



**Permit Review Process & Permit Decision Guarantee
Quarterly Report**

February 14, 2013

Executive Summary:

By signing Executive Order 2012-11 last July, Gov. Tom Corbett charged the Department of Environmental Protection with developing and implementing a policy that results in more timely permitting decisions, provides clear expectations for applicants to improve the quality of permit applications, establishes performance measures for DEP's permit review staff, and implements electronic permitting tools.

In November, DEP published the Permit Review Process and Permit Decision Guarantee Policy that transformed and modernized the department's way of doing business. As part of the new policy and ongoing commitment to transparency, DEP committed to provide quarterly updates, during the first year, on our progress. Following is the first such update.

While limited in its scope, this first quarterly report indicates initial success of the new policy of DEP becoming more efficient in issuing protective permits. Specifically, when compared to the previous permitting structure known as Money Back Guarantee, the following increases in efficiency have been measured for those permits included in the Permit Decision Guarantee:

Improved Efficiency (measured in fewer average days to process)

- Mining-- 74 percent;
- Oil and Gas-- 19 percent;
- Waste, Air, Radiation and Remediation (WARR)--67 percent; and
- Water programs-- 68 percent.

Regardless of an application being under Permit Review Process or Permit Decision Guarantee, DEP -- based on the limited data set -- is currently meeting the timeframes established more than 97 percent of the time.

While DEP is becoming more efficient, the other side of the equation rests in increasing the quality of applications. Under Permit Decision Guarantee, DEP has asked applicants and their consultants for complete, technically adequate applications that address all applicable regulatory and statutory requirements in exchange for a decision within a guaranteed timeframe. For example, when permit applications met all eligibility criteria for the Permit Decision Guarantee, DEP made a decision within the established timeframes 98.9 percent of the time. Across the board, DEP is seeing an increase in the quality of permit applications, having to return only 1.36 percent of those submitted.

Staff is also diligently working to clear the queue of applications and authorization requests that were in place when the Executive Order was signed. At this point, we have cleared 39 percent of the queue and will continue to make progress as we move forward.

We are confident this new policy will continue to help DEP improve our performance, ensure thorough reviews of permits and provide predictable timeframes for applicants while ensuring that we meet our obligations to protect the air, land and water resources of the Commonwealth. Our next quarterly report will be available in May.

Editor's note: All data in this report, unless otherwise indicated, is for the period Nov. 14, 2012 through Jan. 31, 2013.

Permit Review Process and Permit Decision Guarantee (PRP/PDG)

Pre-Application Screening Tool and eFACTS

The Governor's Executive Order 2012-11 directed the DEP to, among other things, develop, implement and improve available information tools to include an automated system, where possible. Such a system would be used for notifications, permit applications, form letters regarding application completeness and technical deficiency, and general permit registration notifications. To that end, one of the first and most valuable tools DEP is developing is a Pre-Application Screening Tool. This new tool will enable applicants to quickly and easily determine which permits may be required for a new or expanded project in Pennsylvania. The tool is being developed to provide the most efficient mechanism to ensure that applications are complete upon submittal, comply with all relevant environmental regulations, are guaranteed a quick turnaround by the Department and finally the issuance of all the relevant permits needed for a project are coordinated. Once finalized, the department will develop electronic versions of this tool and make them available on the DEP's website. Additionally, an enhancement will be made to eFACTS¹ in March that will allow the Department to begin tracking pre-application meetings. We will begin reporting information pertaining to pre-application meetings in the third quarter update.

Program-Specific Webinars

To date, DEP has held 10 program-specific public webinars with more than 1300 attendees to review program-specific standard operating procedures, review program specific permit procedures, and answer questions regarding specific implementation of the new process. Standard operating procedures have been developed by DEP's programs to assist with program-specific implementation of the Permit Review Process and Permit Decision Guarantee policy. Implementation of developed standard operating procedures will ensure consistent procedures for reviewing permit applications across the department. Those sessions held, and their attendance, are outlined below:

- Active & Abandoned Mining Operations - 22
- Waste Management - 77
- Safe Drinking Water – 41
- Storage Tanks - 57
- Point & Non-Point Source Management – 60
- Oil & Gas Management - 129
- Chapter 102/Erosion and Sedimentation – 790
- Air Quality - 95
- Chapter 105/Dam Safety – 147
- Radiation Protection - 9

¹ eFACTS is the Department's data management system.

In addition, the webinars were recorded and are available on demand on DEP's website, www.dep.state.pa.us. The newly developed standard operating procedures also can be found on DEP's website, www.dep.state.pa.us keyword: Permit Decision Guarantee.

eFACTS on the Web

DEP also has a webinar series, *eFACTS on the Web*², that discusses how the Department uses electronic permitting tools to implement PRP/PDG. Through Jan. 16, 2013, there have been approximately 275 participants. The *eFACTS on the Web* sessions will continue throughout 2013. Information on the upcoming sessions can be found on DEP's website, www.dep.state.pa.us keyword: Public Participation.

Such training is proving to be popular and widely accessed. Throughout the months of December and January the *eFACTS* website was accessed 48,841 times with 19,849 unique visitors.

PRP/PDG Statistics

The following two tables provide statistics for Permit Review Process (PRP) and Permit Decision Guarantee (PDG) applications. PRP is the review process outlined for all applications and includes target timeframes for those applications that are not included in PDG. The PRP timeframes are only targets, not guaranteed. PDG applies to certain applications which are eligible for a decision within a guaranteed timeframe, provided the application is complete, technically adequate and addresses all applicable regulatory and statutory requirements. Regardless of PRP or PDG DEP -- based on the limited data set -- is currently meeting the timeframes established more than 97 percent of the time.

Permit Review Process (includes all applications received Nov. 14, 2012 through Jan. 31, 2013)

6574	# of Applications received
3700	# of Applications processed (disposed)
31	# of Applications withdrawn
89	# of Applications returned or denied
1.36%	% of all Applications returned or denied
	<ul style="list-style-type: none"> • 65.17% of Returned or Denied Applications due to Incompleteness • 34.83% of Returned or Denied Applications due to Technical Deficiencies
95.38%	% of Applications disposed that were approved with no deficiencies
97.67%	% of approved permits disposed within target timeframes

² *eFACTS on the Web* is the Department's publicly-available data management system.

Permit Decision Guarantee (includes only those applications included in PDG received Nov. 14, 2012 through Jan. 31, 2013)

3366	# of PDG Applications received
1928	# of PDG Applications processed (disposed)
20	# of PDG Applications withdrawn
26	# of PDG Applications returned or denied
0.78%	% of all PDG Applications returned or denied
	<ul style="list-style-type: none"> • 38.46% of Returned or Denied PDG Applications due to Incompleteness • 61.54% of Returned or Denied PDG Applications due to Technical Deficiencies
95.59%	% of all PDG Applications disposed that were approved with no deficiencies
98.90%	% of approved PDG Permits disposed within guarantee timeframes

Pre-application meetings are not currently tracked by eFACTS but DEP intends to provide this information beginning with the third quarter report.

Program Efficiencies

The data reported in the first quarter shows overall, DEP is operating more efficiently across all deputates and programs that have issued an authorization under the new Permit Review Process (PRP) and Permit Decision Guarantee (PDG) compared to the previous one-year period under the previous Money Back Guarantee (MBG) Program.

COMPARISON OF PERMIT REVIEW PROCESS DAYS vs. MONEY BACK GUARANTEE DAYS FOR ISSUED AUTHORIZATIONS

MBG Time Frame (Nov. 14, 2011 thru Nov. 13, 2012)

PRP Time Frame (Nov. 14, 2012 thru Jan. 31, 2013)

DEP Deputate	Number of MBG Permits	Number of PRP Permits	Percent of PRP Auths Issued	AVG MBG Business Days	AVG PRP Business Days	Percent Improvement
MINING	2,854	339	11.88%	38.54	14.96	61.18%
OIL and GAS	8,297	815	9.82%	20.87	13.74	34.16%
WARR Waste, Air, Radiation & Remediation	8,115	1,941	23.92%	22.23	9.89	55.52%
WATER	4,490	460	10.24%	47.05	17.31	63.22%

**COMPARISON OF
PERMIT DECISION GUARANTEE DAYS vs. MONEY BACK GUARANTEE DAYS
FOR ISSUED AUTHORIZATIONS**

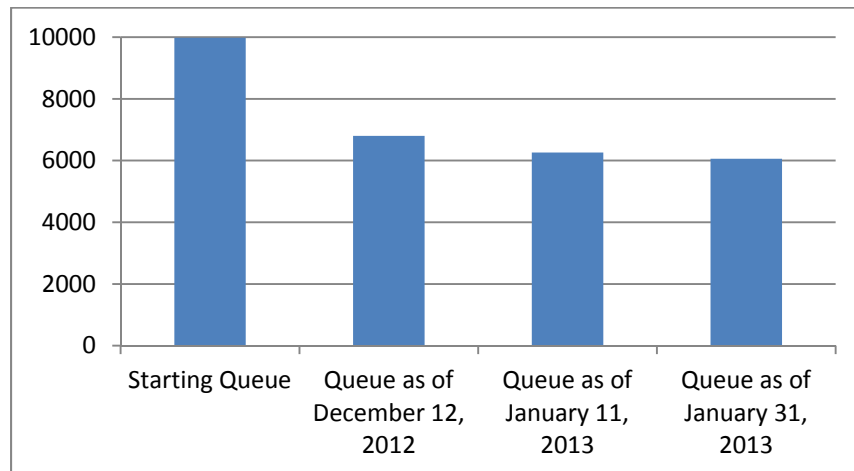
MBG Time Frame (Nov. 14, 2011 thru Nov. 13, 2012)
PDG Time Frame (Nov. 14, 2012 thru Jan. 31, 2013)

DEP Deputate	Number of MBG Permits	Number of PDG Permits	Percent of PDG Auths Issued	AVG MBG Business Days	AVG PDG Business Days	Percent Improvement
MINING	314	36	11.46%	66.48	17.1	74.29%
OIL and GAS	4,284	444	10.36%	22.02	17.69	19.69%
WARR Waste, Air, Radiation & Remediation	174	26	14.94%	41.91	13.76	67.17%
WATER	2,164	159	7.35%	57.56	18.17	68.44%

The current efficiency rates are based on a limited data set and will likely change each quarter. Based on the data set, the current volume pertaining to technical reviews and overall efficiency may be overestimated due to the volume of General Permit registrations that have been received since Nov. 14, 2012, compared to the more complex, individual permit applications. Currently, this higher volume is lowering the average processing time, which is apparent for WARR (specifically the Waste Program) and Water. The average should begin to climb closer to a more representative number throughout the year as the number of individual permit applications rises.

Clearing the Queue

When Gov. Corbett signed Executive Order 2012-11, there were 9,982 applications awaiting decision at varying stages in DEP’s review process. As of Jan. 31, 2013, that count was 6,058, representing a 39 percent decrease in pending authorizations.



Applicant and Staff Feedback

Regional staff has noted that the process is moving work more efficiently and applicants are leaving our offices more optimistic following pre-application meetings. Applicants in particular appreciate more realistic timelines that are now being provided as opposed to the “worst-case scenarios” that were common practice under the former Money Back Guarantee Program.

Additionally, employees also tell us they feel more empowered by the Permit Review Process and Permit Decision Guarantee Policy. As one regional DEP employee said, “We haven’t had any applications yet that warrant returning, but staff has noted how many previous applications that are currently in the queue should have been and would have been returned under the new policy.”

In addition, the new policy is aimed at successfully removing some of the delays which previously “stopped the clock” under the Money Back Guarantee Program. Staff is spending less time awaiting additional information from applicants and more time identifying deficiencies and communicating clear expectations in their responses. The process appropriately provides for much more accountability from permit reviewers and supervisors.

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