from the public prior to discussions with EPA. On Dec. 9 and 16, 2013, the department held listening sessions to collect information to be used in discussions with EPA in the event they move forward with a proposal for existing power plants. Attendees included environmental and industrial organizations, unions, individual electrical generating companies and the general public. The Dec. 9 meeting was held with the environmental and local government organizations and the Dec. 16 meeting with industry-related organizations. Attendees at both meetings were appreciative of the opportunity to provide input to the department. The public was invited to submit written information to the DEP; Krishnan Ramamurthy is the main contact. The department will consider the comments prior to submitting recommended principles to EPA for consideration in the event federal emissions guidelines for existing power plants are proposed. EPA is currently scheduled to announce a proposed rule for the existing electric generating units by June 2014.

### Pennsylvania Joins Petition Requesting Expansion of the Ozone Transport Region

On December 9, 2013, eight Northeast and mid-Atlantic states submitted to EPA a petition, filed under Clean Air Act (CAA) section 176A, requesting that the agency add nine upwind states to the Ozone Transport Region (OTR) established under section 184 of the CAA Amendments of 1990. The eight petitioning states (all of which are members of the OTR) are Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New York, Rhode Island and Vermont. Pennsylvania signed the petition on Dec.10. The petitioners have requested that the OTR be expanded to include the States of Illinois, Indiana, Kentucky, Michigan, North Carolina, Ohio, Tennessee, Virginia and West Virginia. EPA is required to respond to petitions filed under CAA section 176A within 18 months.

The petitioning states are not requesting that they be relieved of any of their OTR responsibilities. Instead, they are asking EPA to hold the upwind states accountable and to impose the OTR requirements on them as well. Additional requirements in the upwind states would include implementation of stationary source Reasonably Available Control Technology, increased preconstruction permit application reviews under the New Source Review program and implementation of motor vehicle Inspection and Maintenance programs.

### **Air Quality Regulatory Packages**

At its Dec. 12 meeting, the Air Quality Technical Advisory Committee (AQTAC) unanimously concurred with DEP's recommendation to move the draft proposed rulemaking for fiberglass boat manufacturing materials to the Environmental Quality Board (EQB) for consideration. Several AQTAC members asked questions or offered suggestions for the rule, but the discussion was not controversial.

AQTAC expressed appreciation to DEP for including a discussion of changes made after AQTAC's review of the final-form rulemaking for flexible package printing and offset lithographic and letterpress printing. Some members of the committee were concerned with the number of changes and DEP's consideration of comments from stakeholders outside the formal comment period. DEP explained that the changes made were within the scope of the rulemaking and furthered DEP's goal of the best possible regulation.

## **Energy Initiatives**

## **Natural Gas Vehicles**

The 2<sup>nd</sup> round of the Natural Gas Energy Development Program (Act 13) *application deadline was Jan. 1 2014*. The Natural Gas Energy Development Program (Act 13) is offering an estimated \$11 M to help pay for the incremental purchase and conversion of compressed natural gas (CNG), liquefied natural gas (LNG) and bi-fuel vehicles weighing 14,000 pounds or more. Those eligible to apply for the grants include local transportation organizations, incorporated non-profit entities, for-profit companies, state owned or state related universities, commonwealth or municipal authorities, and the Pennsylvania Turnpike Commission.

This round of funding for Fiscal Year 2013-14, Act 13 stipulates that 50% of the available funds be allocated exclusively for local transportation organizations, including non-profit agencies providing public transportation services and public transportation, port and redevelopment authorities, as well as school bus projects. In accordance with Act 13, this is the last round for which an exclusive allocation for local transportation organizations will be made. Applicants interested in purchasing or converting one or two heavy-duty alternative fuel vehicles are encouraged to partner with other eligible applicants to aggregate their vehicles into a single application to satisfy the 5 vehicle minimum. Grant requests can be no more than 50% of the incremental purchase or retrofit cost per vehicle, with a maximum total of \$25,000 per vehicle. As of Dec. 20, over 30 applications have been started in the egrants system.

### **Alternative Fuel Vehicles**

DEP awarded over \$5 million in Alternative Fuel Incentive Grants (AFIG) to 33 companies, counties and organizations making the switch to compressed natural gas (CNG), liquefied natural gas (LNG), or propane for medium to light-weight fleet vehicles and four (4) successful applicants for their innovative alternative fuel technology projects. Awarded AFIG grants will help pay for the conversion or purchase of 351 natural gas vehicles and 337 propane vehicles. An estimated 15 new fueling stations and 30 existing stations will be supported by these vehicles. GE Transportation was awarded \$1 million to demonstrate their dual fuel locomotive natural gas technology. In addition to GE's innovation project, other innovative projects include upgrading technology for recharging electric vehicles, demonstration of a next generation hydrogen fueling station, and design and testing of natural gas retrofit kits for gasoline direct injection engines. All of the AFIG projects represent great opportunities to diversify Pennsylvania's fuel portfolio, as well as maximize energy efficiencies for alternative fuel vehicle deployment.

Alternative Fuel Vehicle Rebate Program (AFIG): DEP plans to continue to offer the \$3,000 rebate for Plug-in Hybrid Electric Vehicles (PHEV) and Electric Vehicles (EV) until the 500 rebates are paid out. As of Dec. 20 2013, 46 rebates remained at \$3,000. Rebate amounts offered for EVs and PHEVs have been reassessed and the top two rebates amounts will be reduced to \$2,000 upon payout of the final \$3,000 rebate. This new commitment of 500 rebates at \$2,000 results in another \$1 million commitment in support of AFV purchased and registered by PA residents.

#### **PA Sunshine Program**

The PA Sunshine program has closed and staff is processing the final applications for payment. It is expected that the final payment will be made by the end of Jan. Since May of 2009, the department has awarded nearly \$113 million to help fund the deployment of Solar Photovoltaic and Solar Hot Water Systems throughout Pennsylvania. Approximately 85% of all systems funded were solar photovoltaic systems, resulting in distributed renewable energy generation capacity of nearly 100 MW incentivized by the program has totaled. Through the information installers have provided, the department has estimated that the systems deployed have resulted in nearly \$500 million of economic activity. This mix of private funds with the PA Sunshine rebate incentive was used to design systems, purchase equipment, as well as install and interconnect solar energy systems across the state Pennsylvania. In 2008, Pennsylvania had less than 3 MW of solar installed. Pennsylvania is now ending 2013 with approximately 200 MW of solar installed in PA with an estimated 100 MW of that total a direct result of the small residential and small commercial systems installed utilizing the PA Sunshine Program incentive.

#### **Promoting Energy Efficient Buildings**

The DEP-supported Keystone HELP program has provided a total of 5,280 consumer loans valued at \$45,999,364.35 to PA homeowners. This has resulted in annual energy savings of 19,658,216.73 kwhs of electricity, 127,083,851.26 kBTU reduction in heating fuel consumption, and 21,533,568.92 lbs. reduction in CO2e emissions through installed residential

energy conservation and efficiency measures since the American Recovery and Reinvestment Act (ARRA) inception. The Geothermal Loan Program funded 503 of those loans, totaling \$6,796,442.37. In addition, there have been 383 PHFA Renovate and Repair loans totaling \$8,214,750.50.

### Oil and Gas

# <u>Draft Proposed Rulemaking – Chapter 78, Subchapter B (relating to permits, transfers and objections)</u>

Section 78.19(f) requires the department to provide the EQB with an evaluation of the fees in Chapter 78 and "recommend regulatory changes to the EQB to address any disparity between the program income generated by the fees and the department's cost of administering the program with the objective of ensuring fees meet all program costs and programs are self-sustaining." This evaluation is required at least once every three years. Because the prior fee regulation was effective in Oct. 2009, the department prepared the 3-Year Report and developed a proposed rulemaking to address the disparity between program income and costs as described below.

The purpose of the proposed regulation is to change the unconventional natural gas well permit fee structure from a sliding fee schedule based on well bore length to a fixed fee of \$5,000 for horizontal unconventional wells and \$4,200 for vertical unconventional wells. As a result of this change in structure, the permit fee for an average unconventional well will increase by approximately \$1,800 per well for horizontal wells and by \$2,200 per well for vertical unconventional wells.

The department consulted with the Oil and Gas Technical Advisory Board (TAB) in the development of this proposed rulemaking. The department presented the draft proposed rulemaking to TAB at its April 23, 2013 meeting. Because the rulemaking does not address technical issues relating to oil and gas, TAB did not take a formal action relative to the proposed rule.

On July 16, 2013, DEP presented the proposed rulemaking package to the EQB and the board voted unanimously to proceed with publication for a 30-day public comment period.

The proposed rulemaking was published in the *Pennsylvania Bulletin* on Sept. 14 and closed on Oct. 15, 2013. The department received comments from 6 commenters and is currently preparing responses to all comments that were received. IRRC responded by its deadline of Nov. 14, 2013 that it had no further comments.

The department is currently preparing responses to all comments that were received. The department plans to present the final rulemaking package to the EQB at its Jan. 2014 meeting.

#### **DEP Launches New Oil and Gas GIS Map**

On Dec. 19, 2013 DEP announced the release of a new online Oil and Gas Well Mapping Tool that provides convenient access to well data across Pennsylvania. This tool serves as a one-stop-shop in terms of public information about permitted wells on a graphical platform. This is the first step in a process of linking all associated information regarding individual oil and gas wells such as well records, completion reports, and well plat information in a user-friendly GIS format. This tool is available to the public on the DEP website at <a href="www.dep.state.pa.us">www.dep.state.pa.us</a>, select Tools or Oil and Gas, then Oil and Gas Reports.

## Oil and Gas Workload Report

Please see Attachment 2.

# **Active and Abandoned Mine Operations**

#### **ABS BF Discharge Treatment**

Progress is being made in systematically approaching the problem, with designs underway for many of the treatment facilities. Operation and maintenance continues for the facilities that are in place. Progress reports are being provided to the Office of Surface Mining to assist them in their oversight of the project. Act 157 of 2012 provides for additional funding sources to pay for the required operation and maintenance of the treatment facilities. The structural elements regarding site and operator eligibility regarding funding through Act 157 are being developed via a collaborative process with the Mining and Reclamation Advisory Board (MRAB). Approval to initiate the rulemaking process was received in

April 2013. An initial draft of regulations has been prepared to review with the MRAB. A series of meetings with the Regulation, Legislative and Technical committee of the MRAB have been held. The proposed rule was reviewed by the MRAB on Oct. 24, 2013. The MRAB recommended that the department proceed to the EQB with the rulemaking package. The rulemaking package has been assembled and is in the process of internal routing.

## **Coal Mining Program Rulemaking**

Preliminary drafting is underway for rulemaking packages relating to surface coal mining water supply replacement, remining and water quality, and general coal mining program improvements. Interaction with the Mining Reclamation Advisory Board (MRAB), Regulation, Legislative and Technical Committee is expected to occur *by early 2014*. Preliminary discussions have been held with the MRAB relating to the remining and program improvement regulation packages. The water supply replacement rulemaking will be deferred until the remining and program improvement packages are completed due to priorities identified by the MRAB.

### **NPDES Permitting for Mine sites**

The Mining Program continues to work with EPA to implement NPDES permitting and compliance improvements. The focus has shifted from developing tools (e.g. TGD, SOP, Permit Document and Inspection Report) to deploying the tools. EPA is working with the Mining Program to identify the parameters of further interaction between the agencies. A two-year work plan has been drafted.

#### Office of Environmental Advocate

#### **Community Environmental Project Policy**

The Community Environmental Project (CEP) policy provides guidance on the process department staff will follow for considering a CEP, which allows a portion of the amount of a civil penalty that would be part of a settlement with DEP to be used by a person or regulated entity to conduct an environmental project. The proposed revisions to the document would update the current version, drafted in 1999. The 30-day public comment period was announced in the Pennsylvania Bulletin on Oct. 26 and ended on Nov. 25, 2013. A comment response document is currently being prepared and the final policy is anticipated to be issued the first quarter of 2014. The draft policy is available for viewing at: <a href="https://www.dep.state.pa.us">www.dep.state.pa.us</a>, select Tools, eLibrary and in the Search/Keyword enter: Community Environmental Project.

### **Environmental Education**

#### **Environmental Education Grants Program**

DEP awards grants to colleges and universities, K-12 schools, county conservation districts, businesses and NGOs to do professional development, curriculum integration, hands-on lessons as well as covering materials and transportation costs associated with watershed, energy, air, sustainability and other topics. For the 2013 grant round, awards were made to 92 organizations for \$329,000. The 2014 grant round opened the first week in Oct. Applications were due to DEP by Jan. 6, 2014.

### **Keystone Energy Education Program (KEEP)**

As a component of the department's Energy Education Report for the State Energy Plan, a vendor, Gove Group, in cooperation with DEP's Energy Office and Environmental Education staff have developed an energy education workshop series. Twelve workshops were scheduled, two in each DEP region. Six workshops have been conducted to date. Six more will take place in the spring of 2014. For each workshop, school teams consisting of teachers, administrators and facilities managers work together to enhance curriculum and learn how to implement benchmarking through Energy Star Portfolio Manager. Dates for the workshops are available in Attachment 1.

# Attachment 1- Advisory Committee, K.E.E.P. Workshops and Regional Roundtable Dates

(RCSOB- Rachel Carson State Office Building)

2014	
January	
Jan. 8	Technical Advisory Committee on Diesel-Powered Equipment (TAC), 10 am, Fayette County Health Center, Uniontown

Jan. 9	Mining and Reclamation Advisory Board, 10 am, 12 <sup>th</sup> Flr. Conference Rm., RCSOB
Jan. 9	EQB Oil & Gas Public Hearing on Chp. 78 SubChp. C, 6:00 pm, West Chester University of
Juli. )	PA, Sykes Student Union Theater
Jan. 13	EQB Oil & Gas Public Hearing on Chp. 78 SubChp. C, 6:00 pm, PA College of Technology,
	Klump Academic Center, Williamsport
Jan. 15	Coastal Zone Advisory Committee, 9:30 am, 10 <sup>th</sup> Floor Conference Rm., RCSOB
Jan. 15	EQB Oil & Gas Public Hearing on Chp. 78 SubChp. C, 6:00 pm, Meadville Senior High School Auditorium, Meadville
Jan. 15	Water Resources Advisory Committee, 9:30 am, Room 105, RCSOB
Jan. 16	EQB Oil & Gas Public Hearing on Chp. 78 SubChp. C, 6:00 pm, Good Hope Middle School Auditorium, Mechanicsburg
Jan. 21	Environmental Quality Board, 9 am, Room 105, RCSOB
Jan. 21	Citizens Advisory Council, 11 am, Room 105, RCSOB
Jan. 22	EQB Oil & Gas Public Hearing on Chp. 78 SubChp. C, 6:00 pm, Washington & Jefferson College, Rossin Campus Center, Allen Ballroom, Washington
Jan. 22	Small Business Compliance Advisory Committee, 10 am, 12 <sup>th</sup> Floor Conference Rm., RCSOB
Jan. 22	Chesapeake Bay Management Team, 9:30 am, Susquehanna Conference Room, South-central Regional Office
Jan. 23	EQB Oil & Gas Public Hearing on Chp. 78 SubChp. C, 6:00 pm, Indiana University of PA, Convention & Athletic Complex, Indiana
Jan. 27	EQB Oil & Gas Public Hearing on Chp. 78 SubChp. C, 6:00 pm, Tunkhannock High School Auditorium, Tunkhannock
Jan. 27	North-central Regional Roundtable, 7 pm, at the Williamsport Regional Office
February	
Feb. 4	Environmental Justice Advisory Board, 8:30 am, 16 <sup>th</sup> Floor Delaware Room, RCSOB
Feb. 11	Climate Change Advisory Committee, 10 am, Rm. 105, RCSOB
Feb. 12	State Board for Certification of Water and Wastewater Systems Operators, 10 am, 10 <sup>th</sup> Floor Conference Room, RCSOB
Feb. 13	Northwest Regional Roundtable, 10 am, at the Meadville Regional Office
Feb. 18	Environmental Quality Board, 9 am, Room 105, RCSOB
Feb. 18	Citizens Advisory Council, 11 am, Room 105, RCSOB
Feb. 20	Air Quality Technical Advisory Committee, 9:15 am, Rm. 105, RCSOB
Feb. 24	K.E.E.P. Workshop, Winnie Palmer Nature Reserve, St. Vincent College, Latrobe, Southwest Region
Feb. 26	Agricultural Advisory Board Committee, 10 am, South-central Regional Office
March	
March 4	Storage Tank Advisory Committee, 10 am, 14 <sup>th</sup> Flr. Conference Rm., RCSOB
March 5	K.E.E.P. Workshop, Wilkes University, Wilkes-Barre, Northeast Region
March 5	Sewage Advisory Committee, 10:30 am, Room 105, RCSOB
March 6	Solid Waste Advisory Committee, 10 am, Rm. 105, RCSOB
March 6	Radiation Protection Advisory Committee, 9 am, 12 <sup>th</sup> Floor Conference Rm., RCSOB
March 6	K.E.E.P. Workshop, Penn State University, University Park, North Central Region
March 11	Board of Coal Mine Safety, 10 am, DEP Cambria Office, Ebensburg
March 17	South-central Regional Roundtable, 10 am, Harrisburg Regional Office Susquehanna A
March 18	Environmental Quality Board, 9 am, Room 105, RCSOB
March 18	Citizens Advisory Council, 11 am, Room 105, RCSOB
March 19	Water Resources Advisory Committee, 9:30 am, Room 105, RCSOB
March 19	State Board for Certification of Sewage Enforcement Operators, 10 am, 11 <sup>th</sup> flr. Conference Room B, RCSOB
March 19	Cleanup Standards Scientific Advisory Board, 9 am, 14 <sup>th</sup> flr. Conference Rm., RCSOB
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March 19	K.E.E.P. Workshop, Asbury Woods Nature Center, Erie, Northwest Region					
March 20	K.E.E.P. Workshop, Juniata College, Huntingdon, South Central Region					
March 25	K.E.E.P. Workshop, Montgomery County Intermediate Unit, Norristown, Southeast Region					
March 27	Oil and Gas Technical Advisory Board, 10 am, Room 105, RCSOB					
April						
April 3	Air Quality Technical Advisory Committee, 9:15 am, Rm. 105, RCSOB					
April 8	Climate Change Advisory Committee, 10 am, Rm. 105, RCSOB					
April 9	Small Water Systems Technical Assistance Center Board, 10 am, Room 105, RCSOB					
April 9	Technical Advisory Committee on Diesel-Powered Equipment (TAC), 10 am, Fayette County					
<b>F</b> >	Health Center, Uniontown					
April 10	Northwest Regional Roundtable, 10 am, location TBA					
April 15	Environmental Quality Board, 9 am, Room 105, RCSOB					
April 15	Citizens Advisory Council, 11 am, Room 105, RCSOB					
April 16	Agricultural Advisory Board Committee, 10 am, South-central Regional Office					
April 16	State Board for Certification of Water and Wastewater Systems Operators, 10 am, 10 <sup>th</sup> Floor					
A '1 17	Conference Room, RCSOB					
April 17	Southwest Regional Roundtable, 10:30 am, Pittsburgh Regional Office Waterfront A&B					
April 23	Small Business Compliance Advisory Committee, 10 am, 12 <sup>th</sup> Flr. Conference Rm., RCSOB					
April 24	Radiation Protection Advisory Committee, 9 am, 12 <sup>th</sup> Flr. Conference Rm., RCSOB					
April 24	Mining and Reclamation Advisory Board, 10 am, Room 105, RCSOB					
May						
May 14	Water Resources Advisory Committee, 9:30 am, Room 105, RCSOB					
May 21	Environmental Quality Board, 9 am, Room 105, RCSOB					
May 21	Citizens Advisory Council, 11 am, Room 105, RCSOB					
June	a material and the state of the property of th					
June 3	Storage Tank Advisory Committee, 10 am, 14 <sup>th</sup> Flr. Conference Rm., RCSOB					
June 4	Coastal Zone Advisory Committee Meeting, 9:30 am, 10 <sup>th</sup> Floor Conference Room, RCSOB					
June 5	Solid Waste Advisory Committee, 10 am, Rm. 105, RCSOB					
June 10	Board of Coal Mine Safety, 10 am, DEP Cambria Office, Ebensburg					
June 12	Air Quality Technical Advisory Committee, 9:15 am, Rm. 105, RCSOB					
June 12	Northwest Regional Roundtable, 10 am, location TBA					
June 16	South-central Regional Roundtable, 10 am, Harrisburg Regional Office Susquehanna A					
June 17	Environmental Quality Board, 9 am, Room 105, RCSOB					
June 17	Citizens Advisory Council, 11 am, Room 105, RCSOB					
June 18	Agricultural Advisory Board Committee, 10 am, South-central Regional Office					
June 18	Small Water Systems Technical Assistance Center Board, 10 am, Room 105, RCSOB					
June 18	State Board for Certification of Water and Wastewater Systems Operators, 10 am, 10 <sup>th</sup> Floor					
June 24	Conference Room, RCSOB					
	Climate Change Advisory Committee, 10 am, Rm. 105, RCSOB State Board for Certification of Sewage Enforcement Operators, 10 am, 11 <sup>th</sup> flr. Conference					
June 25	Room B, RCSOB					
June 26	Oil and Gas Technical Advisory Board, 10 am, Room 105, RCSOB					
July						
July 9	Sewage Advisory Committee, 10:30 am, Room 105, RCSOB					
July 9	Technical Advisory Committee on Diesel-Powered Equipment (TAC), 10 am, Fayette County Health Center, Uniontown					
July 15	Environmental Quality Board, 9 am, Room 105, RCSOB					

December	
Dec. 2	Storage Tank Advisory Committee Meeting, 10 am, Rm. 105, RCSOB
Dec. 9	Climate Change Advisory Committee, 10 am, Rm. 105, RCSOB
Dec. 9	Board of Coal Mine Safety, 10 am, DEP Cambria Office, Ebensburg
Dec. 10	Coal and Clay Mine Subsidence Insurance Fund Board Annual Meeting, 10 am, 12 <sup>th</sup> Floor Conference Room, RCSOB
Dec. 10	State Board for Certification of Water and Wastewater Systems Operators, 10 am, 10 <sup>th</sup> Floor Conference Room, RCSOB
Dec. 11	Air Quality Technical Advisory Committee, 9:15 am, Rm. 105, RCSOB
Dec. 15	South-central Regional Roundtable, 10 am, Harrisburg Regional Office Susquehanna A
Dec. 16	Environmental Quality Board, 9 am, Room 105, RCSOB
Dec. 17	Agricultural Advisory Board Committee, 10 am, South-central Regional Office
Dec. 18	Small Water Systems Technical Assistance Center Board, 10 am, Room 105, RCSOB
Dec. 22	State Board for Certification of Sewage Enforcement Operators, 10 am, 11 <sup>th</sup> flr. Conference Room B, RCSOB

<sup>•</sup> Laboratory Accreditation Advisory Committee and Mine Families First Response and Communications Advisory Council will be scheduled at a later date.

## **Air Quality Technical Advisory Committee (AQTAC)**

At the AQTAC meeting, Mike Gordon of EPA presented information on EPA's New Source Performance Standards for electric generating units. DEP staff presented PA's designation recommendations for the 2012 PM 2.5 standard that were recently submitted to EPA. Other informational agenda items included EPA's infrastructure State Implementation Plan (SIP) guidance, updates on the permit exemption list, the guidance for determination of significant figures, regulations and SIP revisions.

## **Attachment 2**

**Total** 

## Oil & Gas Weekly Workload Report - Week 12-27-2013 to 1-1-2014

YTD WELL PERMIT APPLICATIONS - 1/1/2013 to 12/27/2013								
	RECEIVED	UNDER REVIEW	PRO	OCESSED	PERMITS ISSUED		WELLS RMITTED	OTHER DISPOSITIONS
CONVENTIONAL	1,699	166		1,703	1,652		1,650	51
UNCONVENTIONAL	2,933	240	240 3,021		2,945		2,780	76
Sub Total	4,632	406	406 4,724		4,597		4,430	127
AUTHORIZATIONS	488	107		416	367		N/A	49
Total	5,120	513		5,140	4,964		4,769	176

WEEKLY WELL PERMIT APPLICATIONS - 12/21/2013 to 12/27/2013								
	RECEIVED	UNDER REVIEW	PROCESSED	PERMITS ISSUED	WELLS PERMITTED	OTHER DISPOSITIONS		
CONVENTIONAL	0	0	10	10	10	0		
UNCONVENTIONAL	0	0	76	64	64	12		
Sub Total	0	0	86	74	74	12		
AUTHORIZATIONS	0	0	2	2	N/A	0		

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**76** 

**76** 

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HISTORICAL WELL PERMIT APPLICATIONS AS OF 12/27/2013								
	RECEIVED	PROCESSED	PERMITS ISSUED	WELLS PERMITTED	OTHER DISPOSITIONS	ACTIVE PERMITS		
CONVENTIONAL	195,612	195,446	194,245	188,454	1,201	108,182		
UNCONVENTIONAL	15,983	15,741	15,387	13,417	354	10,059		
Sub Total	211,595	211,187	209,632	201,871	1,555	118,241		
AUTHORIZATIONS	40,191	40,082	39,881	N/A	201	18,606		
Total	251,786	251,269	249,513	241,521	1,756	136,847		

YTD INSPECTIONS - 1/1/2013 to 12/27/2013								
	FACILITIES INSPECTIONS INSPECTED VIOLATIONS ENFORCEMENTS							
CONVENTIONAL	11,407	7,634	1,570	377				
UNCONVENTIONAL	12,183	5,516	499	190				
CLIENT/SITE 2,617 0 515 2								
Total	26,207	13,150	2,584	832				

WEEKLY INSPECTIONS - 12/21/2013 to 12/27/2013								
	FACILITIES INSPECTIONS INSPECTED VIOLATIONS ENFORCEMENTS							
CONVENTIONAL	37	34	0	0				
UNCONVENTIONAL	28	28	1	0				
CLIENT/SITE	16	0	0	0				
Total	81	62	1	0				

WELLS DRILLED								
One Year Two Years Prior Prior Year To Date Week of 1/1/2011 to 1/1/2012 to 1/1/2013 to 12/21/2013 to 12/27/2011 12/27/2012 12/27/2013 12/27/2013 12/27/2013								
CONVENTIONAL	1,267	1,021	965	7	195,664			
UNCONVENTIONAL	1,941	1,337	1,202	13	7,445			
Total	3,208	2,358	2,167	20	203,109			

This report has been prepared by Holly Cairns, Director of the Office of Environmental Advocate, for questions or requests, please email at <a href="https://example.com/hcairns@pa.gov">hcairns@pa.gov</a> or call 717-783-2300.