



pennsylvania
DEPARTMENT OF ENVIRONMENTAL
PROTECTION

Permit Review Process & Permit Decision Guarantee

Quarterly Report

Aug. 15, 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 to enhance internal operations. DEP committed to provide quarterly updates during the first year under the new policy. The following is the third such update which provides cumulative statistics for the period Nov. 14, 2012 through July 31, 2013.

This third quarterly report indicates continued success of the new policy. When Gov. Corbett signed Executive Order 2012-11, there were 9,982 applications that were awaiting decision. DEP has firmly committed to clearing the backlog of permits in the queue. As of Aug. 1, 2013, this number has been reduced by two-thirds, to a remarkable 3,377. Discounting pending authorizations where DEP is awaiting action by others, department staff has cleared 93 percent of the disposable queue. This is a tremendous accomplishment achieved by DEP staff.

DEP has also become more efficient in issuing protective and timely permits, bringing greater predictability to the permitting process.

Increased Predictability (measured in permits meeting target and/or guarantee timeframes)

- Permit Review Process – 96 percent
- Permit Decision Guarantee – 96 percent

With more available data, the cumulative statistics presented in this report indicate continued success with meeting target and guarantee timeframes and overall efficiency gains in the permitting process. 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 – 44 percent
- Oil and Gas – 4 percent
- Waste, Air, Radiation and Remediation (WARR) – 18 percent
- Water – 31 percent

DEP has also developed a Pre-Application Information Tool, which will be a valuable resource to potential applicants who are considering siting a new project in Pennsylvania, or expanding or relocating an existing operation. This tool will allow potential applicants to quickly and easily determine which types of environmental permits, authorizations or notifications may be required for specific projects.

The department's next quarterly report will be available in November.

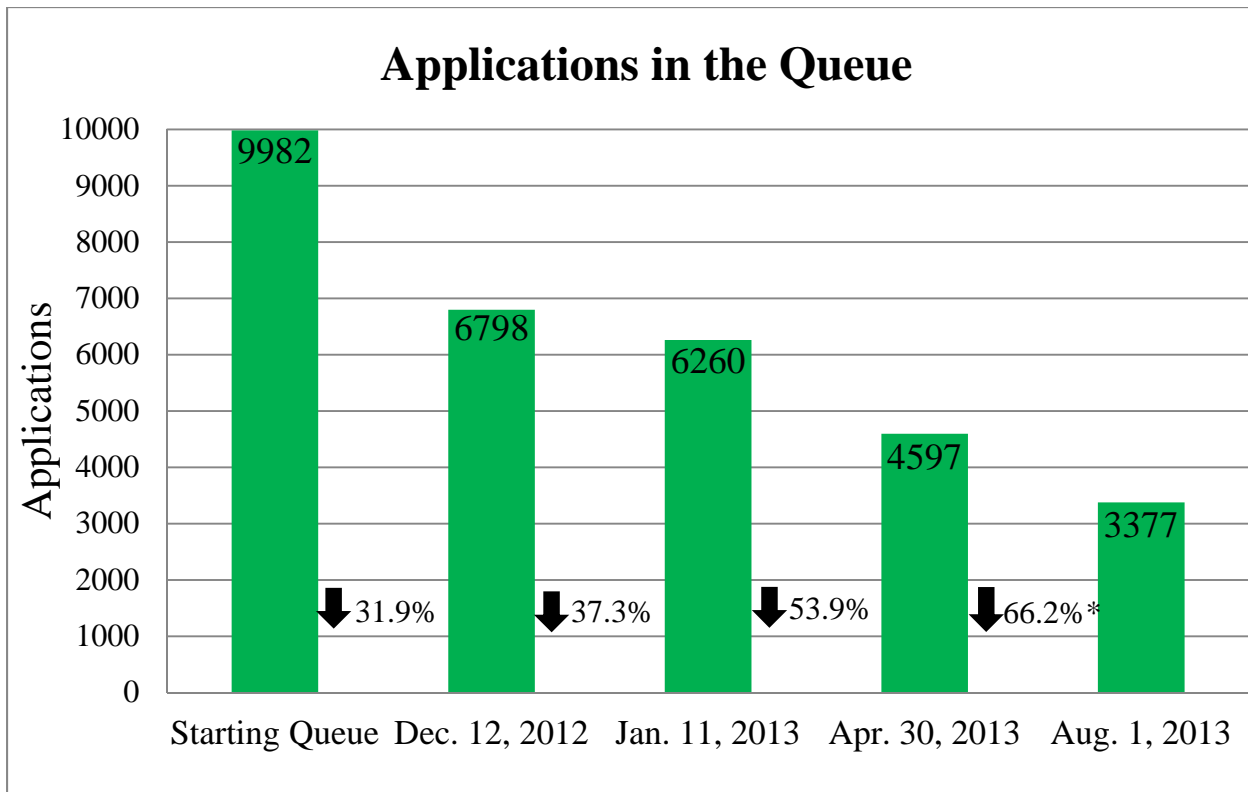
Editor's note: All data in this report, unless otherwise indicated, is cumulative and represents the period Nov. 14, 2012, through July 31, 2013. The second quarter report provided data for the period of Nov. 14, 2012, through April 30, 2013.

Permit Review Process and Permit Decision Guarantee

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. In just over a year, that number has been slashed by two-thirds, to a remarkable 3,377 as of Aug. 1, 2013. That represents a 66 percent decrease in pending authorizations, a tremendous accomplishment achieved by DEP staff. In addition to ensuring that all new permit applications meet their guaranteed and target timeframes, DEP staff has worked diligently to process and dispose of all possible permits in the queue.

DEP staff has reviewed pending authorizations remaining in the queue to determine the cause of delay. Of those pending authorizations, nearly 80 percent of them are due to litigation, compliance obligations or the need for information from the applicant to complete the authorization. And, of these, roughly 60 percent remain because DEP is awaiting information from the applicant in order to complete the permit review or the applicant no longer wants the authorization. Discounting these pending authorizations where DEP is awaiting action by others, department staff has actually cleared 93 percent of the disposable queue. DEP staff continues to review authorizations remaining in the queue and develop strategies to dispose of them.



* DEP has cleared 93 percent of the disposable queue.

PRP/PDG Statistics

In November 2012, DEP began to review permit applications under the Permit Review Process (PRP). All DEP permits are reviewed under PRP regardless of whether or not a permit has a guaranteed timeframe (i.e., the application would qualify for the Permit Decision Guarantee (PDG) if it is complete and technically adequate). Though not all department permits have a guarantee associated with them, they all have a target timeframe against which DEP determines timeliness of permit issuance and evaluates employee performance.

Statistics for PRP are representative of the agency's permitting activities as a whole, while PDG statistics only apply to those permits that qualify for Permit Decision Guarantee. The following two tables provide cumulative statistics for the time period November 14, 2012, through July 31, 2013.

DEP continues to make timely permitting decisions, maintaining the rate of 96 percent of permit decisions rendered within the target timeframes (PRP) and 96 percent within the guaranteed timeframe (PDG).

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

24,220	Number of applications received
19,772	Number of applications processed (disposed)
228	Number of applications withdrawn
531	Number of applications returned or denied
2.19%	Percent of all applications returned or denied
	<ul style="list-style-type: none"> • 42.00% of returned or denied applications due to incompleteness • 58.00% of returned or denied applications due to technical deficiencies
92.17%	Percent of Applications disposed that were approved with no deficiencies
96.38%	Percent of approved permits disposed within target timeframes

Permit Decision Guarantee (includes all applications received Nov. 14, 2012, through July 31, 2013)

12,971	Number of applications received
10,856	Number of applications processed (disposed)
167	Number of applications withdrawn
192	Number of applications returned or denied
1.50%	Percent of all applications returned or denied
	<ul style="list-style-type: none"> • 22.92% of returned or denied applications due to incompleteness • 77.08% of returned or denied applications due to technical deficiencies
88.72%	Percent of Applications disposed that were approved with no deficiencies
95.72%	Percent of approved permits disposed within target timeframes

Program Efficiencies

Data from the first three quarters indicated that DEP is operating more efficiently across all deputates and programs under the PRP and PDG compared to the previous one-year period under the Money Back Guarantee (MBG) Program. DEP staff is processing permits within their target and guaranteed timeframes 96 percent of the time for PRP and PDG. This represents a significant improvement in the permitting process.

Approximately 9 months into the new process, the data still reflects overall efficiency gains under PRP and PDG. Efficiency ratings overall are not as high as they were last quarter, due in part to the department's commitment to clearing the backlog of permits in the queue. As DEP moves forward with implementation the department is building a larger sample size for comparison, resulting in a more accurate picture of our performance. Nonetheless, efficiency gains compared to MBG are still apparent after three quarters of data.

PERMIT REVIEW PROCESS vs. MONEY BACK GUARANTEE FOR ISSUED PERMITS

MBG Timeframe (Nov. 14, 2011, through Nov. 13, 2012)

PRP Timeframe (Nov. 14, 2012, through July 31, 2013)

Deputate	Number of MBG Permits	Number of PRP Permits	PRP Permits Issued as % of MBG	AVG MBG Business Days	AVG PRP Business Days	Percent Improvement
MINING	3474	1981	57.02%	58.89	38.66	34.35%
OIL and GAS	8522	5104	59.89%	21.08	18.55	11.97%
WARR	8623	6375	73.93%	47.49	34.32	27.73%
WATER	6078	3362	55.31%	62.70	44.15	29.59%

PERMIT DECISION GUARANTEE vs. MONEY BACK GUARANTEE FOR ISSUED PERMITS

MBG Timeframe (Nov. 14, 2011, through Nov. 13, 2012)

PDG Timeframe (Nov. 14, 2012, through July 31, 2013)

Deputate	Number of MBG Permits	Number of PDG Permits	PDG Permits Issued as % of MBG	AVG MBG Business Days	AVG PDG Business Days	Percent Improvement
MINING	522	295	56.51%	94.59	52.59	44.41%
OIL and GAS	4380	2744	62.65%	21.70	20.83	3.97%
WARR	320	165	51.56%	83.09	67.86	18.33%
WATER	2733	1398	51.15%	67.59	46.60	31.06%

Pre-Application Information Tool

The Governor's Executive Order 2012-11 also directed the DEP to develop, implement and improve available information tools to include automated systems, where possible. The department continues to look into ways to make the permitting process more efficient through automation. To this end, DEP has developed the Pre-Application Information Tool to aid potential applicants.

The Pre-Application Information Tool will be invaluable to potential applicants who are considering siting a new project in Pennsylvania, or expanding or relocating an existing operation. Specifically, this tool allows potential applicants to quickly and easily determine which types of environmental permits, authorizations or notifications may be required for specific projects. The tool guides users through a series of simple questions and provides information on permits that may be required based on the user's responses.

It is the intent of the department that applicants share the results of the Pre-Application Information Tool with DEP. These results will serve as the foundation for a Pre-Application Conference to discuss and verify tool results and permit coordination. DEP recommends that applicants contact the appropriate staff to discuss or to arrange a program-specific Pre-Application Conference prior to the completion and submission of applications. This tool is currently available on DEP's website, www.dep.state.pa.us, keyword: Permits, in paper format and will be available as an automated tool in September 2013.