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

May 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. The following is the second such update which provides cumulative statistics for the period November 14, 2012 through April 30, 2013.

This second quarterly report indicates continued success of the new policy as DEP is becoming more efficient in issuing protective and timely permits that bring greater predictability to the permitting process.

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

➢ Permit Review Process – 97 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. 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—56 percent;
➢ Oil and Gas—10 percent;
➢ Waste, Air, Radiation and Remediation (WARR)—35 percent; and
➢ Water —45 percent.

During the second quarter as DEP worked to identify efficiencies internally, applicants received training and support from the Department to ensure submission of a more complete application package. The percentage of applications returned increased slightly overall from 1.36% to 2.14%, and in response, DEP will be targeting specific industry sectors and specific permits over the next quarter for training and support.

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, staff has cleared 54% percent of the queue and will continue to work diligently toward eliminating it entirely.

DEP has also developed a Pre-Application Information Tool, which 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.

Our next quarterly report will be available in August.

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

Permit Review Process & Permit Decision Guarantee

Pre-Application Information Tool

As outlined in the first quarterly report, the Governor's Executive Order 2012-11 directed the DEP to, among other things, develop, implement and improve available information tools to include automated systems, where possible. Such a system would be used for permit applications, general permit registration and notifications regarding application completeness and technical deficiency, and general permit registrations. To that end, one of the most valuable tools DEP has developed since the launch of this new process is the Pre-Application Information Tool.

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 the user through a series of simple questions and provides information and links to permitting information for potential permits that may be required based on the user responses.

It is the intent of the Department that the results of the Pre-Application Information Tool will be shared with DEP and will serve as the foundation for a Pre-Application Conference to discuss and verify tool results and permit coordination. Prior to the actual completion and submission of the applications to the appropriate regional or district office, DEP recommends that the applicant contact the appropriate staff to discuss or to arrange a program-specific Pre-Application Conference to ensure all required applications are submitted.

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 during the summer of 2013.

Outreach and Training

DEP continues to hold webinar sessions for the *eFACTS on the Web* tool[1] to educate applicants and the public on how to search for historical and current permits and track permits under Department review. Through April 30, 2013, over 300 individuals have participated in these sessions. The *eFACTS on the Web* series will continue throughout 2013 and beyond. Attendance at these sessions and use of this tool has increased and since December the eFACTS website was accessed 121,588 times with 50,566 unique visitors.

Information on the upcoming *eFACTS on the Web* sessions can be found on DEP's website, www.dep.state.pa.us keyword: Public Participation.

Additionally, staff continues to hold meetings and training sessions with applicants, professional organizations and trade groups regarding the Permit Review Process and Permit Decision

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

Guarantee. Over the next quarter DEP staff will be analyzing permitting trends and developing targeted training sessions based on specific program and application trends.

PRP/PDG Statistics

In November 2012, DEP began to review permit applications under the Permit Review Process. 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 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 reflect activity relating to only those permits that qualify for Permit Decision Guarantee, a subset of all agency permits. The following two tables provide cumulative statistics for the time period November 14, 2012 through April 30, 2013.

DEP continues to make timely permitting decisions, maintaining the rate of 97% of permit decisions rendered within the target timeframes and 96% within the guaranteed timeframe.

Permit Review Process (includes all applications received Nov. 14, 2012 through April 30, 2013)

15,353	# of Applications received
11,096	# of Applications processed (disposed)
130	# of Applications withdrawn
326	# of Applications returned or denied
2.14%	% of all Applications returned or denied
	• 43.25% of Returned or Denied Applications due to Incompleteness
	• 56.75% of Returned or Denied Applications due to Technical Deficiencies
91.71%	% of Applications approved with no deficiencies (complete applications)
97.21%	% of approved permits disposed within target timeframes

Permit Decision Guarantee (includes PDG applications received Nov. 14, 2012 through April 30, 2013)

8,115	# of PDG Applications received
6,243	# of PDG Applications processed (disposed)
92	# of PDG Applications withdrawn
132	# of PDG Applications returned or denied
1.65%	% of all PDG Applications returned or denied
	• 26.52%% of Returned or Denied PDG Applications due to Incompleteness
	• 73.48% % of Returned or Denied PDG Applications due to Technical Deficiencies
90.24%	% of all PDG Applications approved with no deficiencies (complete applications)
96.42%	% of approved PDG Permits disposed within guarantee timeframes

Program Efficiencies

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

Approximately six months into the new process, the data still reflect overall efficiency gains under PRP and PDG. Efficiency ratings overall are not as high as they were last quarter, due in part to the first quarter statistics being based on a limited data set. As DEP moves forward with implementation we will build a larger sample size for comparison, resulting in a more accurate picture of our performance. Nonetheless, efficiency gains compared to MBG are still apparent even after only two quarters.

PERMIT REVIEW PROCESS vs. MONEY BACK GUARANTEE FOR ISSUED PERMITS
MBG Timeframe (Nov. 14, 2011 thru Nov. 13, 2012)
PRP Timeframe (Nov. 14, 2012 thru April 30, 2013)

Deputate	# of MBG Permits Issued	# of PRP Permits Issued	PRP Permits Issued as % of MBG	AVG MBG Business Days	AVG PRP Business Days	Percent Improvement
MINING	3,367	1,109	32.94%	55.93	29.39	47.46%
OIL and GAS	8,506	2,927	34.41%	20.97	17.87	14.79%
WARR	8,437	4,096	48.55%	37.42	21.11	43.58%
WATER	5,748	1,816	31.59%	58.04	32.68	43.70%

PERMIT DECISION GUARANTEE vs. MONEY BACK GUARANTEE FOR ISSUED PERMITS
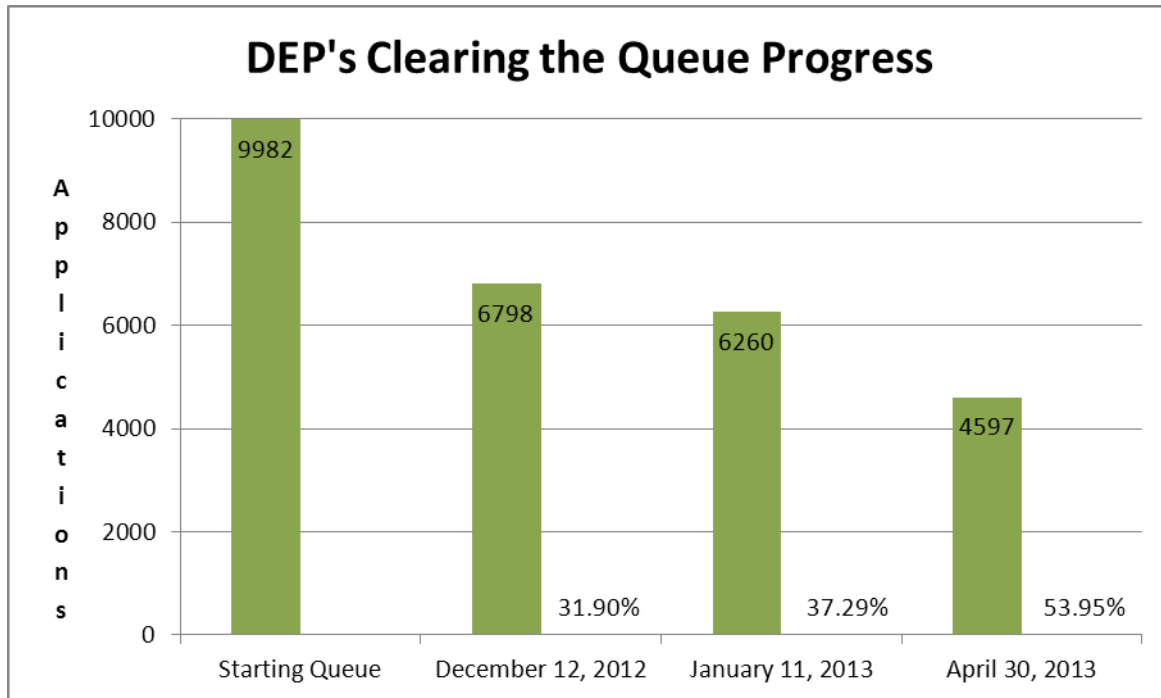MBG Timeframe (Nov. 14, 2011 thru Nov. 13, 2012)
PDG Timeframe (Nov. 14, 2012 thru April 30, 2013)

Deputate	# of MBG Permits Issued	# of PDG Permits Issued	PDG Permits Issued as % of MBG	AVG MBG Business Days	AVG PDG Business Days	Percent Improvement
MINING	482	144	29.88%	85.83	38.07	55.64%
OIL and GAS	4,379	1,482	33.84%	21.66	19.48	10.05%
WARR	283	80	28.27%	68.53	44.31	35.35%
WATER	2,642	800	30.28%	63.01	34.52	45.21%

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 April 30, 2013, that count was 4,597, representing a 54 percent decrease in pending authorizations.

Staff have been analyzing those applications still remaining in the queue and have formulated action plans to clear those applications awaiting DEP action by July 31, 2013.

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