

October 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 DEP Rolling Regulatory Agenda for the full Regulatory Update.
- Proposed Rulemaking Water Quality Standards; Class A Stream Redesignations (#7-583): The Environmental Quality Board (EQB) adopted the proposed regulation on September 10, 2024.
- Proposed Rulemaking Administration of the Land Recycling Program (#7-575): The draft proposed regulation was discussed with the Cleanup Standards Scientific Advisory Board on October 10, 2022, January 23, 2023, and May 31, 2023. The Environmental Quality Board (EQB) adopted the proposed regulation on March 12, 2024. The proposed regulation was published in the Pennsylvania Bulletin on July 13, 2024, for a 60-day public comment period that *closed* on September 11, 2024. Public hearings *were held on* August 19, August 27, and September 4, 2024.
- Draft Final Rulemaking Triennial Review of Water Quality Standards (#7-577): The draft proposed regulation was discussed with the Water Resources Advisory Committee (WRAC) on May 19 and November 17, 2022, and the Agricultural Advisory Board (AAB) on December 8, 2022. The 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. The draft final annex was presented to AAB on April 17, 2024, and WRAC on May 16, 2024.
- Draft Final Rulemaking Water Quality Standards Site-Specific Water Quality Criteria (#7-571): The draft proposed regulation was discussed with the AAB on March 15, 2023, and WRAC on March 16, 2023. The EQB adopted the proposed regulation on July 11, 2023. The proposed regulation was 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. The draft final annex was presented to WRAC on May 16, 2024 and discussed with the AAB on June 18, 2024.

Public Comment Periods

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

Proposals Open for Public Comment

- Federal Consistency under the Coastal Zone Management Act; Lampe Marina Floating Dock System Replacement (opened 9/14/2024, closes 9/29/2024)
- Draft Safe Drinking Water General Permit for Community Water System Finished Water Storage Tank Painting (opened 8/31/2024, closes 9/30/2024)

Recently Closed Comment Periods

- Federal Consistency under the Coastal Zone Management Act; Neill Drive Pumping Station Stream and Infrastructure Protection (opened 8/24/2024, closed 9/9/2024)
- Proposed Rulemaking: Administration of the Land Recycling Program (#7-575) (opened 7/13/2024, closed 9/11/2024)
- Proposed Erosion and Sediment Control General Permit for Earth Disturbance Associated with Oil and Gas Exploration, Production, Processing or Treatment Operations or Transmission Facilities (ESCGP-4) (opened 6/29/2024, closed 7/29/2024)
- Federal Consistency under the Coastal Zone Management Act; Reconstruction and Dredging at Pier 6A in the City of Philadelphia (opened 7/6/2024, closed 7/22/2024)
- Proposed SIP Revision for a Noninterference Demonstration under section 110(1) of the Clean Air Act to Support Decommissioning State II Gasoline Vapor Recovery Requirements and Add Requirements (opened 6/15/2024, closed 7/16/2024)
- Environmental Assessment Approvals for PENNVEST Funding Consideration (July 2024) (opened 6/15/2024, closed 7/15/2024)

Communications Monthly Press Releases

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

Press Releases Issued

August 21 – DEP to Conduct Mosquito Control in Tioga County

August 23 – DEP Accepting Applications for Environmental Education Projects

August 26 – Shapiro Administration Announces First-in-PA Registered Apprenticeship Program to Plug Abandoned Oil and Gas Wells

August 26 – DEP Declares Code Orange Air Quality Action Day for Ozone for Tuesday, August 27, 2024, in the Philadelphia and Pittsburgh Areas

August 27 – Shapiro Administration Continues to Advocate for Western Pennsylvania Residents, Announces Plans to Test Drinking Water Near East Palestine Train Derailment Site for Ten Years

August 27 – DEP Declares Code Orange Air Quality Action Day for Ozone for Tuesday, August 28, 2024, in the Philadelphia Area

August 27 – DEP to Conduct Mosquito Control in Tioga County

August 30 – DEP to Hold a Public Conference on Proposed Land Use Change by RES Coal LLC on Mine Sites Located in Clearfield County

September 2 – DEP to Conduct Mosquito Control in Lycoming County

September 5 – Shapiro Administration Secures Over \$76 Million in Additional Federal Funding to Boost Oil and Gas Well Plugging Program, Create Jobs, and Cut Methane Emissions

September 13 – Shapiro Administration Secures Nearly \$2 Million for Renewable Energy Planning for Pennsylvania

September 13 – DEP Declares Code Orange Air Quality Action Day for Ozone for Saturday, September 14, 2024, in the Philadelphia Area

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. The final report was completed and is being routed for public release. After the 6th report is released, the online data will be updated to include 2023 information to the present.

Final-Omitted Rulemaking: Blast Site Clarification for Noncoal Mining Operations

The Bureau of Mining Programs, in conjunction with District Mining operations, has developed a final-omitted rulemaking to correct an inconsistency between two chapters of the Office of Active and Abandoned Mining's regulations by changing one use of the term "blast area" to "blast site" in § 77.564(g)(7). The correction will ensure that the language used in Chapter 77 is consistent with the definitions of both terms in the Department's regulations on storage, handling, and use of explosives in Chapter 211. The existing regulation is intended for general safety of the workers and the public. As defined in Chapter 211, the "blast area" is the buffer zone around the blast site (blast hole) that is required to ensure worker and public safety. As currently written, § 77.564(g)(7) requires an additional 50-foot buffer zone around the blast area, which means there is a second buffer zone required around the "blast area" buffer zone. The regulations in Chapter 211 only require one buffer zone of 50 feet, which sufficiently protects mine workers and the public. This rulemaking clarifies this inconsistency in Chapter 77 by changing "blast area" to the appropriate term of "blast site," as defined in Chapter 211. The change does not lessen the effective safe boundary for blasting operations. Failure to revise the current version means that, to comply, the operator must shut down a larger than necessary area surrounding each blast site without a reasonable justification. The current version also conflicts with Chapter 211 such that it would make preparing explosives on an active site more difficult, complicated, and time consuming without an obvious benefit.

Under Section 204 of the act of July 31, 1968 (P.L. 769, No. 240) (45 P.S. § 1204), known as Commonwealth Documents Law, an agency can proceed directly to the final rulemaking process without first going through the steps of the proposed rulemaking process in certain limited circumstances. A regulation that proceeds in this manner is referred to as a final-omitted regulation. A final-omitted regulation can be promulgated when the "agency for good cause finds... that the [public notice and comment] procedures specified in sections 201 and 202 are in the circumstances impracticable, unnecessary, or contrary to the public interest." Here, the final-omitted process is appropriate because the change is minor, uncontroversial, and does not change current practice. The regulation is anticipated to be presented to the EQB later this year.

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

On April 5, the first of three rounds of the 2024 AML/AMD Grant Program (<u>AML/AMD Grant Program</u> (<u>pa.gov</u>)) closed in which 10 applications are under review. Scoring reviews are complete and once approved by the Governor's Office, the result of the first round will be announced in a future PA-DEP Press Release that is yet to be determined. The second round closed on July 19 in which 17 applications are now under review. The summary application of all 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

On June 5 the United States Department of the Interior (DOI) announced at: Biden-Ha<u>rris Administration Announces \$725 Million from President Biden's Investing in America Agenda to Clean Up Legacy Pollution U.S. Department of the Interior (doi.gov) that funding of the Fiscal Year (FY) 2024 BIL Grant Notice of Funding Opportunity (NOFO) is now available. Pennsylvania will be able to apply for up to \$244,786,476. Pennsylvania has already applied for and received the FY 2022 and FY 2023 BIL grants that total \$489.6 million combined. Additional information is available at: https://www.osmre.gov/bil to announce the FY 2024 BIL guidance document, and other update BIL information. Preparations are underway to apply for the new FY 2024 BIL grant for a submission to be made to OSMRE during this fall of 2024.</u>

Air Quality

Regulatory State Implementation Plan (SIP) Revisions

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 proposed approval on June 28, 2024 and the comment period ended on July 29.

Reasonably Available Control Technology (RACT II)

On March 14, 2024 the Department issued Title V Permits for Conemaugh, Keystone, and Montour Stations incorporating EPA's FIP limits. SIP revisions incorporating these permits were submitted to EPA on April 10, 2024. On July 10, 2024 EPA proposed approving Pennsylvania's SIP revisions and issued an interim final determination that the SIP revisions satisfy RACT requirements under the CAA and stay the emission offset and highway funding sanctions. The public comment period for these actions closed on August 9.

Reasonably Available Control Technology (RACT III)

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. However, 25 Pa. Code § 129.115(c) (relating to written notification, compliance demonstration and recordkeeping and reporting requirements), was not included in the SIP revision due to administrative and mathematical errors in the mass-equivalent basis factors. To correct these errors and a cross reference error in § 129.115(d), the Department has drafted revised language which it presented to AQTAC and the CAC on April 4 and May 14, 2024, respectively. The Department anticipates presenting the proposed rulemaking to the EQB in the 4th quarter of 2024.

Air Quality regional staff have reviewed 61 of 62 RACT II equals RACT III determinations and 16 of 94 case-by-case RACT determinations received from major sources of NO_x and VOC. A public comment period and hearing is being offered for each of these permitting actions. *DEP anticipates submitting 58 RACT II equal RACT III determinations to EPA in the near future.*

State Plans and Delegation of Federal Plans

Historically, the Department has submitted State Plans and requests for delegation of Federal Plans to the EPA citing 25 Pa. Code § 122.3 (relating to adoption of standards). These State Plans and requests for delegation were approved by the EPA and codified in 40 CFR Part 62, Subpart NN. However, EPA recently indicated that the Department's request submitted on February 3, 2022, for delegation of the Federal Plan established in 40 CFR Part 62, Subpart OOO, for Municipal Solid Waste Landfills cannot be approved because § 122.3 does not explicitly include the adoption and incorporation by reference of Federal Plans established in 40 CFR Part 62. To correct this the Department has drafted revised language which it presented to AQTAC and the CAC on April 4 and May 14, 2024, respectively. The Department anticipates presenting the proposed rulemaking to the EQB in the 4th quarter of 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. DEP submitted a new SIP revision to EPA on October 12, 2023. Air Quality Permit SO₂ offset sanctions for Indiana and parts of Armstrong Counties went into effect on March 19, 2024. On June 7, 2024 proposed approval of the SIP and the public comment period closed on July 8, 2024. On August 13, 2024 EPA approved the Attainment Demonstration.

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/Armstrong County SO₂ nonattainment area. The Department reviewed the technical support document accompanying the 120-Day Letter and responded with comments on June 22, 2023.

On February 7, 2024, EPA proposed creating a new 2010 SO₂ NAAQS non-attainment area, 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 July 30, 2024 EPA approved Pennsylvania, Delaware, Maryland and New Jersey's request to voluntary reclassify the multistate Philadelphia Area from moderate to serious for the 2015 ozone standard. The reclassification avoids an EPA finding of failure to attain the 2015 ozone standard, disapproval of DEP's September 2023 attainment demonstration and a sanction clock. The serious nonattainment area SIP revision will likely be due to EPA by January 1, 2026 with a new attainment date of August 3, 2027.

The Department evaluated the impact of wildfire smoke on the 2023 ozone season (March - October) for the PA-NJ-MD-DE Non-Attainment Area and submitted an exceptional event Initial Notification to EPA on March 4, 2023. DEP published its Exceptional Event analyses on April 27, 2024 for public comment. The public comment period ended on May 28, 2024 and the Department submitted its Exceptional Event analysis to EPA on June 12, 2024. On August 12, 2024 the Department received a letter from EPA indicating that because of the voluntary reclassification from moderate to serious EPA has determined that the requests and demonstrations for exclusion of the ozone data no longer have regulatory significance under the Exceptional Events Rule. To this end, EPA will defer action at this time but will retain the demonstrations and revisit the requests should they have regulatory significance in the future.

Beaver SO₂ Redesignation Request and Maintenance Plan

On May 18, 2024, DEP opened the public comment period for the Beaver Redesignation Request and Maintenance Plan for the 2010 SO₂ NAAQS. The public comment period closed on June 21, 2024. A public hearing to receive comments was held on June 18, 2024 at the DEP Southwest Regional Office. The Redesignation Request and Maintenance Plan was submitted to EPA on August 15, 2024.

PM2.5 NAAQS

On February 7, 2024, EPA lowered the annual National Ambient Air Quality Standards for Fine Particulate Matter (PM2.5 NAAQS) from 12.0 to 9.0 micrograms per cubic meter (µg/m3). EPA has identified seven Pennsylvania counties in non-attainment based on 2020-2022 air quality monitoring data. DEP will evaluate this and more recent data and will be submitting its designation recommendations during the first quarter of 2025.

2008 Ozone NAAQS VOC RACT

On August 13, 2018, DEP submitted to EPA two SIP revisions to satisfy certain RACT requirements for sources of VOC emissions required for the 2008 8-hour ozone NAAQS. On December 14, 2020 EPA published a full approval of the SIP submittals. The approval was challenged in the Third Circuit U.S. Court of Appeals and on September 3, 2021, the court granted EPA's request for remand without vacatur of the Agency's final full approval. After reconsideration, EPA proposed on May 17, 2024 to partially approve and partially disapprove the August 13, 2018 SIP submittals. EPA proposed disapproval of the SIP submittals related to CTGs and control of VOC emissions from industrial cleaning solvents. DEP submitted comments on June 13, 2024. On August 16, 2024 EPA finalized their partial approval/disapproval.

Air Quality Technical Advisory Committee

The next scheduled meeting is October 10, 2024.

Small Business Compliance Advisory Committee

The next scheduled meeting is October 23, 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 2024 Alternative Fuels Incentive Grant Program (AFIG) opened on Tuesday, May 7, 2024. \$5 million in grant funding is available to school districts, municipalities, nonprofit organizations, and businesses in Pennsylvania that want to transition to cleaner fuel transportation. The first application acceptance period ended on June 28, 2024. A total of 31 applications requesting \$4.4 million in funding were received. Recommendations for funding are being developed. AFIG is accepting applications on the Electronic Single Application (ESA) system for the second round of funding, which will close at 11:59 PM on December 20, 2024.

The Alternative Fuel Vehicle Rebate program is going strong as expected. Between July 1, 2023 and August 31, 2024, the program issued 859 rebates totaling \$1,931,500. 259 of the 859 rebates were claimed by qualifying low-income residents.

The program was renewed under new guidelines beginning September 6, 2024. Rebates are available to Pennsylvania residents whose annual household income is no more than 300 percent above the federal income poverty level. The base rebate amount for a full battery electric vehicle has been increased from \$2,000 to \$3,000. Residents whose annual household income is no more than 150 percent above the federal income poverty level are eligible to receive an additional \$1,000. The purchase price cap for an eligible vehicle has been lowered from \$50,000 to \$45,000. \$1.5 million has been programmatically dedicated to the program for the 2024-2025 Program Year.

Energy Security

State Energy Security Plan Updates/Supply and Price Monitoring.

EPO has received the signed governor's letter that is required for Certification of Pennsylvania State Energy Plan Pursuant to Section 40108 of the Bipartisan Infrastructure Law. A signed governor's letter is the next step required each year after all six elements were approved by US Department of Energy. All six elements required in the plan were addressed in 2023. The governor's letter was sent to the US Department of Energy and arrived a month early. Another governor's letter will be required in 2025 under Section 40108.

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. Various State Agencies, including PUC, PennDOT, Agriculture, Revenue, and State Police, attend the meeting as well as PA private Fuel Sector stakeholders such as the state propane and petroleum associations, retailers and refineries. The group discussion is to identify any issues that could be problematic. The next meeting is scheduled for October 11th, 2024.

Statewide Microgrid Study

EPO, via contracting with Smart Electric Power Alliance (SEPA), initiated a statewide study to identify opportunities for deploying microgrids to increase the overall resilience for Pennsylvania. This project has several steps: (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 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. *In September, SEPA delivered an initial draft to EPO for staff review and comments. The final Statewide Microgrid Study will be published in October 2024*.

Climate Change

PA Climate Network

The PA Climate Change Mitigation and Resiliency Network was established 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). 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). 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 PA Climate Network has created a calendar of events for the remainder of 2024 which has been distributed to all the Network Members. The most recent event was an in-person tour of the Steelton-Highspire school district on August 29th. The superintendent of Steelton-Highspire, Dr. Mick Iskric, led the presentations and tour of the facilities which included a solar array of over 3,900 panels, 6 electric school buses and a DC fast charger for each bus, and the onsite greenhouse which included an aquaponics facility using fish wastewater as fertilizer to grow produce. Dr. Iskric was joined by a representative of McClure construction (solar array), the business manager of the school district (electric school buses), and Harrisburg University Professors (aquaponics) to present and answer questions about each of the different installations. The second webinar and third event of the climate network, a webinar on Guaranteed Energy Savings Agreements by Wilson Engineering took place as well, on September 18th at 3pm.

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. 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.

One of the original 20 participants (Millvale) has withdrawn from the program due to lack of capacity to participate, however Cumberland County extended the program to 4 municipalities within the county: Hampden Township, North Newton Township, New Cumberland Borough, and Dickinson Township bringing the participant total to 23 for the 2024 program year. Many of the projects being developed through the Shared Energy Manager program are entering final phases as we approach the final quarter of 2024. Cumberland County, the City of Meadville, City of Easton, Chester County, and Camp Hill Borough are all proceeding with Requests for Proposal to install solar arrays on municipal land or facilities. Camp Hill will also be applying to the MORE program to complete their energy efficiency projects pairing them with a solar array. Sharpsburg is proceeding toward installation of a solar array paired with battery back-ups to serve as a microgrid for the purpose of resiliency. They are working with Protogen to complete a grant application to fund this project. Many participants have completed or are near completion of a feasibility analysis to convert their municipal vehicle fleet over to electric vehicles such as Centre Region Council of Governments, Lower Merion Township, O'Hara Township, the City of Easton (looking at installing public facing chargers), Abington Township, Doylestown, and Allentown. Forest Hills is working with Wilson to monetize their solar renewable energy credits, East Pikeland is developing information and education materials for the public around case studies of solar array projects, and Lewisburg has decided on level 2 audits at municipal buildings after the initial assessment of their wastewater treatment plant was completed. Wilson Engineering also performed a webinar presentation as part of the PA Climate Network calendar of events on Guaranteed Energy Savings Agreements on September 18th.

Climate Change Advisory Committee

The next CCAC meeting will be held Tuesday, October 22, 2024, in Room 105 of the Rachel Carson State Office Building, and via Microsoft Teams. The meeting will feature a presentation by DEP providing updates on public engagement and development of the Commonwealth's Comprehensive Climate Action Plan (or CAP+) that is a required deliverable under DEP's Climate Pollution Reduction Grant. A representative from

the Governor's Office of Critical Investments will also provide a presentation on the Inflation Reduction Actfunded Reducing Industrial Sector Emissions in Pennsylvania (RISE PA) grant program. Public meeting links and meeting materials are available on the <u>CCAC webpage</u>.

Greenhouse Gas Inventory:

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. *EPO has finalized the 2024 Pennsylvania Greenhouse Gas Inventory Report (2021 data year), and this report is now available online* (GHG Inventory (pa.gov)). Key findings of this annual inventory include:

- In 2021, net emissions increased by 8.3% from 2020 levels. This increase was expected as Pennsylvania recovered from the COVID-19 pandemic. Gross GHG emissions were 258.42 million metric tons of carbon dioxide equivalent (MMTCO2e) and net GHG emissions in 2021 were 234.78 MMTCO2e.
- Statewide net emissions decreased 19% from the 2005 baseline. However, due to the COVID-19 pandemic, emissions may not have returned to full economic activity and the 2022 inventory will provide a more accurate assessment of Pennsylvania's progress toward the 2025 GHG emissions reduction goal.
- The sectors with the largest contribution to the Commonwealth's GHG emissions are the industrial, electricity production, and transportation sectors accounting for 83% of all gross GHG emissions in 2021.
- In 2021, most sectors experienced an increase in emissions compared to 2020. All sectors, except agriculture, experienced between a 5-10% increase in emissions reported in 2020 which was expected as the economy and travel patterns rebounded from the COVID-19 pandemic. However, in comparison to the 2005 baseline levels, overall trends remained constant from prior inventories with decreasing emissions in most sectors but increasing emissions in the industrial and agriculture sectors.

Renewable Energy

Grid-Scale Solar Development Outreach and Technical Assistance for Local Government Officials: The Energy Programs Office (EPO) in partnership with the Pennsylvania State Association of Township Supervisors (PSATS) launched Phase IV of outreach and technical assistance support to local government officials regarding grid-scale solar development across the Commonwealth on July 1. Sessions were conducted in Lebanon County on September 25, in Perry County on September 26, and in Indiana County on September 30. Continuing work that was initiated in January 2023, sessions have 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. In addition to conducting these sessions, the PSATS team has provided follow-up one-on-one technical assistance to over 160 local government officials since the project started in January 2023. PSATS' outreach is being funded through DEP's State Energy Program funds from DOE.

Renewable Energy Siting through Technical Engagement and Planning (R-STEP): On September 10, the Energy Programs Office (EPO) was awarded \$1.96M by the U.S. Department of Energy Office of Energy Efficiency and Renewable Energy (EERE) for the Renewable Energy Siting through Technical Engagement and Planning (R-STEP) Program. Program kick-off meetings commenced with EERE in September and the program is currently in the design phase. R-STEP expands and enhances existing service offerings provided by EPO and PSATS through the Grid-Scale Solar Development Outreach and Technical Assistance for Local Government Officials program and includes considerations for additional renewable energy technologies such as wind and storage. The project also includes resources to engage and educate community members where projects are proposed. The program goal is to make local officials and community members aware of challenges and opportunities associated with renewable energy development and provide access to fact-based and well-researched resources to inform decision making. The project team includes EPO, the Pennsylvania State Association of Township Supervisors (PSATS), the Penn State Extension Energy Team, and the Penn State Center for Energy Law and Policy (CELP).

Energy Efficiency

Municipal Opportunities for Retrofits and Energy Efficiency (MORE) Program

Using funds from the Energy Efficiency and Conservation Block Grant (EECBG) as well as the Energy Efficiency Revolving Loan Fund, EPO launched the MORE Program. The MORE Program is a grant and loan program to help make energy efficiency affordable for local Pennsylvania governments who did not directly receive EECBG grants from the Department of Energy.

The purpose of the MORE Grant is a \$1.8 million first come, first served grant opportunity to reduce the financial barriers for local governments to secure affordable financing and accomplish larger energy efficiency upgrades. MORE Grant applicants can apply for up to \$50,000 to be used toward the cost of level 2 commercial energy audits, Energy Conservation Measure (ECM) project design & MORE Loan application development, and interest rate buydown on a MORE Loan. This grant opened June 3 and closes October 25, 2024, or until funds run out.

The MORE Loan will allow local governments to pay for energy efficiency upgrades, retrofits, and renewable energy installations (when paired with energy efficiency). MORE Loans require a level 2 commercial energy audit and energy efficiency project design which must address the ECMs from that audit. Loan terms can be as long as 15 years or the end of the project's useful life, whichever comes first. With interest rate buydown, borrowers could potentially have an interest rate as low as 0%.

Keystone Energy Efficiency Program (KEEP): The KEEP Home Energy Loan opened April 8, 2024. It's a \$10 million residential revolving loan fund for energy efficiency updates administered by the National Energy Improvement Fund (NEIF). Loans can range from \$2,500 - \$25,000, depending on credit score and must be performed by NEIF-approved contractors. Qualifying improvements must be Energy Star certified. To date, the program has lent approximately \$500,000 to borrowers for upgrades to heating, cooling, window improvement, and insulation.

Inflation Reduction Act (IRA)-Home Energy Rebates: EPO is developing two programs within the Inflation Reduction Act Home Energy Rebates, Home Efficiency Rebate Program (HER) 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 immediate, off-the-top discount when making qualifying electrification purchases. The HER 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. The RFP for the HEAR designer/implementer was issued in March and closed in May. A Purchase Order was issued to Resource Innovations (RI) for the HEAR

designer/implementer, effective August 6th. In addition, a Purchase Order was issued to Guidehouse on August 19th for assistance with the HER application and to conduct a market analysis. EPO staff held a kickoff call with RI on August 14th and a kickoff call with Guidehouse on August 23rd. EPO and RI, along with Guidehouse, began a time-intensive DOE cohort on August 20th to assist in the development of the HEAR and HER applications. EPO intends to submit the HEAR application to DOE by mid-October and the HER application by late October.

Industrial Energy Assessment Program (SEP-BIL funded): An RFP for an industrial energy assessment program contractor was issued by EPO in April and closed in May 2024. A Purchase Order was issued to the Cadmus Group LLC (Cadmus) on September 3, 2024. A kickoff call is scheduled with Cadmus on September 16, 2024. Cadmus will be developing an application process for manufacturing facilities, marketing the program statewide, conducting Level II ASHRAE energy audits of selected facilities, conducting follow-up surveys at facilities to gauge energy efficiency project implementation, and developing success stories for EPO. Cadmus' partners include EMC Insights, Energy Infrastructure Partners LLC, Lehigh University Industrial Assessment Center (IAC), the Pennsylvania State University's Mid-Atlantic/New Jersey On-Site Technical Assistance Partnership, and InClime. The goal of the program is to provide energy assessments for up to 200 small to mid-sized manufacturers, with a focus on facilities located in EJ areas or diverse-owned businesses.

Energy Miscellaneous

Clean Energy Opportunity Spotlight (CEOS) Series: EPO in partnership with the Policy Office launched a new bi-weekly webinar series in August 2024 that aims to connect participants with resources and information about an array of funding and technical assistance programs designed to help Pennsylvania's homes, businesses, and non-profits thrive in a diversified, affordable clean energy future. Through this series, participants have the opportunity to connect with program experts and former participants to ask questions and spur further conversations about how EPO programs can benefit them or their organization. The initial webinars covered an overview of EPO programs, the MORE Program, and the Keystone Energy Efficiency Program (KEEP) Home Energy Loan, and an outside presentation by the Appalachian Sustainable Finance Hub to connect project implementers with technical assistance and additional resources. Additional topics will be announced in coming weeks.

Comprehensive Energy Assessment: Meeting evolving energy needs of residents, businesses, and critical infrastructure while maintaining the commonwealth's positioning as a major player in the nation's energy sector requires a comprehensive and holistic understanding of how energy is produced, used, and distributed across Pennsylvania, what fuel sources are in play, and how these connections in the energy system influence energy choices, reliability, and costs. To understand Pennsylvania's current energy state and support meaningful planning for Pennsylvania's energy future, the Energy Programs Office (EPO) is seeking to hire a Contractor to produce a Comprehensive Energy Assessment (CEA) for the commonwealth that will cover Pennsylvania's energy infrastructure, resources, policy landscape, markets, affordability, and trends. Bidding for this contract closed on September 13th, and bids are currently being evaluated by procurement and program staff.

<u>Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA) Energy</u> Update

- o **Inflation Reduction Act (IRA)-Home Energy Rebates** See Energy Efficiency section above for more information on Home Energy Rebates.
- Solar for All: The Solar for All program is providing 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, 2023, and DEP/PEDA applied October 6, 2023. DEP/PEDA was among the 60 awardees announced on April 22, 2024, receiving \$156,120,000 to develop a low-income solar program across PA. PEDA's Solar for All application was submitted in coalition with the Philadelphia Green Capital Corporation (PGCC), the non-profit green bank affiliate of the Philadelphia Energy Authority. The program aims to take the experience and success of the Solarize Philly program and expand that across the state. The PA Solar for All program seeks to enable solar installations for 14,000 homeowners over a 5-year program period.

PEDA is working with PGCC and PFM consultants to plan the initial phase of the PA Solar for All program which will focus on single family homes in low income and disadvantaged communities. To enable installations in these areas, PEDA envisions launching a subsidized solar lease product across the state so homeowners can have access to an affordable monthly payment without upfront installation costs.

PEDA submitted a draft workplan and budget to EPA on August 30th to receive comments and feedback prior to submitting a final draft in mid-October. The final draft workplan will enter a formal EPA review process that is expected to conclude at the end of 2024.

Depending on several factors, some or all of the first year of the program may be used for planning purposes. After the EPA workplan process concludes at the end of the year PEDA will likely move to issue requests for proposals for financial partners and a program administrator.

- energy Efficiency and Conservation Block Grant Program (\$3.0 million) and Energy Efficiency Revolving Loan Fund (\$3.3 million) EPO has been working on blending these programs together to create a municipal financing program entitled the Municipal Opportunities for Retrofits and Energy Efficiency (MORE) Program. EPO was awarded both the EECBG and RLF programs in May 2024 resulting in the MORE Program. The MORE Program launched June 3, 2024, as a product of the Energy Accelerator Program (EAP). EPO has been doing outreach to local governments to make them aware of this exciting opportunity. See Energy Efficiency section above for more detail on the MORE Program.
- **Building Codes for Efficiency and Resilience** In 2023 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. 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. EPO's partner on the workforce project, the Clean Energy Center, has a parallel Weatherization Assistance Program project underway, so pilot school training began in June with instructors across both projects. A small contract was awarded to Earth Forward Group to hold the additional pilot school trainings will be held later in 2024 to reach the anticipated number of pilot schools. RFQs will be released for technical college work and career mapping for work to get underway in late 2024.
- The Pennsylvania Grid Resilience Grants (PA GRG) Program: In September, The Department of Environmental Protection was awarded \$7,889,926 from the U.S. Department of Environmental Protection to execute round two of PA GRG. EPO staff are currently drafting program documents for the second program year. Applications will be made available to interested eligible entities Fall 2024.

The Pennsylvania Department of Environmental Protection (DEP) awarded more than \$15 million in grants to electric distribution companies to improve electric grid reliability and resilience through the 2024 Pennsylvania Grid Resilience Grants (PA GRG) funding. Over 57,000 Pennsylvanians in 18 mainly rural counties will experience significant improvements in their electric grid resilience and reliability through the projects selected to receive the first-round of awards. The work will be accomplished by energy sector job types including electronic and general technicians, systems and electrical engineers, linemen, journeymen, apprentices, etc. This first round of projects will result in:

- 20 substations receiving upgraded equipment and 16 receiving added smart grid sensors/monitors to add weatherization, capacity, and flexibility. Communities will also receive elevated equipment, underground cables, automation technologies, and added physical protections that will prevent outages.
- Over 200 pieces of cutting-edge smart grid equipment will be installed, providing protection and control via enhanced system monitoring to detect power outages, locate and isolate them to speed system restoration. These grid enhancements will reduce outage time in some areas from hours to seconds.
- Over 8,000 power line poles will be inspected and almost 3,000 miles of vegetation will be cleared to lessen the impacts of storms fueled by climate change.

The PA GRG Program is funded under the Infrastructure Investment and Jobs Act (IIJA) Grid Resilience State/Tribal Formula Grant Program.

Output Climate Pollution Reduction Grants (CPRG) - Implementation

EPA announced the Phase II competitive Implementation Grants on September 21, 2023. Applications were due April 1, 2024. Only climate pollution reduction strategies included in the PCAP will be eligible for Implementation Grant funding. EPO submitted a CPRG Implementation Grant Application on March 25, 2024. Award notifications are anticipated July 2024. The application was 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.

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.

On Monday, July 23 EPA announced awards for \$4.3B in Implementation Grants under the Climate Pollution Reduction Grant (CPRG) Program. In an event hosted by Castle Builders Supply & Trucking in Pittsburgh, Governor Shapiro joined EPA Administrator Michael Regan and AFL-CIO President Darrin Kelly to announce the awards, including a \$396M award to the Commonwealth to fund a new program, Reducing Industrial Sector Emissions in Pennsylvania (RISE PA). RISE PA will provide funding for industries within the Commonwealth to reduce their carbon emissions, improve air quality, and support local jobs and the Pennsylvania economy. DEP's CPRG Implementation Grant application preparation and submittal was led by Louie Krak of the Governor's Office of Critical Investments and supported by DEP Energy Programs Office and Bureau of Air Quality staff. The Commonwealth and its local governments were made eligible to apply for CPRG Implementation grants by the successful completion and timely submittal of Pennsylvania's Priority Climate Action Plan. DEP is currently working to develop RISE PA program guidelines and application materials.

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: Environmental Education & Information Center (EEIC) at RA-epEEgrants@pa.gov.

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. 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 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 delay 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

The August 13th public meeting of EJAB was cancelled. *The next EJAB meeting is scheduled for November 12* at 9am at the Rachel Carson State Office Building.

OEJ Initiatives

OEJ assisted the Office of Administration, DEP, other agencies, and federal agencies on identifying vendors who provide language services for PA Dutch. OEJ also shared best practices of using Microsoft Teams functions on having multiple interpreters, including American Sign Language (ASL) for virtual presentations. DEP is in the midst of updating its Language Access Plan and the Policy shop has identified a temporary/interim language coordinator to coordinate.

Spearheaded by OEJ's Special Deputy Secretary Fernando Treviño, the Beaver County Environmental Mitigation Community Fund (BCEMCF) has been finalized. BCEMCF Advisory Board reviewed 93 applications (totaling \$20,362,948.03) and recommended 21 projects, totaling \$4,755,353.60 for funding.

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. OEJ assisted the 902 Recycling Grant Program made available for municipalities by adding instructions on how to use the PennEnviroScreen tool to identify EJ areas as potential applicants answer EJ related questions. *OEJ is supporting the EPO in outreach to priority communities for their MORE Grant Program*.

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

<u>Proposed Environmental Protection Performance Standards for Conventional Oil and Gas Operators Rulemaking</u>

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 continue to be advanced by the Department 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 *Department allocated* \$2.5 million to cover administrative costs associated with administering the Initial Grant *as authorized in the federal grant agreement*. 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 224 orphan and abandoned wells using \$22.5 million of the Initial Grant funding via two grant rounds. During the first round, DEP published five separate Invitations to Bid in the commonwealth's electronic bid solicitation tool called "Bid Express" (www.bidexpress.com). The second round included eight additional Invitation to Bid Packages.

As of September 1, 2024, the Department has plugged 77 of 81 orphan and abandoned wells in Round 1 and 129 of 143 orphan and abandoned wells in Round 2. The Department has plugged a total of 206 wells thus far using the IIJA Initial Grant funding and is expected to plug the remaining wells by the end of this calendar year.

IIJA Phase 1 Formula Grant

On July 10, 2023, the U.S. Department of Interior (DOI) 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.

The DEP Office of Oil and Gas Management was informed on August 19, 2024, that the U.S. Department of Interior approved Pennsylvania's Phase 1 Formula Grant and the Governor's Office announced the acceptance of the award via a Press Release on September 5, 2024.

The Orphan Well Plugging Grant Program has been developed in advance of receipt of the federal grant and will be launched following receipt of the Formula Grant award. DEP posted an online virtual training about the electronic application on the DEP Orphan Well webpage on May 6. The DEP hosted classroom-based trainings on August 26 and August 27 at Slippery Rock University and the University of Pittsburgh, Titusville, respectively. Another virtual training was held on August 30.

IIJA Phase 2 Formula Grant Guidance

The Interstate Oil and Gas Compact Commission in conjunction with the U.S. Department of Interior (Interior) held a roundtable on July 30, 2024, to discuss edits to the IIJA Formula Grant Phase 2 Guidance, as that document compares to the Formula Grant Phase 1 Guidance. On August 14, 2024, Interior released final grant guidance. This guidance allows states to request up to 50% of their remaining available Formula Grant funding,

approximately \$114 million in Pennsylvania's case. The Office of Oil and Gas Management *has started* the process of preparing the grant application, which is due by December 13, 2024.

<u>Methane Emissions Reduction Program 1 (MERP1):</u>

On May 14, the U.S. Department of Energy (DOE) informed DEP that it is prepared to award a \$44,457,220 MERP grant to the Department. This project will reduce methane emissions from marginal conventional wells (MCWs) by assisting well owners to voluntarily and permanently plug these wells and measure methane emissions from MCWs both pre- and post-plugging operations. The period of performance is December 1, 2023 through September 30, 2028.

As of June 20, the Office of Attorney General and the Office of General Counsel completed a review of the grant award and a couple of implementation issues are being worked out prior to formal acceptance of the award. DOE reviewed and approved both the Marginal Conventional Well Prioritization and the Methane Measurement Plan submitted by Oil and Gas staff.

The DEP Grants Center is finalizing the eGrant application. The guidelines and methane measurement plan are in the approval process. There are numerous website updates for the MERP grant that have been added to the website. Updates include accordion style dropdown menus similar to the Orphan grant website that includes information on applicants, the two types of MERP grants, eligibility, application instructions and preparation, FAQs, prioritization process, grant documents, legislation, resources, and Justice 40. There are also accordion menus on the website holding spots for the application and reports. Operators have been notified via e-mail of the website updates and the following training sessions that were offered by DEP during the month of September:

<u>Public Information/Training Sessions for the MERP grant:</u>

Friday, September 20, 10:00 am - 1:00pm Moshannon State Forest District Office 3372 State Park Rd, Penfield, PA 15849

Monday, September 23, 10:00 am-1:00 pm Virtual Webinar

<u>Inflation Reduction Act (IRA) - Methane Emissions Reduction Program 2 (MERP2)</u>

On June 21, 2024, the U.S. Environmental Protection Agency and the U.S. Department of Energy announced that applications are open for \$850 million in federal funding for the purpose of mitigating methane emissions from marginal conventional wells (MCWs) and other oil and natural gas assets; accelerating the commercialization, scale-up and application of innovative methane emissions reduction technologies; and advancing the characterization and reduction of methane emissions through multi-scale, measurement-informed data collection and analysis. The Funding Opportunity Announcement (FOA) outlined the following three areas of interests: 1. Methane emissions reduction from existing wells and infrastructure, 2. Accelerating deployment of methane emissions reduction solutions, 3. Accelerating deployment of methane emissions monitoring solutions

This funding opportunity is a competitive grant opportunity open to: state and local governmental entities; institutions of higher education; for-profit entities; nonprofit entities; and Indian Tribes, as defined in section 4 of the Indian Self-Determination and Education Assistance Act, 25 U.S.C. § 530457. The Office of Oil and Gas Management has been in discussions with other states and the Pennsylvania State University (PSU) about possible approaches and partnerships related to the MERP2 application. *The PSU submitted an application by the August 26*, 2024 deadline.

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 *the Oil and Gas Technical Advisory Board* (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. *The final draft document was discussed with TAB at the September 5, 2024 meeting.*

Infrastructure Investment and Jobs Act (IIJA), UIC Class VI Well Grant Program: Section 40306 of Infrastructure Investment and Jobs Act (IIJA) appropriated \$50 million to assist states, territories, and tribes in developing or revising their UIC programs for primacy over the next five years. Class VI wells are used for carbon capture and underground storage and enable the capture of carbon dioxide. Pennsylvania submitted a Letter of Intent to participate in the grant program on March 15, 2023. The Grant Implementation Document issued in November 2023 by the EPA indicated that Pennsylvania's share is \$1,930,000. However, the amount may increase to \$2,097,826 based on states opting out. The technical and regulatory services section of the Bureau of Oil and Gas Planning and Program Management (BOGPPM) prepared a work plan and budget to apply for the UIC Class VI Wells Grant Program. This work plan lays out activities to be undertaken in support of primacy over the next five years. The application, which is due September 30, was submitted to the EPA on September 9, 2024.

October 2024	
27-30	Interstate Oil and Gas Compact Commission – Annual Meeting (Colorado Springs, CO)

Radiation Protection

Radiation Protection Advisory Committee

The next Radiation Protection Advisory Committee (RPAC) meeting will be held on October 16, 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 9:00 a.m. RPAC will discuss the Bureau's program review, the addition of fusion reactors, and the review of regulations for both cone-beam computed tomography and radioactive materials.

Waste Management

Safe Lithium Battery Education Grant Developments

The Bureau of Waste Management (BWM) awards grants authorized under Act 101, Section 901 for household hazardous waste (HHW) educational programs and their administration. In response to the emerging fire risk posed by improperly managed end-of-life consumer lithium batteries, BWM is developing a special scope within the Section 901 grant program to target this focus material. The grant will cover county educational costs for battery safe handling, collection and awareness campaigns aimed at increasing the proper collection of lithium

battery waste and decreasing the occurrence of lithium battery related fires in Pennsylvania's critical waste and recycling infrastructure.

In March 2024, BWM awarded Lancaster County \$75,000 to conduct a safe battery education campaign as an initial funding project. BWM has surveyed all remaining county applicants for program and funding interest. BWM is developing the final scope of this lithium battery education grant and determining overall funding availability. BWM will publish a notice in the Pennsylvania Bulletin when this safe lithium battery educational grant is available. The target date for the grant solicitation is early 2025.

Solid Waste Advisory Committee (SWAC)

The next regular SWAC meeting will be held on October 9th; this meeting will be held jointly with the annual Recycling Fund Advisory Committee (RFAC) meeting. The agenda and meeting materials will be 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 will be 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 $0.00004~\mu g/L$ 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 $0.05~\mu g/L$ 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. 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. The final rulemaking was presented to the Agricultural Advisory Board on April 17, 2024. A presentation is tentatively planned to the Water Resources Advisory Committee in the coming months. A final rulemaking is anticipated for late 2024.

Class A Stream Redesignations

Section 303(c)(1) of the Federal Clean Water Act (33 U.S.C.A. § 1313(c)) requires states to periodically review and revise, as necessary, water quality standards. The water quality standards evaluated in this rulemaking are the designated uses of surface waters. The regulatory changes in this proposed rulemaking are the result of stream evaluations conducted by the Department and they recommend redesignation for 96 streams. Stream evaluations were conducted in response to a submittal of data from the Pennsylvania Fish and Boat Commission (PFBC) under § 93.4c (relating to implementation of antidegradation requirements). In this proposed rulemaking, the stream redesignations rely on § 93.4b(a)(2)(ii) to qualify streams for High Quality Waters (HQ) designation based upon their classifications as Class A wild trout streams. A surface water that has been classified a Class A wild trout stream by the PFBC, based on species-specific biomass standards in 58 Pa. Code § 57.8a (relating to Class A wild trout streams), and following public notice and comment, qualifies for Department evaluation of the stream for HQ designation. The PFBC published notice and requested comments on the Class A classification of the streams listed in this proposed rulemaking. The PFBC Commissioners approved these waters after public notice and comment. The proposed rulemaking was adopted by the EQB on September 10, 2024, and will be published in an upcoming issue of the Pennsylvania Bulletin, opening a 45-day public comment period.

<u>Notification Requirements for Unauthorized Discharges to Waters of the Commonwealth</u>

This proposed rulemaking will provide additional clarity as to which unauthorized discharges require immediate Department notification while also enabling the Department to meet its statutory duty to protect the

waters of the Commonwealth from pollution. To accomplish this, the proposed amendments incorporate 40 CFR 117.3 as a list of reportable quantities of specific substances designated as hazardous. Unauthorized discharges that are equal to or exceed the reportable quantities in 40 CFR 117.3 must be immediately reported to the Department under the proposed rulemaking. If the unauthorized discharge is less than the reportable quantities or involves substances not included on the list, the proposed rulemaking establishes factors that must be evaluated and documented in order to determine that an unauthorized discharge does not require immediate Department notification. However, the proposed amendments provide that a responsible person may simply report an unauthorized discharge and avoid the requirement to evaluate and document those factors. This rulemaking does not expand the set of unauthorized discharge incidents that require immediate Department notification.

The Department presented the draft proposed rulemaking to the Water Resources Advisory Committee (WRAC) on September 21, 2023. WRAC members expressed concerns about the rulemaking. Following the initial presentation to WRAC, the Department made several revisions to the draft proposed rulemaking to address the members' concerns.

The Department presented the revised draft proposed rulemaking to the Agricultural Advisory Board (AAB) on October 19, 2023. AAB members expressed general support for the draft proposed rulemaking. The Department also presented the draft proposed rulemaking to the Public Water System Technical Assistance Center (PWS TAC) Board on October 26, 2023. The PWS TAC Board voted unanimously to support the draft proposed rulemaking moving forward.

The Department presented the revised draft proposed rulemaking to WRAC on May 16, 2024. WRAC voted unanimously to support the revised draft proposed rulemaking moving forward.

The proposed rulemaking is tentatively planned to be presented to the EQB later this year.

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 the 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. 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).

EPA is strongly encouraging SRF applicants to submit both the FFY 2024 CWSRF and DWSRF capitalization grant applications as well as all five (5) BIL grant applications administered through the SRF program as soon as possible with a goal of May 1st and a deadline of June 1st. Applications received after June 1st cannot be guaranteed to be awarded before 9/30/2024. EPA will make awards based on draft IUPs if needed. This 60-day to 30-day reduction in SRF grant application preparation time is primarily due to EPA's additional workload of processing Inflation Reduction Act grants this year. DEP plans to meet the new EPA deadline of June 1st.

DEP has met EPA's June 1, 2024 deadline for submitting the four (4) FFY 2024 DWSRF Base and BIL grant applications totaling approximately \$276.6M in federal funds and the three (3) FFY 2024 CWSRF and BIL grant applications totaling approximately \$130.9M in federal funds. Similarly, BCW has submitted the FFY 2022 and FFY 2023 Sewer Overflow and Stormwater Reuse (OSG) grant application totaling approximately \$3.9M in federal funds.

For FFY 2024 PENNVEST has been awarded four DWSRF grants: Base, BIL – General Supplemental, BIL – Lead Service Line Replacement and BIL – Emerging Contaminants totaling \$294,925,800 including required state match. Similarly, for FFY 2024 PENNVEST has been awarded three CWSRF grants: Base, BIL – General Supplemental and BIL – Emerging Contaminants totaling \$155,403,000 including required state match.

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.

EPA approved DEP's CB IIJA workplan and budget on June 11, 2024. DEP received FY2024 allocation of \$2,832,693 on June 24, 2024.

PAG-13 General Permit

On Saturday, May 18, 2024, DEP published notice in the Pennsylvania Bulletin [54 Pa.B. 2693] of an 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 until PAG-13 is reissued. DEP had previously extended PAG-13 for a 2-year period and solicited interest in participants for a workgroup. A series of 8 meetings was held by the workgroup 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.

PAG-02 General Permit

On March 9, DEP published notice in the Pennsylvania Bulletin of the availability of a draft PAG-02 National Pollutant Discharge Elimination System (NPDES) General Permit for Stormwater Discharges Associated with Construction Activities. The public comment period for the draft PAG-02 ended on April 8 and DEP received 189 comments from 20 individuals and organizations. DEP published the final PAG-02 General Permit on August 31, 2024 (54 Pa.B. 5536) and the general permit will become effective on December 8, 2024. Existing permittees must submit a Notice of Intent (NOI) to remain covered under the reissued general permit by December 7, 2024.

Chapter 102 Pilot Program

DEP has announced the availability of a Pilot program for Individual NPDES Permits for Stormwater Discharges Associated with Construction Activities. The purpose of the Pilot program is to evaluate the effect that certain modifications to existing procedures has on the quality of applications received and the amount of time necessary to review applications and take final actions. Ten delegated county conservation districts are

participating in the Pilot program. Not every type of project is eligible to participate; eligibility guidelines are posted to DEP's construction stormwater website (www.dep.pa.gov/constructionstormwater). The Pilot is expected to run a minimum of three calendar quarters. If the Pilot is considered successful DEP may make some or all of the modified procedures part of its standard operating procedures for all applications.

Chapter 105 Pilot Program

DEP announced the availability of a Chapter 105 Pilot Program for Individual Joint Permit Applications to improve the quality of applications and make decisions faster, starting September 1, 2024. To participate, applicants will be required to attend two preapplication meetings with the second meeting serving as a presubmission conference. Priority will be given to Publicly Funded Energy Projects and Environmental Restoration Projects. This program is available statewide at all six DEP regional offices and the Regional Permit Coordination Office. Since the pilot is for Joint Permit Applications, conservation districts will not play a direct role. Information on the Chapter 105 Pilot can be found on BWEW's webpage under the Stream and Wetland Regulatory Program.

Chesapeake Bay Milestone and Progress Evaluation and Pennsylvania's 2023 Annual Report

On August 14, 2024 EPA published their final evaluation of Pennsylvania's 2024-2025 Milestone Commitments and 2023 Programmatic Progress. In the press release, EPA highlighted the incremental progress that states were making toward achieving the Chesapeake Bay Total Maximum Daily Load (TMDL) Planning Targets, but that more work is needed. Additionally, EPA highlighted Pennsylvania and Virginia for increasing the reductions achieved from the agriculture sector in 2023. The press release can be found at https://www.epa.gov/newsreleases/epa-releases-2-year-milestone-evaluations-chesapeake-bay-cleanup-effort-cites-0. EPA's evaluation of Pennsylvania's Milestones can be found at https://www.epa.gov/system/files/documents/2024-05/2024_pennsylvania_2022_2023_2024_2025_evaluation_draft_ms.pdf.

On July 30, 2024, DEP published the 2023 Healthy Waters Healthy Communities Annual Report, which highlights the partners, projects, and progress toward achieving Pennsylvania's Phase 3 Watershed Implementation Plan (WIP) and counties' Countywide Action Plan (CAP) goals. The Annual Report can be found at

https://files.dep.state.pa.us/Water/ChesapeakeBayOffice/WIPIII/2024/Healthy%20Waters%20Annual%20Report%20signed%20FINAL%207-25-2024.pdf.

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. The draft FFY 2024 workplans and budgets were submitted by DEP to EPA by the November 30, 2023, deadline for EPA review. On April 24, 2024, EPA notified DEP of our final FFY 2024 allocation, which is less than anticipated. EPA Section 319 Project Officers noted that this is due to the national allocation for FFY 2024, not having to do with PA DEP's administration of the funds. DEP is working on making the necessary revisions to the FFY 2024 workplans and budgets to account for the deduction of almost \$300,000 from our draft workplans and budgets. The 2024 319 grant package was received by EPA on June 29, 2024. DEP received additional comments following EPA's review and the NPS Watershed Support section is in the process of making need changes to the

subgrant work plans to meet their request on contracting guidelines. The updates were sent to EPA before noon on Friday September 13, and with those changes the final grant award will be submitted for processing with no conditions attached. Once final agreement is signed by EPA, notice will be sent to DEP and DEP will be able to make the official announcement.

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 webpage. 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. DEP intends to publish the Nonpoint Source Management Plan and Annual Report in early Summer. The NPS Watershed Support Section has been working on finalizing the responses and requested changes to the draft 319 2024 NPS 5 Year Plan. The time frame for the completion has been extended to the end of the calendar year, but DEP's intended timeline for resolution is the end of October 2024.

EPA approved DEP's 2023 NPS Annual Report on June 12, 2024, which will be published on the DEP Nonpoint Source webpage. EPA will notify DEP of their approval of the 2024-2029 NPS Management Plan by the *end of the calendar year*.

The FFY2025 EPA Section 319 NPS Management Grants round opened on April 22, 2024 (Earth Day), with applications due by June 21, 2024. The grant guidance, recorded tutorial, and associated material can be found at Nonpoint Source (pa.gov).

New this year:

- Section 319 WIP Revisions or updates to existing WIPs that are at least 8 years or older are encouraged to apply. New Section 319 WIP development applications are no longer an eligible project category.
- Preference will be given to Section 319 WIP implementation projects in Pennsylvania's <u>Environmental Justice Areas</u>.

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 awards were announced on January 5, 2024. The full list of 2023 Growing Greener projects can be found here.

The 2024 Growing Greener Plus Grants round opened on April 22, 2024 (Earth Day), with applications due by June 21, 2024. The grant guidance, recorded tutorial, and associated materials can be found at Growing

Greener (pa.gov).

The Department received 154 Growing Greener grant requests totaling \$43,905,736.00 and one Surface Mining Control and Reclamation Act (SMCRA) request for \$159,573.00. Out of the 154 GG requests, 3 were deemed ineligible and 151 will be scored and ranked. The statewide internal ranking meeting occurred on September 16. Following that meeting, DEP will prepare the recommendation package to submit for approval with the intent of announcing successful grantees by the end of the calendar year.

New this year:

- The Growing Greener Watershed Renaissance Initiative (GGWRI) is expanded statewide.
- Within the Chesapeake Bay watershed, agricultural construction projects will be considered, however <u>Chesapeake Bay Phase 3 Watershed Implementation Plan Countywide Action Plan</u> and statewide <u>Agricultural Conservation Assistance Program</u> funding should be the priority funding source for agricultural construction projects.
- Preference will be given to implementation projects in Pennsylvania's **Environmental Justice Areas**.

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 Map</u> was created as a planning tool for professionals and as a research tool for academics.

The first round of meetings for 2024 was successfully completed in April with all seven committees having met. The content of these meetings consisted of an update from DEP on matters such as recruiting and outreach. There was also discussion surrounding the formation of a workgroup to draft a framework for Integrated Water Resources Management. This workgroup has now met *three times* and discussed the changes that will be made to their section of the report, a plan for carrying out work, and the different roles at play within the field of Integrated Water Resources Management. 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. *Several potential new members have submitted their documents for review to the Department.* The Citizen's Advisory Council can assist with recruitment efforts 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 October 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 meeting of the Public Water System Technical Assistance Center (PWS TAC) Board was held on *Wednesday, August 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> webpage two weeks prior to the meeting date.

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.

The next PWS TAC Board meeting will be held on *Thursday, November 14, 2024*, in Room 105 at the Rachel Carson State Office Building.

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.

October	
	Mine Femilies First Degrange & Communications Advisors Council 10
2	Mine Families First Response & Communications Advisory Council, 10am
2	State Board for Certification of Water and Wastewater Systems Operators, 10am
3	Aggregate Advisory Board Regulation, Legislative and Technical Committee, 10am
8	Citizens Advisory Council, 12:30pm
8	Environmental Quality Board, 9am
8	State Water Plan Delaware Regional Water Resources Committee, 9am
9	Recycling Fund Advisory Committee, 10am
9	Solid Waste Advisory Committee, 10am
9	State Water Plan Lower Susquehanna Regional Water Resources Committee, 9am
9	Technical Advisory Committee on Diesel-Powered Equipment, 10am
10	Air Quality Technical Advisory Committee, 9:15am
10	State Water Plan Potomac Regional Water Resources Committee, 1pm
15	Laboratory Accreditation Advisory Committee, 9am
16	Agricultural Advisory Board, 10am
16	Radiation Protection Advisory Committee, 10am
18	Mine Families First Response and Communications Advisory Council
22	Climate Change Advisory Committee, 9am
22	State Water Plan Ohio Regional Water Resources Committee, 1pm
23	Mining and Reclamation Advisory Board, 10am
23	Small Business Compliance Advisory Committee, 10am
23	State Water Plan Great Lakes Regional Water Resources Committee, 9am
24	State Water Plan Upper/Middle Susquehanna Regional Water Resources Committee, 9am
29	State Water Plan Statewide Water Resources Committee, 9am
30	Cleanup Standards Scientific Advisory Board, 9:30am
November	
6	Aggregate Advisory Board, 10am
6	State Board for Certification of Sewage Enforcement Officers, 10am

7	Pennsylvania Energy Development Authority Board, 10am
12	Citizens Advisory Council, 12:30pm
12	Environmental Justice Advisory Board, 9am
12	Environmental Quality Board, 9am
14	Public Water System Technical Assistance Center Board, 9am
21	Water Resources Advisory Committee, 9:30am

This report was prepared by Casey Damicantonio, DEP Policy Office, Administrative Assistant. For questions or requests, please email cdamicanto@pa.gov.