

March 2024 Report to the Citizens Advisory Council

(New and updated information in italics)

Regulatory Update (Detailed summaries included in respective program sections)

- Please refer to the <u>DEP Rolling Regulatory Agenda</u> for the full Regulatory Update.
- Proposed Rulemaking Triennial Review of Water Quality Standards (#7-577): The draft proposed regulation was discussed with the Water Resources Advisory Committee on May 19 and November 17, 2022, and the Agricultural Advisory Board on December 8, 2022. The Environmental Quality Board (EQB) adopted the proposed regulation on July 11, 2023. The proposed regulation was published in the *Pennsylvania Bulletin* on October 7, 2023, for a 45-day public comment period that closed on November 21, 2023. A virtual public hearing was held on November 14, 2023.
- Proposed Rulemaking Water Quality Standards Site-Specific Water Quality Criteria (#7-571): The draft proposed regulation was discussed with the Agricultural Advisory Board on March 15, 2023, and the Water Resources Advisory Committee on March 16, 2023. The EQB adopted the proposed regulation on July 11, 2023. The proposed regulation is scheduled to be published in the *Pennsylvania Bulletin* on November 4, 2023, for a 45-day public comment period that closed on December 19, 2023. A virtual public hearing was held on December 5, 2023.
- <u>Draft Final Rulemaking Exclusion for Identification and Listing Hazardous Waste at MAX</u>
 <u>Environmental Technologies, Inc. Bulger and Yukon Facilities (#7-566):</u> The draft final regulation was presented to the Solid Waste Advisory Committee on December 15, 2022.
- Final Rulemaking Administration of the Land Recycling Program Vanadium MSC Rule (#7-572): The draft final regulation was presented to the Cleanup Standards Scientific Advisory Board on March 15, 2023. The EQB adopted the final regulation on July 11, 2023. The Independent Regulatory Review Commission (IRRC) approved the final regulation on September 21, 2023. The final regulation was published in the *Pennsylvania Bulletin* on November 11, 2023.

Public Comment Periods

To see the latest DEP and EQB public comment periods, visit DEP's eComment website.

Proposals Open for Public Comment

- Intent to Submit Pennsylvania State Implementation Plan Revisions to Environmental Protection Agency (opened 2/24/2024, closes 4/26/2024)
- Draft Technical Guidelines for the Preparation of a Contingency Plan for the Transportation of Residual Waste (opened 2/17/2024, closes 3/18/2024)
- General Permit WMGR081 Proposed Modifications (opened 2/3/2024, closes 4/4/2024)
- Proposed SIP Revision Regional Haze Best Available Retrofit Technology (opened 2/3/2024, closes 3/8/2024)

Recently Closed Comment Periods

- Interstate Pollution Transport Reduction; Proposed 2024 Ozone Season Nitrogen Oxide Emission Limits for Nonelectric Generating Units (opened 2/3/2024, closed 2/19/2024)
- Draft Guidance Manual for Permitting of New Commercial Hazardous Waste Treatment and Disposal Facilities (opened 1/20/2024, closed 2/18/2024)
- Environmental Assessment Approvals for PENNVEST Funding Consideration (January 2024) (opened 12/23/2023, closed 1/22/2024)
- Draft Technical Guidance for Filter Plant Performance Evaluations (opened 11/25/2023, closed 12/29/2023)
- Proposed Rulemaking: Water Quality Standards Site-Specific Water Quality Criteria (#7-571) (opened 11/4/2023, closed 12/19/2023)
- Draft 2024 Integrated Water Quality Monitoring and Assessment Report (opened 10/28/2023, closed 12/11/2023)
- Interim-Final Environmental Justice Policy and Pennsylvania Environmental Justice Mapping and Screening Tool (PennEnviroScreen) Methodology Document (October 2023) (opened 9/16/2023, closed 11/30/2023)
- Proposed Rulemaking: Triennial Review of Water Quality Standards (#7-577) (opened 10/7/2023, closed 11/21/2023)
- Statement of Policy: Water Quality Toxics Management Strategy (#7-582) (opened 10/7/2023, closed 11/21/2023)

Communications Monthly Press Releases

To see the latest DEP press releases, visit DEP's news releases webpage.

Press Releases Issued

- January 24 Shapiro Administration Awards Funding to Protect Delaware Estuary Coastal Zone
- January 24 Shapiro Administration Awards Funding to Protect Lake Erie Coastal Zone
- January 26 Shapiro Administration, DEP Requires All Fracking Companies to be More Transparent About Chemicals Used in Drilling
- January 26 Drought Watch Lifted for Eight Counties, Six Counties in Drought Watch, Two Counties Remain in Drought Warning
- February 5 DEP Begins Emergency Project to Plug Abandoned Gas Wells in Scott Township, Allegheny County
- February 8 DEP Enforcement Actions Lead to Appointment of a Receiver to Manage East Dunkard Water Authority
- February 14 DEP To Host Public Hearing on Proposed Warehouse Project in Monroe County

February 16 – DEP: Interim Report on a Full Year of Sampling Finds No Evidence of Contamination in Western Pennsylvania Related to the East Palestine Train Derailment

Active and Abandoned Mine Operations

Act 54 Effects of Underground Mining 6th Report

DEP has designated calendar years 2018-2022 to be the 5-year period for the 6th "Act 54" report. Through January 2023, DEP's Bureau of Mining Programs (BMP) and California District Mining Office completed an update to the data records of claims, compliance actions, stream effects and wetland effects related to underground bituminous mining. BMP and California District Mining Office then arranged and packaged the data for submittal to the federal Office of Surface Mining Reclamation and Enforcement (OSMRE) for peer review. OSMRE has recently informed DEP that they will not make specific recommendations on the program but will provide input as appropriate related to its status as the federal oversight agency. The draft report is currently its final stages. It is estimated that the final report will be routed to executive staff in spring 2024 and prepared for public release.

Abandoned Mine Land (AML) Bipartisan Infrastructure Law (BIL) Funding

The 2023 BIL grant application that was submitted in August of 2023 is still awaiting approval of OSMRE to implement the STREAM Act. We anticipate that the \$244.7 million of 2023 BIL funds will be awarded in the spring of 2024.

The third and final round of the 2023 AML/AMD Grant Program closed December 2, 2023. Twenty-two applications were received and are still under review. The applicants of projects that are not recommended for an award in all rounds will be consulted with so they may resubmit their projects for future grant rounds.

On February 19th the first of three rounds of the 2024 AML/AMD Grant Program (<u>AML/AMD Grant Program</u> (pa.gov)) opened. The three rounds of the 2024 AML/AMD Grant Program are:

2024 Application Round 1 – February 19, 2024 through 11:59 p.m. April 5, 2024

2024 Application Round 2 – June 3, 2024 through 11.59 p.m. July 19, 2024

2024 Application Round 3 – September 23, 2024 through 11:59 p.m. November 8, 2024

Air Quality

Control of Existing Sources of VOC Emissions from the Oil and Natural Gas Industry

The final-form rulemaking for the control of VOC emissions from unconventional oil and natural gas sources and the final-omit rulemaking for the control of VOC emissions from conventional oil and natural gas sources were both published in the Pennsylvania Bulletin on December 10, 2022.

BAQ submitted the SIP revision to EPA on December 12, 2022. The EPA found the submittal administratively complete on December 14, 2022. This completeness determination rescinded the offset sanctions which took effect on June 16, 2022 and halted the imposition of Federal highway funding sanctions that were set to take effect in Pennsylvania on December 16, 2022. EPA will evaluate the approvability of this SIP submission in accordance with the applicable technical and RACT requirements of the CAA.

On January 27, 2024, the Department published a notice suspending the enforcement of the initial annual report submission for Unconventional and Conventional Oil and Gas Sources until June 1, 2024, the date the second report is due. This suspension was in response to concerns expressed regarding the ability of some owners and operators to complete the first annual report on time based on understanding the technical aspects of the regulation and the reporting requirements.

On February 13, 2024, the Department posted model <u>Annual Compliance Reporting Templates</u> on the public Air Quality website along with specific instructions on how to electronically upload reports to DEP. These templates are not required to be used but will assist affected parties with compliance with the reporting requirements in the regulations. These templates and other information can be found at <u>Annual Reporting for the VOC Rules for Oil & Natural Gas Sources (pa.gov)</u>.

RACT III Major Sources of NO_x and VOC for the 2015 Ozone NAAQS

The rulemaking was published in the Pennsylvania Bulletin on November 12, 2022. The Federally mandated deadline for compliance by regulated facilities was January 1, 2023. A SIP revision was submitted to EPA on January 13, 2023, for their review and action. Air Quality regional staff have reviewed 64 out of 134 Reasonably Available Control Technology (RACT) submissions received from major sources of NOx and VOC. A public comment period and hearing is being offered for each of these permitting actions.

Regulatory State Implementation Plan (SIP) Revisions

Reasonably Available Control Technology (RACT II)

On May 25, 2022, EPA issued a proposed notice for a Federal Implementation Plan (FIP) addressing RACT requirements for certain sources in Pennsylvania. This FIP proposed to set emission limits for NO_x emitted from coal-fired electric generating units (EGUs) equipped with SCR controls to meet the RACT requirements for the 1997 and 2008 ozone NAAQS. The Department submitted comments in opposition to the FIP.

On May 26, 2022, DEP submitted a RACT II SIP revision for Homer City, Keystone, and Conemaugh EGUs. On June 6, 2022, DEP submitted a RACT II SIP revision for Montour EGU. All four facilities filed appeals to the Environmental Hearing Board regarding the terms and conditions of their RACT II permits.

On August 31, 2022, EPA published the final FIP setting emission limits for nitrogen oxides (NO_X) at Conemaugh, Homer City, Keystone and Montour EGUs. In the final rule, EPA adjusted its rate calculation for facilities with more than one unit and made additional changes in response to technical information received. Conemaugh, Keystone, and Homer City filed petitions to review in the 3rd Circuit Court. On March 13, 2023, the 3rd Circuit denied the facilities' motions to stay the March 29, 2023 FIP compliance date. On July 1, 2023, the Homer City EGU ceased operations and soon after dismissed its petition for review. The 3rd Circuit Court held a hearing on the merits on November 6, 2023.

On January 16, 2024, DEP forwarded draft modified Title V Permits for Conemaugh, Keystone, and Homer City Stations to EPA for review. The draft permits incorporate the FIP limits. Notice of the public comment period for these permits was published in the Pennsylvania Bulletin on January 27, 2024.

On February 21, 2024, EPA published their proposed disapproval of RACT II SIP revisions for the Keystone, Conemaugh and Homer City electric generating facilities originally submitted by DEP on May 26, 2022. The public comment period ends on March 22, 2024.

Non-Regulatory SIP Revisions

2010 Sulfur Dioxide (SO₂) NAAQS Attainment Demonstration SIP Revisions

On August 18, 2022, EPA published a Final Partial Approval/Partial Disapproval of the Department's SIP revision for Indiana and Armstrong Counties. The partial disapproval focused on the calculation of the SO₂ permit limit averaging periods. DEP must submit and EPA must approve a SIP revision within 18 months (by March 2024) or permit offset sanctions will apply. DEP submitted its SIP revision to EPA on October 12, 2023.

On February 22, 2023, the EPA Region III Administrator sent Governor Shapiro a "120-Day Letter" proposing to reclassify several townships in Westmoreland County and Cambria County from "attainment" to "nonattainment" for the 2010 sulfur dioxide (SO₂) NAAQS. The area lies immediately outside of the current Indiana County SO₂ nonattainment area for which the BAQ is preparing a SIP revision. The Department reviewed the technical support document accompanying the 120-Day Letter and responded with comments on June 22, 2023.

On February 7, 2024, the EPA Region III Administrator signed a proposed rulemaking creating the new 2010 SO₂ NAAQS non-attainment areas, specifically Lower Yoder Township (Cambria County); St Clair Township, Seward Borough (Westmoreland County), and New Florence Borough (Westmoreland County). The official notice was published on February 12, 2024, announcing a 45-day comment period. If a new designation is finalized, DEP is required within 18 months to submit a SIP revision demonstrating how the 2010 SO₂ NAAQS will be attained in these partial counties.

2015 Ozone National Ambient Air Quality Standards

On October 7, 2022, EPA published a final rule: Determinations of Attainment by the Attainment Date, Extensions of the Attainment Date, and Reclassification of Areas Classified as Marginal for the 2015 Ozone National Ambient Air Quality Standard (NAAQS). Of the 28 nonattainment areas nationwide, five areas attained the standard, 22 failed to attain it, and one area received an extension. Areas were required to attain the standards by August 3, 2021. The Philadelphia-Wilmington-Atlantic City (PA-NJ-MD-DE) Area was reclassified to moderate nonattainment. The "bumped up" area includes Bucks, Chester, Delaware, Montgomery, and Philadelphia counties and is now required to attain the standards by August 3, 2024.

The Department worked with EPA, NJ, MD and DE on the needed modeling and published the proposed SIP revision in the Pennsylvania Bulletin on August 5, 2023. A public hearing was held on September 6, and the comment period closed on September 7, 2023. The Department submitted the SIP revision on Sept 28, 2023, and EPA issued a completeness letter on October 5, 2023.

The Department is now evaluating the impact of wildfire smoke on the 2023 ozone season (March - October) for the PA-NJ-MD-DE Non-Attainment Area. Pennsylvania and the other states within the non-attainment area anticipate submitting Exceptional Event Analyses concerning the impacted data to EPA during the first half of 2024.

Air Quality Technical Advisory Committee

The next scheduled meeting is April 4, 2024.

Small Business Compliance Advisory Committee

The next scheduled meeting is April 17, 2024.

Energy Programs Office

Transportation

Alternative Fuel Incentive Grant (AFIG)

The AFIG Program offers grant funding for clean, alternative fuel projects in Pennsylvania and investment in Pennsylvania's energy sector. Approximately *\$5 million* in grants is available for school districts, municipal authorities, political subdivisions, nonprofit entities, corporations, limited liability companies or partnerships incorporated or registered in the commonwealth.

The second application acceptance period closed on December 15. A total of 40 applications were received requesting \$5 million in funding. The applications included 28 vehicle purchase projects, 8 refueling infrastructure projects, and four innovative technology projects. *Applications have been evaluated and scored and recommendations for funding are being developed. AFIG will reopen for 2024 in the spring.*

Alternative Fuel Vehicle Rebate

The Alternative Fuel Vehicle Rebate program is going strong as expected. DEP currently offers a \$2,000 rebate on battery-electric vehicles and a \$1,500 rebate on plug-in hybrid electric vehicles for Pennsylvania residents for qualifying new and one-time pre-owned (used) Electric Vehicles. The program also offers an additional \$1,000 on top of the base rebate for qualifying low-income residents.

Starting July 1, 2023, 500 Rebates were made available. As of February 26, 2024, the program has provided 395 rebates, totaling \$869,500 to moderate and low-income Pennsylvanians (no more than 400 percent above the federal income poverty level). 101 of the 395 rebates were claimed by qualifying low-income residents. Qualifying low-income residents (no more than 200 percent above the federal income poverty level) received an additional \$1,000. If the program surpasses 500 rebates before June 30, 2024, the AFIG fund is able to add additional funding. The program is in the process of creating a bi-lingual (Spanish) version of the program information flyer. The rebate program is anticipated to be renewed for the 2024-2025 Program Year beginning July 1, 2024. Another \$1,000,000 would likely be programmatically dedicated.

Electric School Bus Technical Assistance

EPO's School Bus Technical assistance project is providing school districts and transportation companies with valuable information to guide them on assessing the need for and deployment of electric school buses in Pennsylvania and the necessary infrastructure planning and utility engagement to enable operations. The replacement of existing diesel school buses with cleaner electric buses results in better air quality on the bus, in bus loading areas, and throughout the communities in which they operate.

As a part of DEP's Electric School Bus Education and Technical assistance program DEP gathered data on the existing school bus landscape and held in-person and virtual education workshops for school districts and transportation contractors. Two in-person workshops on School Bus Electrification Fundamentals & Incentives were presented in January and three virtual workshops were presented in February. A virtual workshop on Electric School Bus Technologies was held on February 8, 2024 and a virtual workshop on School Bus Electric Charging Infrastructure was held on February 12, 2024. These workshops covered the benefits of electric school buses, grants, rebates and tax incentives available, total cost of ownership, maintenance and electric vehicle charging infrastructure. The workshops and follow up technical assistance will help PA school districts and transportation companies learn about electric school buses and explore funding opportunities through EPA's \$5 billion Clean School Bus program. PA school districts and transportation companies have been awarded over \$87 million in funds to date from EPA's Clean school bus program and DEP is encouraging other school districts to seek funding for their transportation transformation in upcoming funding rounds.

ZEV Roadmap 2.0

DEP is developing a new, updated Zero Emissions Vehicle (ZEV) Roadmap which will build upon the successes of the original Roadmap, created in 2019 and updated in 2021. DEP's contractor, ICF, Inc., and the Drive Electric PA Coalition are assisting with development. The new roadmap will not only assess light-duty electric vehicles but also medium- and heavy-duty electric vehicles and hydrogen fuel cell vehicles. The final ZEV Roadmap 2.0 will map out specific, implementable strategies aimed to maximize the economic and environmental benefits of transportation electrification in Pennsylvania.

Draft fleet modeling and infrastructure modeling for the ZEV Roadmap have been developed and will be presented to the Drive Electric PA Coalition meeting on February 28th for stakeholder review and comment. Development of actionable strategies to include in the ZEV Roadmap is underway. Categories of strategies will be presented to stakeholders on the 28th for feedback and ranking of importance. The ZEV Roadmap 2.0 is being supported by State Energy Program funds and is expected to be completed by mid-2024.

Energy Security

Monthly Fuels Sector Calls

EPO and DEP's Director of Emergency Response have coordinated monthly Fuels Sector Calls with the Pennsylvania Emergency Management Agency (PEMA) to provide situational awareness regarding supply concerns related to heating and transportation fuels. The next meeting is scheduled for *March* 8, 2024.

State Energy Security Plan Updates/Supply and Price Monitoring.

EPO and DOE are in communication to strengthen our SESP. DOE provided Pennsylvania with suggestions for some elements that could possibly be improved within the plan. We will be concluding the SHOPP (State Heating Oil and Propane Pricing) survey through March. This survey monitors heating oil and prices for selected companies every week for 26 weeks during the heating months (October-March). An annual report is issued at the end of the season to DOE.

State Energy Security and Resilience Exercises

EPO is attending a workshop on March 26th with New Jersey as a follow-up activity from the GridEx exercise that occurred in November. The National Governors Association is providing speakers and technical assistance for the two-day workshop. EPO will also be attending the next tabletop exercise related to the natural gas sector that is developed by the PA PUC. The natural gas exercise will be focused on a natural gas outage that will impact shelters facilities for communities.

Statewide Microgrid Study

EPO, via contracting with Smart Electric Power Alliance (SEPA), initiated a new statewide study to identify opportunities for deploying microgrids to increase the overall resilience for the state of Pennsylvania. Over the next year, this project will (1) engage stakeholders and collect data to determine prioritization and evaluation of microgrids; (2) develop criteria and categories to prioritize microgrid sites based on several factors; and (3) develop microgrid use-cases and applications for varying facility-types, including preliminary sizing, conceptual design, and preliminary economic analysis. Stakeholder participation is a key aspect of this project. Stakeholders will include state government agencies, large energy consumers, electric utilities, industry EPCs and technology providers, environmental advocates, consumer advocates, state regulators, policy makers, community-based organizations, and industry association. Findings and strategies derived through this project will calibrate and focus a future microgrid development pipeline for the Commonwealth driving resilience and clean energy benefits for Pennsylvanians. The next stakeholder webinar will occur March 7th, 2024. The final Statewide Microgrid Study will be published end of May 2024.

Energy Storage Consortium

Energy storage is a complex and important technology needed to enhance resiliency and reliability of our electricity grid and to maximize the benefits of the growing renewable energy sector. The Pennsylvania Energy Storage Consortium serves as an opportunity for engagement of key stakeholders on a wide range of topics that can lead to the advancement of storage capacity in Pennsylvania.

DEP hosted an Energy Storage Consortium meeting on February 7, 2024 with contractor, Strategen. The meeting explored nationwide targets for energy storage deployment and looked at two nearby states with energy storage mandates. Speakers included: Todd Olinsky-Paul, Senior Project Director, Clean Energy Group

/ Clean Energy States Alliance; Thomas Ferguson, Energy Storage Programs Manager, Massachusetts Department of Energy Resources; Michael Hornsby, Chief Project Development Officer, NJ Board of Public Utilities, Bureau of New Technology. DEP will be meeting with the steering committee in early March to plan the Q2 Energy Storage Consortium meeting.

Climate Change

Climate Change Advisory Committee

The latest CCAC meeting was held *Tuesday, February 20, 2024*, in Room 105 of the Rachel Carson State Office Building, and via Microsoft Teams. *The meeting featured a presentation by EPO and their contractor, ICF, on progress on the 2024 Climate Impacts Assessment and Climate Action Plan and solicited input from the committee. Additionally, DEP provided a brief presentation on the updated 2023 GHG Inventory, PA Climate Network, and provided updates on climate outreach. The next meeting will be held on <i>April 23, 2024*. Public meeting links and meeting materials are available on the <u>CCAC webpage</u>.

Greenhouse Gas Inventory, Climate Impacts Assessment, and Climate Action Plan

Act 70, the Climate Change Act of 2008, requires the Department to compile an annual greenhouse gas (GHG) inventory for Pennsylvania's GHG emissions, to develop a voluntary GHG registry, and to develop a Climate Action Plan (CAP) and impacts assessment (IA) and update them every three years. Both CAP and IA documents are due to be updated in 2024.

The Pennsylvania Greenhouse Gas Inventory Report is updated annually to compile the GHGs emitted and sequestered in PA. The inventory establishes GHG emission trends and contributions of major sectors, including, but not limited to the transportation, electricity generation, industrial, commercial, mineral and natural resources, production of alternative fuel, agricultural and domestic sectors. In February 2024, EPO presented the updated 2023 Pennsylvania Greenhouse Gas Inventory Report (2020 Data Year) to the CCAC to share the methodology improvements and new data sources used to make the inventory more robust. Additionally, the U.S. EPA announced the publication of its updated State Inventory Tool (SIT) on Wednesday, February 7, 2024. EPO utilizes this tool to develop the annual Pennsylvania Greenhouse Gas Inventory Report. In this update, all modules were updated with data through 2021. EPO has started work to develop the 2024 Pennsylvania Greenhouse Gas Inventory Report (2021 data year) and will use this data to inform modeling for the Climate Pollution Reduction Planning Grant's Comprehensive Climate Action Plan (CPRG CCAP). EPO expects to present a draft of the CPRG CCAP report to the Climate Change Advisory Committee meeting this summer.

The IA takes a risk-based approach to analyzing the consequences of climate hazards across different sectors. The CAP offers actions for leaders and includes modeling of specific actions, highlighting those that are most cost-effective, and which reduce the most greenhouse gas emissions. The CAP also includes adaptation mechanisms to help Pennsylvanians adapt to climate impacts already being felt. Project meetings are held via Microsoft Teams on a bi-weekly basis with ICF, the contractor who is providing technical assistance to EPO as we develop these documents. *ICF's subcontractors* from Penn State University, Inch and Meter, and InClime, *are assisting* with various portions of each document. DEP's areas of focus *for the CAP* include equity, environmental justice, legislation recommendations, connection to the Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA) funding, and energy rate analysis, as well as taking a closer look at health and economics. Economic opportunities, attribution science, and the cost of inaction will be included in the IA.

DEP presented together with ICF a final draft of the CIA and introduced and updated draft of the CAP at the February 20, 2024, Climate Change Advisory Committee meeting. DEP is requesting the CCAC's feedback on the materials presented. The final draft of the 2024 CAP, as well as the finalized version of the IA, will be

delivered to DEP by ICF at the beginning of April and both will be shared with the committee during the April Advisory Committee meeting.

Climate Network

The PA Climate Change Mitigation and Resiliency Network follows on from the previous PA Climate Academy activities which concluded in 2022. A Climate Network was established to follow activity since 2022 through a multi-agency MOU. The network has been formed to continue to deliver climate training to professionals within state government as well as other sectors and industries (academia, private, non-profit). The network also seeks to create a safe platform to address the information sharing and efforts necessary to seriously address the impacts of climate change on our business units and in our communities.

The final PA Climate Resilience and Mitigation Network training modules have been completed and they are currently available to view on the PA Department of General Services GreenGov website at: Pennsylvania Climate Change Mitigation and Resilience Network (pa.gov). Training modules on the Fundamentals of Climate Science, Climate Change Impacts on Pennsylvania, Climate Solutions and Strategies, and How Entities (organizations) can Support Climate Action. The contractor for the PA Climate Network and the executive committee are currently working with their advisory board to complete the transition plan for the network so that it can be housed and continued under another organization or for the network to develop into its own non-profit organization.

The contract with ICF to manage the development of the PA Climate Network concluded with the advisory board meeting on January 25th. The open request for information (RFI) and feedback from interested parties for taking over management of the network was discussed as well as future climate network meeting plans, and next steps for the network. The 8 state agency members of the network met on February 12th to discuss the potential calendar of events for the next year and actions following the closure of the PA Climate Network RFI. The RFI closed on February 29th and the responses are being reviewed by the executive committee. Currently a sign-up sheet has been created and is open for input from the executive committee, the advisory board, and the participating state agencies for potential meetings, webinars, and events for the 2024 year. This document and the responses from the RFI will be used to establish a calendar of activities for the network up to and including an eventual conference/trade show.

Shared Energy Manager

The Shared Energy Manager (SEM) program was designed to assist local governments in the Commonwealth of Pennsylvania with on-the-ground, practical support from a professional energy manager contracted by the DEP Energy Programs Office to conduct energy assessments, renewable energy studies, and other services to implement elements of their climate action plans. During the first two years, DEP recruited a total of 10 local governments which had previously participated in the Energy Programs Office's Local Climate Assistance Program (LCAP), to participate in SEM as part of the PA State Energy Program (SEP).

Beginning in 2024, the program will be expanded with \$3.5 Million from the State Energy Program Bipartisan Infrastructure Law (SEP-BIL) grant received from the US Department of Energy. The SEP-BIL funding will allow EPO to greatly expand the number of local governments that can participate in the program each year (4x) and run for four continuous years as opposed to each separate cohort concluding annually. A contract has been awarded to Wilson Engineering Services, which will serve as the Shared Energy Manager for the DEP Energy Programs Office's local government participants. The programs will run from 2024-2027, with 20 participants per cohort for a total of 80 participants over 4 years. The 20-member participant cohort for 2024 has been selected: Carnegie Borough, City of Easton, Millvale Borough, Sharpsburg Borough, Carlisle Borough, Lower Merion Township, City of Meadville, Cumberland County, Chester County, City of Allentown, Bucks County, Camp Hill Borough, Centre Region Council of Governments, Forest Hills Borough, Ambridge Borough,

Lewisburg Borough, Hatboro Township, Abington Township, East Pikeland Township, & Doylestown Township. The initial announcement of acceptance into the program has been sent out and an initial kick-off call between the contractor and the full cohort took place during the week of January 22nd.

Wilson Engineering services has been scheduling and conducting initial calls with each of the participating local governments in the SEM program throughout the month of February. The scope and timeline for each of the participants is being established through these initial calls. Out of the total 20 participants, 16 have provided their initial survey to Wilson Engineering and scheduled or completed their first meeting/call. The current goal for the program is to have completed the first meeting with each of the participating local governments by the end of February.

Local Climate Action Program

State and local governments leading by example on climate action is a key component of mitigating climate change in Pennsylvania and one of the strategies recommended in the Pennsylvania Climate Action Plan (PCAP). The Local Climate Action Program (LCAP) provides free technical and personnel assistance to local governments that want to create their own greenhouse gas inventories and climate action plans with the goals of reducing emissions and combatting climate change. This includes engaging the community in the planning process, via in-person workshops, virtual meetings, and online surveys. The technical and personnel assistance is provided by EPO staff and university partners, specifically professors and students from Penn State University, Sustainability Institute. The new 23-24 LCAP kicked off with the beginning of the fall 2023 semester. The 23-24 LCAP cohort is ten participants made up of local governments as well as the Pennsylvania Department of Conservation and Natural Resources. The fall semester ended in December 2023 bringing the greenhouse gas inventory creation process to an end for the 2023-2024 LCAP cohort. The cohort has finished the fall semester. Each participant has either completed and presented their greenhouse gas inventory or is in the final stages of completing their inventory. Work on the draft climate action plans has begun for the spring semester. The status on presentation of the fall semester work is as follows:

- 1. Centre County: GHG Inventory completed, presented to County Gov. On January 11th.
- 2. Churchill Borough: GHG Inventory in final stages of completion
- 3. Homestead Borough: GHG Inventory in final stages of completion
- 4. State College Borough: GHG Inventory complete and being reviewed for quality control
- 5. Palmer Township: GHG Inventory completed, presented to Township on December 4th.
- 6. Conshohocken Borough: GHG Inventory completed, presented on January 11th.
- 7. Solebury Township: GHG Inventory completed, presented on January 4th.
- 8. PA Department of Conservation and Natural Resources: Progress/current status presented to DCNR by Penn State Students on January 11th.
- 9. Lower Macungie Township: GHG Inventory completed, presented on December 7th.
- 10. Mechanicsburg Borough: GHG Inventory completed, to be presented on January 16th.

In addition to the typical LCAP cohort with Penn State Sustainability, the City of Allentown is working on a CAPstone project to update their greenhouse gas inventory with Muhlenberg University. Forest Hills Borough along with several other municipalities in the Pittsburgh Area are working with Carnegie Mellon University on an energy project. In addition to normal climate action plan training, the students participating in the LCAP classes at Penn State are also receiving training/presentations from professionals in climate related positions on a variety of topics each week such as: energy savings companies, stormwater impact fees, community engagement, energy efficiency, utility scale renewable energy installations, and many more.

Renewable Energy

Toolkit for Solar on Schools in Pennsylvania

The Energy Programs Office (EPO), with support from its contractor the Philadelphia Solar Energy Association, has developed a Toolkit for Solar on Schools in Pennsylvania. The goals of this project are to accelerate adoption of solar energy on schools and nonprofits statewide by educating key decision makers and streamlining processes, maximize Pennsylvania's utilization of federal funding made available through the federal Inflation Reduction Act (IRA) and the federal Infrastructure and Jobs Act (IIJA), and reduce soft costs and shorten the learning curve for solar adoption at schools. The Toolkit includes information on the key elements of a solar PV system, how to determine if a property is a good location for solar, how to estimate savings and financial return, an overview of the solar installation process, a discussion of ownership models and contracts, and information on financing options and incentives, including new opportunities afforded by the Inflation Reduction Act. The draft toolkit has been completed, and final editing and revisions are in progress. EPO plans to post the toolkit to the Solar Energy Resource Hub

(<u>https://www.dep.pa.gov/Citizens/solar/Pages/default.aspx</u>), and make the resource available to stakeholders in first quarter 2024. This project was funded through DEP's State Energy Program funds from DOE.

Grid-Scale Solar Development on Previously Impacted Mine Lands in Pennsylvania Assessment:

The Energy Programs Office has been exploring in-depth the different challenges associated with siting grid-scale solar development on previously mined lands to gain a better understanding of the roles and responsibilities of the different stakeholders involved in the development process. EPO has been attempting to identify factors which lead to successful deployments to develop actionable recommendations to improve processes and other factors involved in siting. The Energy Programs Office (EPO), in partnership with the project team from the Eastern Pennsylvania Coalition for Abandoned Mine Reclamation (ECAMR) and LaBella Associates, have completed a draft version of the assessment, which is currently under review. The project has a planned completion date first quarter 2024 and is being funded through DEP's State Energy Program funds from DOE.

Grid-Scale Solar Development Outreach and Technical Assistance for Local Government Officials: The Energy Programs Office (EPO) has partnered with the Pennsylvania State Association of Township Supervisors (PSATS) to provide Phase III of outreach and technical assistance support to local government officials regarding grid-scale solar development across the Commonwealth. Two of the planned six in-person sessions took place in Susquehanna/Wayne Counties and Blair County in January. Each session provided an opportunity for local government practitioners to ask questions about how grid-scale solar projects are being developed and what steps they need to take to ensure development occurs in a responsible and sustainable fashion, balancing the concerns of landowners, neighboring property owners, and developers. Topics addressed included considerations for ordinances to govern land use and zoning, property tax implications, and decommissioning requirements. The Municipal Officials' Guide to Grid-Scale Solar Development in Pennsylvania, created through a previous EPO project with Penn State Extension, provided the foundational information for the meetings. Each session attracted between 25 to 35 local government officials representing roles such as township supervisors, land use planners, consulting engineers, and solicitors. An additional four sessions are planned to be completed by June 2024. In addition to conducting these sessions, the PSATS team has provided follow-up one-on-one technical assistance to over 50 jurisdictions since the project started in January 2023. PSATS's outreach is being funded through DEP's State Energy Program funds from DOE.

Renewable Energy Siting through Technical Engagement and Planning (R-STEP) seeks to fund programs that support the creation of new, or expansion of existing, state-based programs or initiatives that improve renewable energy siting processes at the state and local levels. DOE anticipates awarding approximately five to seven state-based collaboratives up to \$2 million each. Applications closed November 3, 2023. EPO applied for \$1.811 million to expand on current service offerings in the following areas:

- Local Government Official Outreach and Education
- o Community Outreach and Education
- Applied Research and Dissemination of Best Practices
- o Model Ordinance Development Guidebook
- o Ordinance Development Technical Support
- o Solicitor Continuing Legal Education (CLE) Curriculum

Energy Efficiency

Building Energy Code Trainings

Using funding through the U.S. Department of Energy's (DOE) State Energy Program, DEP has sponsored energy code trainings for building code officials, contractors, design professionals and builders for over 10 years. On February 14, 2022, the 2018 International Energy Conservation Code (IECC) went into effect for all new construction and major renovations for residential and commercial buildings. EPO released an RFQ in November to begin 2023-24 trainings and *a PO should be issued to* conduct trainings on IECC residential and commercial energy building code and duct and envelope testing sessions *through June*. The *scope* includes eight in-person trainings, five three-hour and two one-hour virtual workshops. The trainings are targeted to code officials and third-party code inspectors, but available to designers, builders, and contractors.

Building Resilient Infrastructure and Communities

The Energy Codes and Resilient Communities project is funded by US Federal Emergency Management Agency, and EPO is working closely with PA Emergency Management staff to conduct a study of municipal awareness and understanding of building codes, energy codes and disaster preparedness and response and to update and create additional educational materials including videos, webinars, flyers and more for municipal officials around these topics. PEMA will be culminating the work by underwriting the cost of "When Disaster Strikes" training, training designed specifically for municipalities about building codes and their relation to the immediate response post-disaster. Work has begun to update existing materials created in 2018 including fact sheets and webinar scripts and should be completed in mid-2024. New materials and the survey will begin in early 2024 and be completed by the end of the calendar year.

Cooking in Healthy Electrified Commercial Kitchens (CHECK)

The CHECK program is a combined education and rebate program aimed at electrifying commercial kitchens by incentivizing combustion-free ENERGY STAR certified equipment, induction cooking equipment, and demand-controlled ventilation. The CHECK program was launched in October of 2022 with contractor Forward Dining Solutions. To date, EPO and Forward Dining Solutions have completed six in-person workshops demonstrating induction cooking equipment and explaining the rebate program, the most recent of which was held at Drexel University Food Lab on October 5, as well as four live educational webinars on energy-efficient, all-electric commercial kitchens All webinar recordings are available on the CHECK webpage. Rebate applications for the current round closed on December 31, 2023.

Agriculture Energy Efficiency Rebates

EPO has closed the third and final round of its agriculture energy efficiency rebate program effective December 31, 2023. The program provided prescribed rebates up to \$7,500 for energy efficiency measures including LED lighting, ventilation equipment, variable frequency drives, and refrigeration equipment including scroll compressors and refrigeration heat recovery for Pennsylvania's agricultural producers. In the final round of the rebate, EPO received 20 applications for rebate vouchers totaling \$73,828.50.

Energy Workforce

Climate Action for Environmental Justice Communities

EPO has been assessing priorities in developing a strategy for the deployment of federal funding from Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA) to the greatest effect for Environmental Justice Communities. Building on the Spring 2023 community engagement process to inform the 2024 Climate Impacts Assessment and Climate Action Plan and EPO's Climate Pollution Reduction Grant Program, DEP worked with a contractor, Fourth Economy, to *develop and release materials that aim to promote equity in access to and implementation of federal funding programs*. The first product is a Program Development Toolkit that aims to guide program managers in DEP and externally to design programs better aligned with the needs and goals of communities dealing with environmental justice concerns, and outlines opportunities for collaboration and feedback with community members to ensure their voices are heard throughout program drafting and implementation. The second is a database of resources and funding opportunities of interest to environmental justice communities that can be shared with the public, and details possible implementation methods for information sharing. *These products are now available at DEP's Climate Action for Environmental Justice Communities webpage*.

IIJA & IRA

- **Inflation Reduction Act (IRA)-Home Energy Rebates** EPO is developing two programs within the Inflation Reduction Act Home Energy Rebates, Home Efficiency Rebate Program (HOMES) and Home Electrification Rebates Program (HEAR) The HEAR Program will provide point-of-sale consumer discounts to enable low- and moderate-income households across America to electrify their homes. These point-of-sale rebates are an immediate, off-the-top discount when making qualifying electrification purchases. The HOMES Rebate program is meant to encourage performance-based residential energy efficiency retrofits. This will ensure that Pennsylvanians with the highest energy burdens can better-afford upgrades. EPO contracted with Deloitte for technical assistance related to the development of the HOMES and HEAR programs. The technical assistance included market research, program design, and data architecture. The contract started on 7/21/2023 and ended on 9/15/2023. EPO has received the early administration funds awards for both the HOMES and HEAR programs on 9/28/23 and a kickoff with the United States Department of Energy was held on 10/16/23. Each early administration award is for 2.5 million dollars. These funds will be used to hire a 3rd party contractor to design and then implement each program. The contractor will assist EPO in developing the program applications and blueprints required for the full award of each program. Requests for proposals are currently being developed by EPO that will solicit proposals on design and/or implementation of both home energy rebate programs. A draft RFP has been developed for the HEAR program and is currently in the process of undergoing the DEP procurement process and required reviews. A kickoff meeting was held with the Pennsylvania Housing Finance Agency (PHFA) and DEP on 1/19/2024 to start development of an interagency agreement that will bind DEP and PHFA has co-implementers of the HOMES program. That interagency agreement was drafted in the first week of February and is currently in a review process.
- Training for Residential Energy Contractors (TREC) (~\$200 M nationally through September 30, 2031). Formula grant (\$150 M) available for state energy offices with grants to develop and implement a state workforce energy program that focuses on energy efficiency, electrification, and clean energy improvements, including those covered under the Home Energy Rebate Program (HER) and the Home Electrification and Appliance Rebate Program (HEAR). PA's allocation is \$4,960,910. ALRD released July 17, 2023; due January 31, 2024. DEP submitted an application by the due date. Up to \$40 million in competitive grants will be made available as a later time.
- o Inflation Reduction Act (IRA)-Funded Climate Pollution Reduction Grants (CPRG)

US EPA released program guidance for the CPRG program on March 1, 2023. DEP submitted a Notice of Intent to Participate to EPA on March 10th, identifying DEP as the designee responsible for management and oversight of the grant on behalf of the Commonwealth. DEP submitted the application for the Planning Grants on April 24, 2023, and received \$3M in non-competitive grant funds for climate pollution reduction planning. Management of this grant, and development of related deliverables and programs will be a joint effort of Energy Programs Office and the Bureau of Air Quality. Deliverables required by this grant include: A Priority Climate Action Plan (PCAP), due March 1, 2024. A Comprehensive Climate Action Plan (CCAP), due July 2025. A status report, due at the close of the 4-year grant period in 2027

Three Metropolitan Statistical Areas (MSAs) within Pennsylvania have received confirmation from EPA that they are eligible to apply for CPRG Planning Grants. These MSAs include Philadelphia, Pittsburgh, and Allentown. DEP is coordinating with the regional planning organizations which are the lead organizations managing CPRG grants for the MSAs- Southwestern Pennsylvania Commission (SPC), Delaware Valley Regional Planning Commission (DVRPC), and Lehigh Valley Planning Commission (LVPC).

DEP has contracted with ICF to assist with the development of CPRG Planning Grant deliverables, including the PCAP and CCAP, and to facilitate stakeholder engagement in the planning process.

DEP delivered the Pennsylvania Priority Climate Action Plan to EPA on March 1, 2024. DEP engaged interested parties from state government, local and regional governments, industry, the public, and Environmental Justice-related and representative groups through virtual workshops, working group meetings, and surveys to solicit feedback on PCAP measure development. Through these engagements, interested parties provided useful feedback to help shape priority measures for inclusion in the PCAP.

The Pennsylvania PCAP includes GHG reduction measures that reflect the Commonwealth's priorities as they relate to implementation funding opportunities through the CPRG program, many of which are in line with existing state climate, energy and transportation goals, plans, actions, and programs. Specifics of each measure provided in the PCAP (e.g., key implementers, implementation activities and milestones) are meant to be informative but are not exhaustive of all specifics of or opportunities to implement a given measure. DEP's priority GHG reduction measures target the industrial, buildings, transportation, power, land use, agricultural, and waste sectors. These measures are designed not only to directly reduce GHG emissions and improve air quality, but provide other benefits to improve public health, create safer and more reliable infrastructure, provide workforce development opportunities, and reduce costs for Pennsylvanians, particularly for people living in areas impacted by environmental justice issues. The measures in this document highlight the Commonwealth's priorities, with a specific focus on opportunities within the industrial sector, where emissions have been growing and where there has been a smaller emphasis on programs, policies, and projects to reduce emissions. Six of the nine PCAP measures have potential to reduce emissions in the industrial sector (Industrial Electrification, Efficiency, and Process Emissions; Low Carbon Fuels; On-Site Renewable Energy; Carbon Capture, *Use and Storage; Fugitive Emissions Reduction; and Net-Zero Electricity Grid.*)

The CPRG calls for grantees to reduce climate pollution while building the clean energy economy in a way that benefits all Americans, provides new workforce training opportunities, and effectively addresses environmental injustices in low-wealth and minoritized communities. This PCAP includes a preliminary analysis of workforce development activities needed to implement the plan's priority measures, with emphasis on industrial measures. To analyze the local workforce in preparation for these priority industrial measures, it is vital to take multiple factors into account, including examining the structure of the current workforce and the workforce required to implement the measures, anticipated supply of labor appropriate to the measures, inventory of workforce education and training resources to shape and meet the demand for labor and skills gaps, and how workforce measures can benefit the communities that need the most help. There are approximately ten priority occupations that

will be in-demand as a result of the implementation of the industrial measures, and these occupations are likely to see some of the greatest increase in demand.

EPA announced the Phase II competitive Implementation Grants on September 21, 2023. Applications will be due April 1, 2024. Entities eligible to apply for Implementation Grants include states who received CPRG Planning Grants, air pollution control agencies, municipalities, territories, tribes or groups of those entities which are covered by a PCAP. Only climate pollution reduction strategies included in the PCAP will be eligible for Implementation Grant funding. DEP will continue public outreach during the Commonwealth's CCAP development, and interested parties are encouraged to contact us via our resource account: RA-EP-CPRG@pa.gov.

EPO is also developing a CPRG Implementation Grant Application to fund an industrial decarbonization program - RISE PA. This program will aim to reduce greenhouse gas emissions from the Commonwealth's industrial sector, which is the highest GHG emitting sector in Pennsylvania. DEP released a Request for Information on December 30, 2023 to solicit feedback on the design of RISE PA.

The RFI closed on January 29, 2024 and received a total of 38 responses from 23 businesses and organizations and 15 individuals. Respondents included academic and research organizations, business advocacy groups, civic organizations, the United State Climate Alliance (US Climate Alliance), environmental advocacy groups, trade associations, natural gas utilities, and industrial and technology companies. Respondents expressed interest in ensuring that benefits of the program were prioritized to low-wealth, disadvantaged, and energy-burdened communities. They also encouraged flexibility in program design and structure and supporting peer-learning and technical assistance around the application process to increase accessibility to the program. Respondents also expressed interest in ensuring that the program adequately addresses the needs of small businesses.

The main objective of RISE PA would be to offer grants for small-, medium-, and large-scale industrial decarbonization projects that reduce the GHG and co-pollutant emissions at industrial facilities across the Commonwealth. Eligible projects would deploy one or more of the following GHG reduction measures outlined in the PA PCAP:

- industrial electrification, efficiency, and process emissions;
- low carbon fuels;
- on-site renewable energy;
- carbon capture utilization and storage (CCUS); and/or
- fugitive emissions reductions.

Pennsylvania's Industrial sector was chosen as the focus for DEP's CPRG Implementation Grant Application, as it is the largest contributing sector in PA to GHG emission, and a historically difficult sector to decarbonize. Reducing industrial carbon emissions also presents an excellent opportunity to reduce co-pollutants in communities impacted by industrial operations.

- Solar for All competition providing up to 60 grants to States, Tribal governments, municipalities, and nonprofits to expand the number of low-income and disadvantaged communities that are primed for residential and community solar investment. (\$7 billion nationally) EPA announced the release of the Greenhouse Gas Reduction Fund's Solar for All Notice of Funding Opportunity on June 28. DEP/PEDA submitted a Notice of Intent on July 26, 2023. EPO (PEDA) submitted their application on October 6, 2023 for up to \$250 million.
- The Pennsylvania Grid Resilience Grants (PA GRG) Program: Approximately \$16 million in competitive funding available to entities that own or operate electric power system infrastructure throughout the Commonwealth that want to implement resilience measures intended to mitigate the impact of electric grid disruptive events. The program received 17 Full Applications for the 2023 funding year on January 26. A major goal of PA GRG implementation was to expand state funding

accessibility to small utilities in Pennsylvania (entities that sell not more than 4,000,000 MW/year). Notably, 23 small utilities applied to the program. Small utility applicants include three small investor owned utilities, seven rural electric cooperatives, and 13 municipalities (including a consortium application of 11 municipalities). Project proposals will be evaluated on (1) improving grid performance, (2) improving grid resilience, (3) increasing economic resilience, (4) ensuring workforce benefits, (5) improving environmental performance, (6) improving outcomes in disadvantaged communities, and (7) project readiness. Energy Programs Office staff are currently evaluating applications and are on track to produce a list of program awardees March 2024.

- Building Codes for Efficiency and Resilience Last summer, US DOE notified EPO that the application for "Maximizing Workforce for Energy Efficient Buildings and Building Construction in Pennsylvania" was selected for \$3 million in funding, and EPO completed the contract negotiations with DOE in the fall. The project is designed to provide professional development, lesson plans and curriculum and energy code compliance tools such as blower door tests to instructors at career and technical high schools across the state, sponsor certification tests for students in appropriate programs over the next three years. In addition, the project will fund program mapping for career and technical high schools and colleges to assist students in identifying clean energy career pathways that may lead to building code careers and the project will conduct a business case analysis for a building code official associate degree program. DOE also notified Northeast Energy Efficiency Partnership (NEEP) that the joint project in Pennsylvania and Delaware to conduct an energy code compliance study will be funded \$2 million to conduct the study and provide any needed professional development as determined by the study. Both projects began work in January 2024 with kick-off meetings with US DOE. Outreach has begun to identify pilot schools with Weatherization Assistance Program contractors as there is the opportunity to coordinate projects in regard to technical high school programming. The first meeting of the Technical Advisory Group was held February 22 and an RFQ for professional development for pilot schools will be opened in March.
- evolving Loan Fund (\$3.3 million) EPO has been working on blending these programs together to create a municipal financing program called the Municipal Opportunities for Retrofits and Energy Efficiency (MORE) Program. Applications were submitted for both programs, but we are working on revising those applications to account for federal program updates and EPO's plans for the funds. The MORE Program will consist of two parts: the MORE Grant and the MORE Loan. The MORE Grant will cover costs that are often barriers for municipal governments energy efficiency upgrade financing, and the MORE Loan will offer feasible financing for eligible municipalities and municipal authorities to perform retrofits, energy efficiency upgrades, and renewable energy generation (when paired with energy efficiency measures). The MORE Program is anticipated to launch late Spring 2024 as a product of the Energy Accelerator Program (EAP).
- o **The Energy Auditor Training Grant Program** released a Notice of Intent on November 14, 2023. This program aims to provide grants to eligible States to train individuals to conduct energy audits or surveys of commercial and residential buildings to build the clean energy workforce, save customers money on their energy bills, and reduce pollution from building energy use. and a concept paper is due March 28, 2024. EPO intends to apply for up to \$2 million for residential auditor training.
- o **IRA Building Energy Codes** is offering \$1 billion for states and local governments with the authority to adopt traditional building energy codes and innovative building energy codes. The formal application was released by DOE on September 19, 2023. EPO submitted a Letter of Intent supported by Labor and Industry on November 17, 2023. The application will remain open and reviewed on a rolling basis through September 30, 2025.
- **o** Grid Deployment Office Competitive Funding Opportunities:

- Grid Innovation Program: In January, DEP Energy Programs Office (EPO), PA electric distribution companies (EDCs), and the Pennsylvania Public Utility Commission (PA PUC) as a consortium submitted a concept paper to the U.S. Department of Energy's (DOE) Grid Resilience and Innovation Partnerships (GRIP) Program, Topic Area 3: Grid Innovation Program. GRIP's Grid Innovation Program represents a \$1.82 billion national competitive funding opportunity seeking approaches that improve grid reliability and resilience on the local, regional, and interregional scales. Responding to this funding opportunity, the consortium's EPIC Grid proposes a formula grant program for participating EDCs, to be overseen by an interdisciplinary steering committee, which will enable a suite of information and communication technology (ICT) to support the grid. The proposal seeks \$250 million from DOE and requires a 100% cost share from EDCs to create a \$500 million program. Currently the EDCs Duquesne Light Company (DLC) and UGI Utilities, Inc. – Electric Division (UGI) have both committed as project partners with novel ICT proposals: Private Long-Term Evolution (PLTE), public wireless infrastructure/wireless broadband, fiber optics/dark fiber, diverse utility communications network, proprietary networks, and other specialized communication infrastructure to support and secure critical grid infrastructure such as advanced metering infrastructure, DERs/EVs, dynamic line ratings (DLR), and other grid applications. EPO staff are currently working with other EDCs including rural electric cooperatives and municipalities to add as consortium partners during the full application process. Additionally, by separating its staff appropriately, PA PUC will be able to offer programmatic experts while continuing to objectively oversee rate proceedings. The steering committee is expected to continue beyond the end of the project producing a wealth of information via public reports, workshops, etc., utilized by external private/public stakeholders.
- Transmission Siting and Economic Development Program: In response to the Inflation Reduction Act's Transmission Siting and Economic Development Program (TSED) funding opportunity, EPO is pursuing \$50 million in competitive funding to implement an economic development initiative in the municipalities of Delta Borough and Township of Peach Bottom in York County, an identified transmission corridor by PJM interconnection to experience development in the near term. Last November, EPO staff constructed and submitted a concept paper to the funding opportunity. On January 30, the U.S. Department of Energy encouraged EPO to submit a full application to TSED by April 5, 2024. EPO staff have established a partnership with PA PU, and recently the electric distribution company PECO to construct and submit the full application.

Environmental Cleanup and Brownfields

Environmental Cleanup and Brownfields Rulemakings

Draft Proposed Rulemaking: Administration of Land Recycling Program - Chapter 250 Update

DEP *has prepared* a proposed rulemaking to address Statewide health standard MSCs including the soil lead values and Polycyclic Aromatic Hydrocarbons (PAHs). At the June 30, 2022, and August 11, 2022, CSSAB meetings, the lead and PAH workgroups presented their conclusions and recommendations to DEP on the issues of lead and PAH toxicity. The PAH workgroup recommended that DEP use the 1993 relative potency factors from EPA that were referenced in the development of the benzo[a]pyrene IRIS toxicological values. The lead workgroup recommended that DEP adopt 5 μ g/dL as the target blood lead level for the calculation of the soil direct contact values and also recommended that DEP allow for the use of averaging attainment data for the demonstration of attainment of the lead direct contact statewide health standard. DEP presented the draft proposed regulation to the Cleanup Standards Scientific Advisory Board on October 20, 2022, January 23, 2023, and May 31, 2023. *The proposed rulemaking is scheduled for EQB consideration on March 12, 2024.*

Cleanup Standards Scientific Advisory Board (CSSAB)

The CSSAB held a meeting on November 9, 2023, where DEP presented draft updates to the Technical Guidance Manual Sections II and III. There was also a presentation on the Proposed Environmental Justice Policy and PennEnviroScreen given by Justin Dula, Director of the Office of Environmental Justice. Information about the meetings can be found through the Public Participation tab on the DEP web site at www.dep.pa.gov (select "Public Participation," then "Advisory Committees," then "Cleanup and Brownfields Advisory Committees," then "Cleanup Standards Scientific Advisory Board"). The next CSSAB meeting is scheduled for March 13, 2024.

Storage Tank Advisory Committee (STAC)

The Storage Tank Advisory Committee (STAC) met on December 13, 2023. Randy Martin, Chief, Division of Storage Tanks, reviewed the STAC membership list and indicated that 15 of the 16 positions are currently filled. The one vacancy that exists represents local government. Benjamin Lorah, Director, Bureau of Special Funds, Department of Insurance, provided an update regarding the Underground Storage Tank Indemnification Fund. Justin Dula, Director, Office of Environmental Justice reviewed Pennsylvania's New Environmental Justice Policy, the PennEnviroScreen, and its impact on the regulated community. DEP staff provided updates including draft revisions to the Closure Requirements for Underground Storage Tank Systems Technical Guidance Document Number 263-4500-601, Closure Requirements for Aboveground Storage Tank Systems Technical Guidance Document Number 263-4200-001 and to the Closure Report Forms associated with the two Technical Guidance Documents. Additionally, DEP staff covered proposed updates to the STAC bylaws which clarifies that members and alternates have the same term expiration date and if a position becomes vacant during the term, the Secretary shall appoint a replacement to serve until the expiration of that term, and voting at meetings shall be done in-person (including by telephone, virtually, or another form of real time attendance).

The next STAC meeting is scheduled for *June 5*, 2024.

PA Brownfields Conference

Registration is now open for the 2024 Pennsylvania Brownfields Conference. This year's conference will take place at The Penn Stater Hotel in State College, PA on March 25-27, 2024. DEP, in partnership with the Engineers' Society of Western Pennsylvania (ESWP) and the conference steering committee has created a program that provides participants a chance to collaborate with industry professionals and explore a vast array of brownfield topics including sessions on environmental justice, PFAS and emerging contaminants, solar on brownfields, and more. Interested participants can register on ESWP's website at Registration – ESWP.

Environmental Education

DEP Environmental Education Grants Program

The DEP 2023 Environmental Education Grants program will conclude June 30, 2024. 66 projects remain active. Midterm Progress reports and requests for reimbursement have been processed.

Awardees are required to develop and submit for review and feedback an appropriate assessment/evaluation tool, designed to measure the audience's behavior change(s) as a result of participating in the funded environmental education project. The behavior change goals are unique to each project and may reflect increased awareness and/or knowledge, adoption an attitudinal change, and/or taking an action, either individually or collectively on behalf of the environment.

The 2024 Environmental Education Grants program application deadline was November 15, 2023. 107 applications reflecting 96 unique applicants were received. Projects requests reflect funding for Mini-Grants (up to \$5,000), General Grant Level I (up to \$30,000) and General Grants Level II (up to \$65,000).

105 eligible applications and required materials have been independently evaluated by 3 reviewers. A meeting with the Secretary has been scheduled for April 2 to discuss the evaluation results and a list of recommended and not recommended projects. Final recommendations will be forwarded to the Governor's Office for approval. Barring unforeseen circumstances, the 2024 EE Grant Program awards will be announced in Spring 2024.

Information about the DEP Environmental Education Grants Program, including the current EE Grants Program manual, is available at: EnvironmentalEducation & EnvironmentalEducation & Environmenta

RCSOB Peregrine Falcons

DEP is preparing for the 2024 Falcon season. Falcon activity can be observed by visiting the PA Falcon Cam at: https://www.dep.pa.gov/Citizens/EnvironmentalEducation/PAFalcon/Pages/default.aspx

Falcon Wire News posts provide general falcon information and reports on recent Falcon observations: https://www.dep.pa.gov/Citizens/EnvironmentalEducation/PAFalcon/Pages/falconwire.aspx

2024 Pennsylvania Association of Environmental Educators (PAEE) Annual Conference

The EEIC staff will attend the PAEE annual conference slated for March 17-19, 2024. The event will take place at the Pocono Environmental Education Center in Dingman's Ferry, PA. Many current Environmental Education awardees will be in attendance, sharing information about their DEP EE Grants funded projects.

2024 Ag Progress Days

The DEP has reserved its booth space in the Harrington Building for the 2024 Ag Progress Days slated August 13-15, 2024. The event will be held at PSU's Russell E. Larson Agricultural Research Center located in Pennsylvania Furnace.

Environmental Justice

Environmental Justice Executive Order

Former Governor Wolf signed an Environmental Justice Executive Order 2021-07 in October 2021 making permanent the Office of Environmental Justice (OEJ), Environmental Justice Advisory Board (EJAB) and creating the Environmental Justice Interagency Council (EJIC). DEP currently holds EJIC meetings on the last Thursday, of every other month. Under the terms of the Executive Order, DEP will develop an agency EJ Strategic Plan and may also revise the EJ Policy and create EJ mapping tools.

Environmental Justice Planning

DEP has adopted the Interim-Final Policy, built from years of public engagement on this topic. DEP's OEJ has taken comments and concerns about the current Environmental Justice Public Participation Policy, which DEP has had in place since 2004. The updated policy will include comments of a previous revision effort from 2017, and an extensive outreach on the draft policy received in 2022. Public Comment Meetings have been held and over 740 comments have been received. DEP Staff are currently reviewing and drafting a comment response document. The OEJ hosted 12 public meetings between September and November of 2023 and received over 740 public comments over the course of the process. DEP Staff are currently reviewing and drafting a comment response document.

DEP is also updating where the policy applies. The PennEnviroScreen tool is a publicly available, state of the art mapping tool, built on proven national models, that will allow DEP to more accurately identify communities facing environmental justice issues. DEP is engaged in a department-wide effort to improve the efficiency and quality of our permitting process. This new approach, in the environmental justice context, will not add a single day to DEP's permitting process.

OEJ continues to convene the Environmental Justice Internal Work Group to inform and educate DEP staff and solicit feedback on critical environmental justice initiatives within DEP, such as the EJ Policy.

Environmental Justice Advisory Board

EJAB convened on *Wednesday, February 21*. The meeting included DEP updates on the Office of Environmental Justice, Federal Funding updates, as well as *an* update on *the Food Recovery Infrastructure Grant and the 902 Recycling Program Development and Implementation Grant*. The next EJAB meeting is scheduled for Tuesday, *May 14*.

OEJ Initiatives

Language Access Services OEJ worked with the Office of Administration (OA), Communications, and other programs to finalize and internally publicize a translation and interpretation process for DEP. OEJ developed an outline of the process for obtaining language access services and assisted the Policy Office with their translation of RGGI materials and Spanish language interpretation for RGGI hearings. OEJ worked with the OA to get billing and contracting in place for phone-based interpretation services. OEJ convened meetings with several DEP offices to discuss the roll out process for all DEP staff and available language access services have been shared internally with DEP staff. A Language Access Coordinator was identified from the Communications Office. The Language Access Coordinator is being included in Commonwealth-wide language access coordinator calls arranged by the OA and are starting the process of creating a Language Access Plan for DEP.

Brownfields Technical Assistance Grant

EPA has awarded DEP a Small Communities Assistance pilot grant for the past three years to assist a small, disadvantaged community on providing training, research and technical assistance for addressing brownfields redevelopment. DEP was awarded the Small Communities Assistance grant again for the 2022 fiscal year and is working with Oil City in Northwest Pennsylvania. The Oil City report was finalized, and the project concluded in June 2022. OEJ assisted in getting application support materials for the 2023 fiscal year applicant, Mahanoy City Borough in Schuylkill County. This program is set to receive an infusion of funding that may allow it to work with more and different types of communities but will keep a focus on communities facing EJ issues. OEJ has joined DEP's Brownfields staff to help introduce this project to municipalities facing EJ issues.

Alternative Fuel Vehicle Rebate Information Sheet

OEJ worked with the Energy Programs Office (EPO) and Office of Communications to develop a sheet that highlights the available resources that can make an electric or plug-in hybrid vehicle purchase more affordable. In particular, the sheet was developed to address the lack of awareness around the rebate's applicability to the purchase of a one-time pre-owned vehicles, and the availability of additional funds for low-income households. In addition, the sheet describes available federal and electric distribution company incentives. The Alternative Fuel Vehicle Rebate guidelines have been recently revamped to add income caps to aid low to moderate income families in purchasing alternative fuel vehicles. OEJ is working with EPO on a revamp of the sheet, it will soon be found on the EPO webpage.

Grants

OEJ is working with DEP's Grants Center and individual programs to track grant participation in EJ Areas and incorporate EJ consideration into program area grants. OEJ is supporting the Grants Office and other offices in

developing outreach materials about the DEP grantmaking process. OEJ is also participating in an interagency group assessing overarching principles for advancing equity in Commonwealth grantmaking.

Outreach on Key DEP Initiatives

OEJ is working with the Policy Office regarding inclusion and evaluation of equity and EJ considerations in the development of the 2021 Pennsylvania Climate Action Plan. OEJ is working with EPO and community partners on outreach and engagement for the Pennsylvania Climate Action Plan 2024, through the Climate Action for Environmental Justice Communities Program and events.

Oil and Gas

Oil and Gas Rulemakings

Proposed Environmental Protection Performance Standards for Conventional Oil and Gas Operators Rulemaking

In 2016, the General Assembly passed Act 52, which abrogated the ongoing rulemaking process regarding conventional oil and gas wells and established the Pennsylvania Grade Crude Oil Development Advisory Council (CDAC). Act 52 directed DEP to work with CDAC to "examine and make recommendations regarding existing technical regulations promulgated under 58 Pa.C.S. (relating to oil and gas) ... that impact the conventional oil and gas industry of this Commonwealth and explore the development of a regulatory scheme that provides for environmental oversight and enforcement specifically applicable to the conventional oil and gas industry." From 2016 to the present, the Office of Oil and Gas Management (OOGM) has worked with CDAC to develop potential legislation and proposed regulations relating to conventional oil and gas wells.

Because discussions did not result in viable legislation, DEP proceeded with the development of a draft proposed conventional oil and gas rulemaking and advanced the regulatory concepts via two rulemaking packages during 2020. The first rulemaking relates primarily to the proper management of waste generated at conventional oil and gas well sites; the second rulemaking addresses other critical environmental protection performance standards at such sites.

On August 6, 2020, the OOGM first presented these two draft proposed rulemakings to CDAC. On September 17, 2020, DEP also informed the Oil and Gas Technical Advisory Board (TAB) of discussions with CDAC regarding the draft proposed rulemakings and shared copies of both draft proposed rulemakings. During a series of meetings from December 3, 2020, through September 9, 2021, OOGM staff, CDAC, and TAB continued to discuss and review the draft proposed rulemakings. At its regularly scheduled meeting on December 16, 2021, OOGM staff shared the final version of the Environmental Protection Performance Standards for Conventional Oil and Gas Operators draft proposed Annex with CDAC members. This provided CDAC with an opportunity to adopt written comments to the Environmental Quality Board (EQB) in accordance with section 5 of Act 52 of 2016 (58 P.S. § 1205). The CDAC Regulatory Subcommittee prepared formal comments in February 2022 and March 2022 and presented them to the full council on April 21, 2022. CDAC voted to accept the comments and will submit them to DEP to accompany the rulemaking when it is submitted to the EQB.

The Department discussed the Chapter 78 proposed Waste Management rulemaking with CDAC at the first meeting of 2023 on February 16 that was conducted at Pennsylvania Western University, Clarion. The Chapter 78 proposed Waste Management rulemaking was also discussed at the CDAC meeting on Thursday, May 25, 2023. This rulemaking package will be a priority action of the Department in 2024 to advance it through the CDAC and the remaining steps of the regulatory development process.

Infrastructure Investment and Jobs Act (IIJA) Initial Grant

The U.S. Department of the Interior (DOI) approved the application as submitted for the full \$25 million Initial Grant on August 25, 2022, with an effective "date of receipt" of October 1, 2022. The award allows for up to \$2.5 million to be allocated to DEP to cover administrative costs associated with administering the Initial Grant. Based on DEP's application, all Initial Grant funding will be used for well plugging contracts or administrative costs.

DEP expects to plug a total of 226 orphan and abandoned wells using \$22.5 million of the Initial Grant funding and possibly \$2.3 million in future IIJA grant allocations (i.e., Formula Grant Funding). DEP has allocated up to 10 percent (\$2.5 million) of the Initial Grant funding toward administrative costs to implement the program.

In the first round, DEP published five separate invitations to bid in the Commonwealth's electronic bid solicitation tool called "Bid Express" (www.bidexpress.com). This round will result in the plugging of 80 abandoned wells. DEP opened all bids on November 3, 2022. The anticipated amount of funding to be awarded to all projects in the first round of contracts is approximately \$7.5 million.

The bid estimates for the second round include eight invitations that are projected to cost about \$17.3 million to plug 146 additional abandoned wells. All Bid Openings occurred by the end of February 2023 and "Notices to Proceed" have been issued for seven successful bidders and the Department will soon award the final bid. As of June 21, 2023, 46 wells have been plugged via the Initial Grant Program.

For federal grants, the Department must limit its work to within the period of performance as listed in an approved federal grant agreement. The original period of performance for the IIJA Initial Grant was scheduled to end on September 30, 2023. Without approval from the U.S. Department of Interior (DOI) to extend this period of performance, the Department cannot enter into contracts with well plugging companies where plugging work extends beyond this period of performance.

On Friday, May 12, the Department submitted a request for a no-cost extension of performance period from September 30, 2023, to December 31, 2024. The justification for this request was based on the length of time for a contractor to complete all plugging work that exceeds the current period of performance. On Wednesday, June 14, 2023, the Department received notice from DOI that the no-cost extension of performance was approved, and the period of performance has been extended to December 31, 2024.

On August 15, the US Department of Interior acknowledged receipt of the "Certification of Funding Obligation Compliance Form that outlines the obligation of 100% of the IIJA Initial Grant Funding by September 30, 2023, which concludes the first federal year of the Initial Grant.

As of February 22, 2024, a total of 149 wells have been plugged via the IIJA Initial Grant and steady progress continues on plugging the remaining orphan and abandoned wells that are included in the Initial Grant.

Draft Formula Grant Guidance Published by U.S. Department of the Interior

On January 25, 2023, the U.S. Department of Interior (DOI) distributed the draft Formula Grant Guidance for "Phase 1" to the Interstate Oil and Gas Compact Commission (IOGCC) to share with the nation's oil and gas producing states. The IOGCC represents most oil and gas generating states and Pennsylvania is a member. DOI released the draft formula grant guidance by <u>posting a press release and the draft guidance</u> on the DOI's website.

The IOGCC hosted a meeting with the DOI on Wednesday, February 15 to discuss the draft guidance. On March 16, the DOI convened a meeting of the Orphan Well Data Management Workgroup with the IOGCC, Groundwater Protection Council and states. On March 17, the DOI hosted a meeting with IOGCC and states to further discuss the draft Formula Grant Guidance.

The DOI initially requested comments from states on the draft guidance document by February 14, 2023; however, DOI extended the submittal date to Friday, March 24, 2023. On Thursday, March 23, the Department of Environmental Protection submitted comments to the DOI regarding the draft Formula Grant Guidance.

On Friday, June 23, the Department received a copy of the edits to the draft final Formula Grant guidance along with a draft FAQ document from the Interstate Oil and Gas Compact Commission (IOGCC). On July 10, the U.S. Department of Interior issued a press release that announced the availability of nearly \$660 million to 26 states for the plugging of orphan and abandoned wells. https://www.doi.gov/pressreleases/biden-harris-administration-invests-660-million-states-plug-orphaned-oil-and-gas-wells Pennsylvania will be awarded \$76,406,474 in this first phase and will receive a total of \$305,625,896 over the remaining phases of the Formula Grant. Eligible states were required to submit their applications by December 31, 2023 and DEP met this milestone by submitting its application for Phase 1 of the Formula Grant on December 18, 2023.

DEP staff have been in recent communications with DOI staff regarding the status of the work plan and budget. The DOI is still conducting an internal review of the application and did not commit to an award date.

<u>Inflation Reduction Act (IRA) - Methane Emissions Reduction Program (MERP)</u>

On Wednesday, August 30, the U.S. Department of Energy (DOE) announced the availability of up to \$350 million nationwide in formula grant funding to help monitor and reduce methane emissions from the oil and gas sector and for environmental restoration of well sites. The goal of MERP is to help oil and gas well owners, and operators of applicable facilities, voluntarily and permanently reduce methane emissions from leaks and daily operations of <u>low-producing conventional wells</u> on non-federal lands.

Based on the federal MERP grant formula, Pennsylvania's original allocation was to be \$33,675,097. The original deadline for states to apply for this funding was to be September 30, 2023; however, the Department of Energy announced that the deadline was extended to October 10, 2023. The Department submitted the MERP application ahead of the deadline on October 4. On October 31, EPA informed Pennsylvania that it was eligible to receive \$44,457,220 after re-allocation of available funding. On December 15, Pennsylvania was informed that it was awarded \$44,457,220, larger than awards to all states except Texas. The funds must be obligated by DEP over a 5-year period ending September 2028.

No later than February 13, 2024 (60 days after award), DEP must submit a Community Benefits Plan and an amended budget to address the supplemental dollar amount that is reflected in the final grant award. The Office of Oil and Gas Management (OOGM) is on track to meet this milestone.

The Department must also provide a Program Management Plan (PMP) to DOE no later than March 14, 2024 (90 days after award), describing how it will manage and administer activities to fulfill project objectives.

The Department will be meeting with a workgroup of the Pennsylvania Crude Development Advisory Council to discuss substantive and procedural issues relating to the PMP and MERP implementation in the new year.

The Department will use 10% of MERP funding to offset administrative costs and a majority of the funding will be designated for use via the Marginal Conventional Well (MCW) Plugging Grant Program.

During the month of February, Office of Oil and Gas staff met with several members of the Pennsylvania Grade Crude Development Advisory Council (CDAC) to discuss the federal MERP grant and the concept of issuing state grants via the MCW Plugging Grant Program.

<u>Underground Injection Control Class VI (Carbon Sequestration) Application Period Opens</u>

In early 2023, DEP submitted a Letter of Intent (LOI) to the U.S. Environmental Protection Agency (EPA), stating its interest in participating in the Bipartisan Infrastructure Law (BIL) Underground Injection Control (UIC) Class VI (Carbon Sequestration) Grant Program. On November 2, 2023, the EPA announced the launch of the grant program. The \$48,250,000 in available funds will be allocated evenly among the 25 states and Tribes that submitted LOIs, with an allotment of \$1,930,000 for each program. Each state or Tribe may apply for grant funding for project periods of up to five years. There is no non-federal cost share requirement. The Department has contacted the EPA to schedule a meeting to discuss regulatory improvements and DEP will begin preparing an application in the first quarter of 2024 for submittal to the EPA.

The Office of Oil and Gas Management has started a Class VI Application Work Group and held the first meeting on January 10, 2024, to identify near-term and a critical-path tasks for completion of the application:

U.S. Department of Interior (DOI) Publishes "Request for Information" Regarding Regulatory Improvement Grants (RIGs)

On October 20, 2023, the DOI's Orphan Wells Program Office published in the Federal Register a "Request for Information" (RFI) to inform the public of the development of state Regulatory Improvement Grants: https://www.federalregister.gov/documents/2023/10/20/2023-23146/request-for-information-to-inform-the-orphaned-wells-program-offices-development-of-regulatory

DOI sought public comment to help inform its efforts in determining how to best structure the RIG program. Pennsylvania may apply for two \$20 million grants for a total of \$40 million in RIGs. All RIG funds must be obligated by the state within five years of the effective date of the award. The Department submitted its comments to the RFI on December 19, 2023.

Erosion and Sediment Control General Permit (ESCGP-3) Prioritized Review Workgroup

Innovative approaches through design and implementation of environmentally enhanced Best Management Practices (BMPs) and superior construction practices reduce environmental impacts from oil and gas operations. To incentivize these technologies and practices, DEP intends to replace the Erosion and Sediment Control General Permit (ESCGP) Expedited Review process with a Prioritized Review process that will allow for voluntary participation by industry. Permit applications submitted as Prioritized Review will be given a score based on proposed BMPs and environmentally superior construction practices. High-scoring projects will be given priority and will be reviewed before projects that are not submitted as Prioritized Review.

DEP presented revised documents to TAB at its December 16, 2020, meeting. This technical guidance document (TGD) was published as draft for public comment in the *Pennsylvania Bulletin* on August 28, 2021, initiating a 30-day public comment period that closed on September 27, 2021. DEP received 194 comments and is continuing to review the comments and prepare responses.

Radiation Protection

Radiation Protection Advisory Committee Meeting

The next Radiation Protection Advisory Committee (RPAC) meeting will be on April 17, 2024. Participants will be able to join in-person or remotely. The meeting will be held at the Rachel Carson State Office Building, 14th Floor Conference Room, at 9 a.m. RPAC will discuss Bureau of Radiation Protection updates and review reportable radiation events.

Waste Management

MAX Environmental Technologies, Inc. Delisting - Bulger Facility and Yukon Facility Rulemaking

On May 2, 2019, DEP received two petitions from MAX Environmental Technologies, Inc. (MAX) to delist certain hazardous waste at their Bulger and Yukon facilities. DEP reviewed the petitions in accordance with the Environmental Quality Board's Petition Policy in 25 Pa. Code Chapter 23 and determined the petitions meet the conditions in Section 23.2 for further review. The Department notified MAX on June 3, 2019, that the petitions would be submitted to the Environmental Quality Board (EQB) for consideration at its next meeting. At the EQB meeting held on Tuesday, June 18, 2019, DEP summarized the petitions for the EQB and recommended that the EQB accept the petitions for further study. The EQB adopted a motion to accept the petitions. DEP completed its evaluation of the petitions and prepared a report that summarized the evaluation and made a recommendation that the delisting petitions be accepted for rulemaking; the EQB adopted a motion to accept the delisting petitions and advance them for rulemaking at its June 16, 2020, meeting.

The EQB adopted the proposed rulemaking on September 21, 2021. A copy of the proposed rulemaking as adopted is available on the Board's webpage. The proposed rulemaking was published in the Pennsylvania Bulletin on January 8, 2022, opening a 45-day public comment period that concluded on February 22, 2022. The Board also held three public hearings on the proposed rulemaking on January 19, 20, and 26, 2022. DEP presented the draft final rule to SWAC at its December 15, 2022, meeting, where the Committee voted unanimously to support moving the rule to EQB for consideration.

During the course of both the Department and EPA investigations into MAX Yukon, questions and concerns have arisen related to MAX's treatment of hazardous waste, the nature of materials disposed of in the Yukon landfill, treatment methodology, and sampling procedures. The Department will need to resolve these questions and concerns before moving forward on the delisting rulemaking.

Solid Waste Advisory Committee (SWAC)

The February 28th SWAC meeting was cancelled due to lack of agenda items. The next meeting is scheduled for June 26th. Additional information is available on the SWAC website.

Recycling Fund Advisory Committee (RFAC)

The 2024 RFAC meeting will be held on October 9th (jointly with SWAC). Additional information is available on the SWAC website.

Water Programs

Water Programs Rulemakings

Methylmercury Site-Specific Water Quality Criteria Rulemaking

This proposed rulemaking will recommend updates and revisions to § 93.8d which outlines the site-specific water quality criteria process. The proposed amendments include the addition of language that clarifies when site-specific water quality criteria may be requested and specifies the conditions under which site-specific water quality criteria may not be requested. The proposed amendments will update language throughout § 93.8d to identify the data and information that must be submitted with each request for a site-specific water quality criterion and the actions to be taken by the Department as part of the site-specific water quality criterion development and regulatory processes. These proposed amendments are consistent with federal regulations and requirements.

In addition, this proposed rulemaking proposes to delete the statewide total mercury water quality criterion of $0.05 \mu g/L$ for Ebaughs Creek located in York County; and to add a site-specific methylmercury water quality

criterion of 0.00004 µg/L for Ebaughs Creek in § 93.90 (relating to Drainage List O). The York County Solid Waste Regional Authority (YCSWRA) owns and operates the York County Sanitary Landfill, which is a 306-acre site located in Hopewell Township, York County. Between 1974 and 1997, the landfill received municipal and industrial waste, which was placed into lined and unlined cells. The site contains approximately 135 acres of unlined landfill. Detection of volatile organic compounds (VOCs) in several groundwater wells was discovered in 1983 and was associated with the unlined cells. A treatment system was installed to remove the VOCs and began operation in 1985. The system consisted of 17 extraction wells and air stripping towers. The air stripping towers discharge the treated groundwater under NPDES permit number PA0081744. Mercury was later identified through the Department's permit application review process as a potential pollutant of concern. YCSWRA has requested the Department delete the statewide total mercury water quality criterion of 0.05 µg/L for Ebaughs Creek and develop a site-specific methylmercury water quality criterion for Ebaughs Creek to inform their NPDES permit effluent limitations for Outfall 002. Since the Department does not currently have statewide numeric water quality criteria for methylmercury, YCSWRA's request satisfies § 93.8d(a)(3).

DEP presented the proposed rulemaking to the Agricultural Advisory Board and the Water Resources Advisory Committee on March 15, 2023 and March 16, 2023, respectively. The proposed rulemaking was presented to and approved by Environmental Quality Board on July 11, 2023. On August 21, 2023, a tolling memo was received from the Office of Attorney General. On September 13, 2023, DEP staff and counsel submitted a response to the Office of Attorney General's tolling memo. The proposed rulemaking was published in the *Pennsylvania Bulletin* on November 4, 2023, which initiated a 45-day public comment period that closed on December 19, 2023. A public hearing was held on December 5, 2023. *Public comments on the proposed rulemaking can be found on DEP's eComment website, here.* A final rulemaking is anticipated in late 2024.

Triennial Review of Water Quality Standards

Water quality standards are in-stream water quality goals that are implemented by imposing specific regulatory requirements and permit conditions (such as treatment requirements, effluent limits, and best management practices) on individual sources of pollution. This proposed rulemaking fulfills the Commonwealth's obligation to periodically review and revise its water quality standards and updates Pennsylvania's water quality standards such that the surface waters of this Commonwealth are afforded the appropriate level of protection.

This rulemaking proposes to:

- Add or revise aquatic life and human health water quality criteria for 17 substances,
- Clarify duration periods for aquatic life criteria, and
- Reaffirm the removal of Water Contact Sports use from the Outer Erie Harbor/Presque Isle Bay and portions of the Delaware Estuary and removal of portions of the Warm Water Fishes (WWF) and Migratory Fishes (MF) aquatic life uses for portions of the Delaware Estuary.

DEP presented the proposed rulemaking to the Water Resources Advisory Committee and Agricultural Advisory Board on November 17, 2022, and December 8, 2022, respectively. The proposed rulemaking was presented to and approved by Environmental Quality Board on July 11, 2023. The proposed rulemaking was published in the *Pennsylvania Bulletin* on October 7, 2023, opening the 45-day public comment period, which ended on November 21, 2023. A public hearing was held on November 14, 2023. A final rulemaking is anticipated for mid-2024. *Public comments on the proposed rulemaking can be found on DEP's eComment website*, *here*.

Trenchless Technology Guidance (310-2100-003)

DEP's Bureau of Waterways Engineering and Wetlands (BWEW) has worked with other DEP staff to prepare this Final TGD which outlines the steps and options to consider and implement, as appropriate, when proposing to use a trenchless technology installation method for pipes and conduits on any portion of a project that

traverses aquatic resources. This Final TGD has been prepared to provide information to project proponents that may help to prevent environmental issues, improve project planning, permitting and compliance consistent with the applicable regulatory requirements and minimize environmental risks related to the technology. It is important to note that this is recommended guidance that does not require a new permit. Notice of availability of the draft technical guidance document was published in the *Pennsylvania Bulletin* on March 19, 2022, at 52 Pa.B. 1693. The 60-day public comment period ended on May 18, 2022. DEP received 150 letters: 144 form letters in support and 6 letters with constructive comments and edits. DEP reviewed the comments received, prepared a comment and response document, and made changes to the guidance as appropriate to produce the final guidance document. *DEP presented this final guidance to the Citizens Advisory Council on February 13*, 2024, and provided an overview of the changes from draft to final. *DEP published notice of this final guidance in the Pennsylvania Bulletin on February 24*, 2024 (see 54 Pa.B. 1017).

General Permits for Beneficial Use of Sewage Sludge (aka Biosolids)

The Department issues general permits for the beneficial use of biosolids (aka sewage sludge) and residential septage. PAG-07 allows for the Beneficial Use of Exceptional Quality (EQ) Biosolids; PAG-08 allows for the Beneficial Use of Non-Exceptional Quality (Non-EQ) Biosolids; and PAG-09 allows for the Beneficial Use of Residential Septage. Beneficial use is the use or reuse of biosolids or residential septage for any purpose, where the use does not harm or threaten public health, safety, welfare, or the environment. These permits apply to a person who prepares biosolids that will be sold or given away in a bag or other container or biosolids that will be land-applied, and to a person who applies biosolids or residential septage to the land. The Department issues these permits under the authority of Pennsylvania's Solid Waste Management Act and Clean Streams Law.

The Department has administratively extended these general permits for several years. The Department has presented pre-draft permits to the Water Resources Advisory Committee (WRAC) and the Agricultural Advisory Board (AAB) in March 2021.

The Bureau of Clean Water has also organized a workgroup to gather input on the proposed changes to the general permits. The group includes biosolids generators, land appliers, farmers, consultants, and interested third parties (including the Chesapeake Bay Foundation and the Delaware Riverkeeper Network). The workgroup discussion focused on the biosolids land application program, the proposed changes to the permit, PFAS in biosolids, nutrient management of biosolids, impacts of hauled-in residual waste into the biosolids treatment process, and field storage of biosolids on land application sites. The workgroup members decided to provide formal written comments to the Department. DEP will use the information gathered during the outreach process to draft any revisions to the permit documents prior to issuing draft permits for public comment.

The Department also communicated with and provided information to the Legislative Budget and Finance Committee (LBFC) as the LBFC evaluated the costs and practicality of the proposed changes to the general permits, as directed by <u>House Resolution 149 from the 2021-2022 General Assembly session</u>. LBFC's <u>final report</u> on the proposed revisions to the general permits was published in June. DEP's response to LBFC's draft report is included in LBFC's final report as Appendix E. *The revisions to and reissuance of these permits are on hold*.

Federal Infrastructure Funding - Bipartisan Infrastructure Investment and Jobs Act (IIJA)

The Bipartisan Infrastructure Law (BIL) provides funding to the Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF). These programs have seen increases to base program funding as well as new supplemental funding programs.

The BIL reauthorizes the base DWSRF program funding and establishes new supplemental DWSRF pots for general infrastructure projects, emerging contaminants projects, and lead service line replacement projects. Base and general supplemental DWSRF money will be used for projects that will improve water system infrastructure (e.g., replacing aging water lines, upgrading treatment plant components, finished water storage tanks). DWSRF BIL funding will provide funding to eligible water systems via PENNVEST for these infrastructure projects. Additionally, the BIL will provide money for technical assistance to water systems, as well as money to cover the cost of administration of the DWSRF program for both the Bureau of Safe Drinking Water (BSDW) and the Bureau of Clean Water (BCW).

BIL reauthorizes the base CWSRF program funding and also establishes new CWSRF supplemental funding for general infrastructure projects and emerging contaminants projects. In addition, it establishes a new set-aside that will enable DEP to provide technical assistance to small, rural Publicly Owned Treatment Works (POTW). Similar to the DWSRF program, the CWSRF base program provides funding to infrastructure projects to improve non-point source pollution, stormwater infrastructure, and wastewater infrastructure. CWSRF funding will provide funding to eligible project applicants via PENNVEST for infrastructure projects. The BIL CWSRF funding will also support technical assistance to systems and includes a means to cover the cost of administration of the CWSRF program.

The Bipartisan Infrastructure Law also mandates that 49 percent of funds provided through the DWSRF General Supplemental Funding and the DWSRF Lead Service Line Replacement Funding must be provided as grants and forgivable loans to disadvantaged communities. The BIL also requires that at least 25 percent of funds provided through the DWSRF Emerging Contaminants Funding be provided as grants and forgivable loans to disadvantaged communities or public water systems serving fewer than 25,000 people.

DEP staff manage EPA applications for both the DWSRF and CWSRF capitalization grants awarded to PENNVEST. DEP staff also oversee DEP's role in managing potential and funded projects from preapplication through project closeout. DEP staff coordinate to prepare the SRF Intended Use Plans including budgets on an annual basis and review, ranking and management of PENNVEST project applications.

DEP and PENNVEST applied for the coming federal fiscal year state allotments. These are noncompetitive grants, so EPA provides the state allotment in advance of the application process to facilitate grant application development. DEP submitted the application on behalf of PENNVEST by July 1, 2023. Public notice of the intent to apply included a public comment period. DEP was awarded the DWSRF grants for an approximate total of \$275 million which includes the state match funds. Similarly, DEP was awarded the CWSRF grants for an approximate total of \$134 million which includes the state match funds.

The BIL also provides additional funding programs that appear to fall outside of the SRF umbrella. To date, EPA has provided very little if any information to states on this additional funding outside of the SRF umbrella. DEP BSDW staff will continue to push EPA for this guidance and provide additional details in future weekly articles as more information becomes available. While specific state funding allotments are not yet available, these programs include funding for the following:

- Assistance for Small and Disadvantaged Communities (Sec. 50104) Preliminary EPA documents indicate that PA's share may be ~\$28 million annually. Funding may be provided through Small, Underserved, and Disadvantaged Communities Grants (not SRF), and can be used to remediate PFAS in drinking water.
- Several Lead Programs Reducing Lead in Drinking Water (Sec. 50105) and Lead Contamination in School Drinking Water (Sec. 50110). Note: These lead programs may be under the Water Infrastructure Improvements for the Nation (WIIN) Grant umbrella.

• Operational Sustainability Grants to Small PWSs (Sec. 50106) and Midsize and Large Drinking Water System Infrastructure Resilience and Sustainability Program (Sec. 50107).

Chesapeake Bay Restoration IIJA/BIL

On May 2, 2022, EPA announced the allocation of \$40 million in first-year funds from the IIJA at an event in Baltimore. The funding includes the \$15 million allocation to jurisdictions for the Most Effective Basins (MEB) as well as funding through the National Fish and Wildlife Foundation's Small Watershed Grants (SWG) and Innovative Nutrient and Sediment Reductions (INSR) grants program. To date, the IIJA funding that would be directed through the SWG/INSR has not been awarded; EPA published a Request for Application (RFA) on July 31, 2023, with the intent to award the IIJA funds for SWG/INSR administration in January 2024.

On March 13, 2023, EPA provided the Pennsylvania agency-specific allocations, beginning October 1, 2023. Including all Chesapeake Bay federal grants, DEP received more than \$13 million, of which more than \$5 million will be IIJA money. DEP worked with EPA to review the draft grant guidelines and to identify procurement requirements associated with IIJA funding. DEP reviewed the additional federal funding allocation with conservation districts during the annual Conservation District and Commonwealth Agency Agricultural meeting on April 6, 2023. DEP and SCC held two follow-up sessions on May 18, 2023, with county partners (Tier 1-2 and Tier 3-4, respectively) to review and discuss options for delivering the additional federal funding, complementing state funding sources, to the counties. The workplan, budget, and associated forms were submitted to EPA by the July 16, 2023 deadline. On August 30, 2023, DEP received our FY2023 IIJA funding allocation.

The 2024 Community Clean Water Coordinator (CCWC) and CAP Implementation Block Grant round opened for counties to submit their project proposals on September 29, 2023 and closed on October 31, 2023. Funding for this block grant program comes from the Environmental Stewardship Fund / Growing Greener and the EPA Chesapeake Bay MEB IIJA, Local Government Implementation, and Chesapeake Bay Implementation Grant (CBIG) MEB grant funds. Changes to this year's round included a requirement to submit the estimated nutrient and sediment reductions (in prior years this was voluntary) and a minimum threshold for funding of \$200,000. The reason for the mandatory submission of estimated nutrient and sediment reductions is due to requests from EPA to include these metrics in Pennsylvania's 2024-2025 Chesapeake Bay Milestone Commitments. These adjustments also allow for counties to proactively plan ahead to meet their CAP nutrient and sediment reduction goals with the knowledge of the minimum amount of funding that would be allocated to their county, if requested. Staff reviewed the project proposals and allocation formulas and announced the awards on December 1, 2023.

EPA provided the FY2024 IIJA allocation amount to DEP, SCC, and DCNR on February 8, 2024. EPA met with the three state agencies to discuss potential allocations. EPA will shift all of the Most Effective Basin annual allocation back to DEP through the Chesapeake Bay Implementation Grant (CBIG), and then move some of DEP's IIJA allocation to further support DCNR and SCC. This allocation was done at the request of DEP, SCC, and DCNR. DEP will be receiving more than \$2.8 million, SCC will receive \$4.5 million, and DCNR will receive \$2 million in IIJA funds. All Chesapeake Bay grants combined, DEP will have an increase in funding over FY2023 by \$795,112, SCC will have an increase in funding by \$500,000, and DCNR will have an increase in funding by \$2 million.

PAG-13 General Permit

On Saturday, September 24, 2022, DEP published notice in the *Pennsylvania Bulletin* (52 Pa.B. 6107) of a 2-year extension to the PAG-13 National Pollutant Discharge Elimination System (NPDES) General Permit for Stormwater Discharges to Small Municipal Separate Storm Sewer Systems (MS4s). By this action the availability of the general permit has been extended to March 15, 2025. The notice also solicited interested participants for a workgroup that DEP to discuss the requirements for the next PAG-13 term. DEP received

nearly 60 requests to participate and selected approximately 20 members. A series of 8 meetings was held between November 2022 and March 2023 and DEP received a significant amount of feedback on the next version of PAG-13. DEP also received recommendations from EPA Region 3 via a letter dated February 28, 2023. DEP has prepared preliminary draft PAG-13 documents which are under internal review.

Nonpoint Source (NPS) Management Section 319

The Section 319 NPS Management grant funds are provided by the U.S. Environmental Protection Agency (EPA) and authorized through Section 319(h) of the federal Clean Water Act. The program's primary purpose is to implement Section 319 Program Watershed Implementation Plans (WIP) to improve and protect Pennsylvania's waters from nonpoint source pollution.

Federal Fiscal Year (FFY) 2023 EPA Section 319 NPS Management Grant awards were <u>announced</u> on October 19, 2023.

The FFY 2024 EPA Section 319 NPS Management Grants round opened April 21, 2023, with applications due by June 23, 2023, at 11:59 p.m., as noticed in the *Pennsylvania Bulletin* on April 1, 2023, at <u>53 Pa.B. 1869</u>. The draft FFY 2024 workplans and budgets were submitted by DEP to EPA by the November 30, 2023, deadline for EPA review.

In order to meet the requirements of the federal Section 319 grant program, EPA requires that the states develop and implement their five-year Nonpoint Source (NPS) Management Program Plan and submit annual reports regarding the status of implementation of those statewide plans. Pennsylvania's current NPS Management Plan includes six goals with multiple objectives and strategies tied to each goal, which is reported on every year and published to the DEP Nonpoint Source weebpage. DEP has worked with other state and federal agencies and programs to draft an update to the current 2019 NPS Management Plan. The draft 2024-2029 NPS Management Plan was submitted to EPA for their review in October 2023, in accordance with the EPA Action Plan required deadlines. For the 2024-2029 draft NPS Management Plan, DEP has included an addition of a seventh goal focused on climate change and Environmental Justice (EJ). Also included in the draft 2024-2029 NPS Management Plan is the incorporation of recommendations from EPA's 2020 Midpoint Assessment of DEP's Nonpoint Source Management Program. EPA conducted their review and provided feedback and comments to DEP in late December 2023 to consider and address prior to submission of the final 2024-2029 NPS Management Plan.

Growing Greener Plus Program

DEP opened the 2022 Growing Greener Plus grant round on April 22, 2022. The deadline to apply was June 24, 2022. The 2022 Growing Greener Plus grant round includes some new features, including: (1) a reinvigorated Growing Greener Watershed Renaissance Initiative (GGWRI) focused on the complete implementation of existing watershed restoration or implementation plans on small catchment areas in Centre, Huntingdon, Lancaster, Snyder, and Union counties; and (2) a priority to implement projects in support of the Pennsylvania 2021 Climate Action Plan. The 2022 Growing Greener Plus awards were announced on January 12, 2023. The full list of 2022 Growing Greener projects can be found here.

The 2023 Growing Greener Plus Grants round opened April 21, 2023, with applications due by June 23, 2023 at 11:59 p.m., as noticed in the *Pennsylvania Bulletin* on April 1, 2023, at <u>53 Pa.B. 1868</u>. The 2023 Growing Greener Plus Grants awards were announced on January 5, 2024.

State Water Plan

The 2022 State Water Plan Update Report ("Update Report") is now complete and available to the public. This report is focused on items such as water resources strategies outlined in the Pennsylvania Climate Action Plan

and updated regional watershed priorities. In addition to this important document, a <u>Digital Water Atlas Story</u> <u>Map</u> was created as a planning tool for professionals and as a research tool for academics.

The second round of meetings for 2023 was successfully completed in October with all seven committees having met. Several committees struggled to achieve quorum during their meetings leading to an emphasis on recruiting in the coming months to ensure that business can be conducted in future meetings. On September 13, 2023, members of the Water Use and Planning Section delivered a presentation to the Western PA Source Water Protection Conference. An additional presentation to the Pennsylvania Environmental Council's Watershed Conference was delivered on October 30, 2023. Both of these opportunities could potentially yield new members for State Water Plan committees. The Citizen's Advisory Council can assist with this effort by referring anyone who could fill a committee vacancy to James Horton (jahorton@pa.gov). Up to date information on current committee membership and vacancies can be found here.

The next round of meetings will take place in April of 2024. In accordance with Act 220 of 2002's requirements, a new update will be needed in 2027.

Public Water System Technical Assistance Center (PWS TAC) Board Meeting

The Public Water System Technical Assistance Center (PWS TAC) Board met on *Wednesday*, *February 14*, 2024. The meeting was held in Room 105 of the Rachel Carson State Office Building. The agenda and meeting materials were posted to the <u>PWS TAC Board</u> website two weeks prior to the meeting date. *The next PWS TAC Board meeting is scheduled for Thursday*, *May 23*, 2024.

The PWS TAC Board provides direction and advice to DEP on water system technical and management assistance programs; and to comment on policies, guidance and regulations as they may affect all public water systems, with an emphasis on the unique effects on small public water systems.

Attachment 1

2024 Events Calendar

Please consult the <u>DEP Calendar of Events</u> for a comprehensive listing of upcoming events and information on how to attend. The Calendar can be accessed in the Public Participation Tab on the DEP website; click on "Public Participation" then "Calendar of Events." Unless otherwise indicated below or on the DEP Calendar of Events, there will be virtual and in-person attendance options for each event.

March	
12	Citizens Advisory Council, 12:30pm
12	Environmental Quality Board, 9am
13	Cleanup Standards Scientific Advisory Board, 9:30am
19	Oil & Gas Technical Advisory Board, 10am
21	Water Resources Advisory Committee, 9:30am
April	
3	State Board for Certification of Water and Wastewater Systems Operators, 10am
4	Air Quality Technical Advisory Committee, 9:15am
9	Citizens Advisory Council, 12:30pm
9	Environmental Quality Board, 9am
9	State Water Plan - Delaware Regional Water Resources Committee, 9am
10	State Water Plan - Lower Susquehanna Regional Water Resources Committee, 9am
10	Technical Advisory Committee on Diesel-Powered Equipment, 10am
11	State Water Plan - Potomac Regional Water Resources Committee, 1pm
16	State Water Plan - Statewide Water Resources Committee, 9am
17	Agricultural Advisory Board, 9am
17	Radiation Protection Advisory Committee, 9am
17	Small Business Compliance Advisory Committee, 10am
23	Climate Change Advisory Committee, 9am
23	State Water Plan - Ohio Regional Water Resources Committee, 1pm
24	Board of Coal Mine Safety, 10am
24	State Board for Certification of Sewage Enforcement Officers, 10am
24	State Water Plan - Great Lakes Regional Water Resources Committee, 9am
25	Mining and Reclamation Advisory Board, 10am
25	State Water Plan - Upper/Middle Susquehanna Regional Water Resources Committee, 9am

This report was prepared by Max Schultz, DEP Policy Office, Deputy Policy Director for Energy Resources. For questions or requests, please email <u>maxschultz@pa.gov</u>.