

February 2025 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 Corrections to Additional RACT Requirements for Major Sources of NOx and VOCs (#7-584): The draft proposed regulation was presented to the Air Quality Technical Advisory Committee (AQTAC) on April 4, 2024, and Citizens Advisory Council (CAC) on May 14, 2024. The Environmental Quality Board (EQB) adopted the proposed regulation on November 12, 2024. The proposed regulation was published in the Pennsylvania Bulletin on January 25, 2025, for a 62-day public comment period that will close on March 28, 2025. Public hearings are scheduled for February 25 and 26.
- Proposed Rulemaking Notification Requirements for Unauthorized Discharges to Waters of the Commonwealth (#7-587): The draft proposed regulation was presented to the Water Resources Advisory Committee (WRAC) on September 21, 2023, the Agricultural Advisory Board on October 19, 2023, Public Water System Technical Assistance Center Board on October 26, 2023, and WRAC again on May 16, 2024. The EQB adopted the proposed regulation on November 12, 2024.
- Proposed Rulemaking Water Quality Standards; Class A Stream Redesignations (#7-583): The 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 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. IRRC's comments were received on October 11, 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 regulation 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 regulation was presented to WRAC on May 16, 2024 and discussed with the AAB on June 18, 2024.

• Final-Omitted Rulemaking - Blast Site Clarification for Noncoal Mining Operations (#7-586): The draft final-omitted regulation was discussed with the Aggregate Advisory Board on August 28, 2024. The EQB adopted the final-omitted regulation on November 12, 2024.

Public Comment Periods

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

Proposals Open for Public Comment

- Proposed Rulemaking: Corrections to Additional RACT Requirements for Major Sources of NOx and VOCs for the 2015 Ozone NAAQS (Opened 1/25, closes 3/28)
- Draft Technical Guidance, New: Guidelines for Submittal of Benching Plans (Opened 1/25, closes 2/24)
- Draft National Pollutant Discharge Elimination System (NPDES) General Permit for Discharges from Small Municipal Storm Sewer Systems (PAG-13) (Opened 1/18, Closes 3/19)
- Draft New and Revised Water Quality Assessment Listing Methodology (Opened 1/18, Closes 3/19)
- Guidance for Maintaining Freeboard and Dewatering of Well Development Impoundments for Unconventional Oil and Gas Operations (Opened 1/4, Closes 2/3)
- Stream Redesignation Evaluations Class A Wild Trout Streams (Opened 1/4, Closes 2/3)
- Designation Recommendations for the 2024 Primary Annual Fine Particulate Matter (PM2.5) National Ambient Air Quality Standards (opened 12/21/2024, closes 1/28/2025)
- Draft Technical Guidance, Substantive Revision: Manual for Land Treatment of Wastewater: A Guide to Site Selection, System Design and Permitting Requirements (385-2188-006) (opened 12/7/2024, closes 2/5/2025)
- Draft Technical Guidance, Substantive Revision: Public Water Supply Manual Part II: Community Water System Design Standards (394-2125-004) (opened 11/30/2024, closes 3/3/2025)

Recently Closed Comment Periods

- Federal Consistency under the Coastal Zone Management Act; Garrison Run North Stream Restoration (Opened 1/11, Closed 1/27)
- Environmental Assessment Approvals for PENNVEST Funding Consideration (January 2025) (opened 12/14/2024, closed 1/20/2025)
- Federal Consistency under the Coastal Zone Management Act; Erie-Western Pennsylvania Port Authority McAllister South Dockwall Replacement (opened 12/14/2024, closed 1/6/2025)
- Federal Consistency under the Coastal Zone Management Act; FDR Park—Nature Phase Environmental Restoration (opened 11/30/2024, closed 12/16/2024)
- Proposed General Plan Approval and/or General Operating Permit for Gaseous Fuel-Fired Spark Ignition Internal Combustion Engines (BAQ-GPA/GP-16) (opened 10/12/2024, closed 11/25/2024)
- 2024 Fiscal Year Report for the Reclamation Fee O&M Trust Account (opened 10/5/2024, closed 11/4/2024)
- Proposed SIP Revision: Second Maintenance Plan for the Harrisburg/York Nonattainment Area for the 2006 PM2.5 National Ambient Air Quality Standard (opened 9/28/2024, closed 11/1/2024)

Communications Monthly Press Releases

To see the latest DEP press releases, visit DEP's <u>news releases webpage</u>.

Press Releases Issued

January 6 – DEP Conducted over 107,000 Inspections and Responded to Hundreds of Emergencies in 2024 to Protect Pennsylvania's Environment and Public Safety

January 7 – DEP to Hold Virtual Public Hearing on Somerset County HSCA Response

January 8 – DEP Issues Permit for Minard Mine in Bradford County

January 9 – Getting Cost Savings Done: Shapiro Administration Helps Local Governments Save \$2.8 Million in Energy Costs in 2024

January 9 – DEP Encourages Pennsylvanians to test their homes for Radon during National Radon Action Month

January 16 – Shapiro Administration Launches New Permit Tracker; Businesses Applying for DEP Permits Can Now See Progress in Real-Time

Active and Abandoned Mine Operations

Act 54 Effects of Underground Mining 6th Report

The reporting covering 2018-2022 for the 6th "Act 54" report was completed. *The report is undergoing review and will be released following this review process.*

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

The Bureau of Mining Programs, in conjunction with District Mining operations, have 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 EQB adopted the final-omitted regulation on November 12, 2024.

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

The Bureau of Abandoned Mine Reclamation (BAMR) has recently updated their website to illustrate that the AML/AMD Grant Program Application Rounds during 2025 are:

- Round 1 March 3,2025 through 11:59pm on April 25,2025
- Round 2 September 2, 2025 through 11:59pm on October 24,2025

An Initial Project Consultation meeting has now been made an application requirement to be scheduled at least one month prior to the opening of an application round.

Additional information of the 2025 AML/AMD Grant program is available on the PA-DEP website at AML/AMD Grant Program | Department of Environmental Protection | Commonwealth of Pennsylvania.

Applications made during the last round of the 2024 AML/AMD Grant Program are currently under review.

Air Quality

Regulatory State Implementation Plan (SIP) Revisions

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 the Air Quality Technical Advisory Committee (AQTAC) and the CAC on April 4 and May 14, 2024, respectively. The EQB unanimously adopted the proposed regulation on November 12, 2024. The proposed rulemaking was published for public comment on January 25, 2025. Three public hearings will be held and all comments must be received by the EQB by March 28, 2025.

Air Quality regional staff reviewed 62 of 63 RACT II equals RACT III determinations and 19 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 submitted 57 RACT II equals RACT III determinations to EPA on October 30, 2024.

State Plans and Delegation of Federal Plans

The Department is proposing to amend 25 Pa. Code Chapter 122 (relating to National Standards of Performance for new stationary sources) to provide the express legal authority for the Department to request delegation of authority from the EPA to implement and enforce the requirements of an applicable Federal Plan established by the EPA in 40 CFR Part 62. The Department presented drafted revised language 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 second quarter of 2025.

Non-Regulatory SIP Revisions

2010 Sulfur Dioxide (SO₂) National Ambient Air Quality Standards (NAAQS) Redesignation
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 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). EPA published a 45-day public comment period on February 12, 2024. On December 17, 2024, EPA published reclassification of the area from "attainment" to "nonattainment" effective January 17, 2025. Within 18 months of the effective date, DEP is required to submit a state implementation plan (SIP) to EPA 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 be due to EPA by January 1, 2026, with a new attainment date of August 3, 2027.

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.

Harrisburg/York PM 2.5 Air Quality Maintenance Plan

On September 28, 2024, DEP opened the public comment period for the Harrisburg/York Air Quality Maintenance Plan for the 2006 PM2.5 NAAQS. The Department provided the opportunity for a public hearing on October 30, 2024, at Rachel Carson State Office Building. The public comment period ended on November 1, 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 identified seven Pennsylvania counties in non-attainment based on 2020-2022 air quality monitoring data. On December 21, 2024, DEP published four proposed non-attainment areas: Allegheny County; Cumberland, Dauphin and York Counties; Lancaster County; and Delaware, Montgomery and Philadelphia Counties. Public hearings were held on January 21 and 23 and *the public comment period was extended to January 28, 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 Control Technique Guidelines (CTGs) and control of VOC emissions from industrial cleaning solvents. DEP submitted comments on June 13, 2024. On August 16, 2024, EPA published its partial approval/disapproval with an effective date of September 16, 2024, starting an 18-month sanctions clock. DEP is working with EPA to address the deficiencies.

O&G Methane State Plan (OOOC)

BAQ presented the Department's proposal to incorporate the federal Emissions Guidelines for Greenhouse Gas (GHG) Emissions from Existing Crude Oil & Natural Gas Facilities (40 CFR Part 60 Subpart OOOOc) into a State Plan to AQTAC, SBCAC, MSC, CAC/EJAB and CDAC on October 10, October 23, October 29, November 12 and December 12, respectively. DEP must submit its State Plan to EPA no later than March 8, 2026.

<u>Air Quality Technical Advisory Committee</u>

The next scheduled meeting is May 8, 2025.

Small Business Compliance Advisory Committee

The next scheduled meeting is May 22, 2025.

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 Alternative Fuel Vehicle Rebate program was renewed under new guidelines beginning September 6, 2024. The program continues to go strong with 171 rebates totaling \$564,000 issued between September 6 and January 21, 2025. 79 of the 171 rebates were claimed by qualifying low-income residents. Rebates went to 87 one-time pre-owned vehicles.

Energy Security

State Energy Security Plan Updates/Supply and Price Monitoring.

Another governor's letter will be required in 2025 under Section 40108. EPO is currently reviewing the State's Energy Security Plan for updates and edits to improve the plan for the 2025 version. The next version of the plan will be submitted by September 30th, 2025.

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 *February 14th*, 2025.

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 is proceeding with seeking Statement of Interest letters from University partners of the Commonwealth of PA. The Commonwealth agency partners which developed the climate network will be reaching out to those higher education institutions which have existing Master Agreements with the state of Pennsylvania to gauge interest in taking over its management. The PA agencies will continue to partner with the College or University selected to further develop and maintain the network, its members, and the information and education provided to the residents of the Commonwealth going forward. It is anticipated that a University partner will be selected by March 2025.

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 (WES), 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.

The 2024 Shared Energy Manager program year has concluded as of December 31st. The Engineers at WES have achieved several benchmarks in energy and cost savings for the participating local governments. As of the end of November 2024 over \$2.8 in annual energy savings was identified for the full cohort, inclusive of over 14.5 million kWh in annual electric and 222K therms in natural gas savings. These savings will result in over ten thousand metric tons of annual greenhouse gas emissions reductions. The shared energy manager also identified \$23,868,080 in grants, tax deductions or rebates, loan programs, and other incentives to support participant projects. Lastly the shared energy manager helped participants win and receive over \$2.5 million in grants and incentives. The application for the 2025 cohort year has been extended to January 31st. There are already 23 applicants for the next program year including two school districts.

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) completed Phase IV of outreach and technical assistance support to local government officials regarding grid-scale solar development across the Commonwealth in December. Sessions in this phase were conducted in Bedford, Fayette, Lebanon, Luzerne, Indiana, and Perry Counties. 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. *EPO executed a contract with EERE in January*, and the program is currently in the design phase with an expected launch in early 2025. 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 MORE Grant was created as 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 was open from June 3 – December 6. 42 eligible applications were received totaling \$1,977,525. Some adjustments were made to our EECBG award to allow us to award all eligible applicants for the MORE Grant. These grantees will have executed grant agreements before the Department of Energy deadline of January 26, 2025.

The MORE Loan allows 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%. *This program just opened December 27*, 2025.

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 funded approximately \$956,086 to borrowers on 90 projects for upgrades to heating, cooling, window improvement, and insulation. NEIF and EPO are seeking new ways to garner use of this program among Pennsylvania residents and discussing new marketing campaigns.

Inflation Reduction Act (IRA)-Home Energy Rebates: EPO is developing two programs within the Inflation Reduction Act Home Energy Rebates, Section 50121 Home Efficiency Rebate Program (HER) and Section 50122 Home Electrification Rebates Program (HEAR). The HEAR Program will provide point-of-sale consumer discounts to enable households across America to electrify their homes. These point-of-sale rebates are immediate, off-the-top discount when making qualifying electrification purchases. HER will encourage performance-based residential energy efficiency retrofits for affordable multi-family housing. These programs offer rebates to households earning 150% AMI or less (with higher rebates for households earning less than 80% AMI) -- this will ensure that Pennsylvanians with the highest energy burdens can afford decarbonization upgrades.

The EPO selected Resource Innovations (RI) for their HEAR designer and implementer in August. EPO selected Guidehouse Inc. to provide assistance with the HER application and to conduct a market analysis in August. In late summer, EPO, RI, and Guidehouse Inc., began a DOE cohort to assist in the development of the HEAR and HER applications. The EPO submitted these applications to the Department of Energy (DOE) in

mid-October. Throughout October, 5 public engagement sessions were held in Shamokin, Pottstown, Pittsburgh, Philadelphia, and online. These engagement sessions helped the EPO design program applications (which were submitted to DOE for both programs in October) and the Blueprint Implementation Plan for HEAR, which was submitted to DOE in mid-November. EPO continues to develop an RFP to select the HER program implementer. The goal is to launch HEAR in Q1 of 2025 and HER in Q3 of 2025. In January 2025, the EPO launched a rebranding of these programs as the Penn Energy Savers Program and launched www.pennenergysavers.com to provide Pennsylvania residents with information about the program (Frequently Asked Questions, Income Eligibility by household size and county, etc.). On January 15th, DOE "Partially and Conditionally" awarded EPO funding for the HER program and on January 16th, DOE fully awarded EPO funding for the HEAR program.

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. Bi-weekly calls are held with Cadmus tracking project status. 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 reduced cost energy audits for up to 200 small to mid-sized manufacturers, with a focus on facilities located in EJ areas or diverse-owned businesses. *The program will launch Q1 2025*.

Energy Miscellaneous

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) has hired a a Contractor, ICF, to produce a Comprehensive Energy Assessment (CEA) for the commonwealth that will cover Pennsylvania's energy infrastructure, resources, policy landscape, markets, affordability, and trends. EPO staff met with the selected contractor for the CEA project, ICF, on January 14th to establish a shared vision for the project, discuss implementation timeline, and begin planning for initial project steps. EPO expects to deliver the CEA in the third quarter of 2025.

Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA) Energy Update

- o **Inflation Reduction Act (IRA)-Home Energy Rebates** See Energy Efficiency section above for more information on Home Energy Rebates.
- Training for Residential Energy Contractors (TREC) Formula Grant: On November 21st, PA was awarded \$4,960,910 for its TREC program. On December 11th, DOE and EPO held a kickoff call for the formula TREC program, during which reporting requirements, invoice processing, award monitoring, as well as special terms and conditions, were explained. PA TREC will consist of a heat pump training program for HVAC contractors in PA in order to prepare them for successfully delivering Home Energy Rebates. The ALRD was released by DOE on July 17, 2023. EPO submitted its application several days in advance of the original DOE deadline of January 31, 2024. EPO intends to issue an RFP in the next few months for a contractor to lead and manage the PA TREC program.

- Training for Residential Energy Contractors (TREC) Competitive Grant: To support the implementation of the Home Energy Rebates programs, EPO submitted a \$4.6 million application package on January 14th to support a program to enhance and expand HVAC/R training options available through community and technical colleges in Pennsylvania, and help HVAC/R trainees achieve professional certification and attain high-quality employment. EPO has partnered with four colleges on this application—the Clean Energy Center at Pennsylvania College of Technology (CEC), Community College of Allegheny County (CCAC), Lehigh-Carbon Community College (LCCC), and Westmoreland County Community College (WCCC). CEC's innovative approach to expand train-the-trainer offerings will enable up to 120 additional instructors at other HVAC/R training programs to receive updated training and heat pump curriculum, and up to 40 institutions to receive additional HVAC/R training software to be used in their classrooms. If awarded, EPO will hire a contracted Program Administrator to disburse participant support costs and facilitate job placement for trainees. Award announcements are expected in the second quarter of 2025. Award announcements are expected in the second quarter of 2025.
- 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 12,000 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 workplan and budget to EPA at the end of October. After some revisions, EPA formally approved this workplan on December 19th and issued an amended notice award. Over the next two months, PEDA will work to develop a quality assurance plan which will also require EPA review and approval.

State legislative authorization is still required before any of the \$156M award can be spent. The timing of this authorization will be a determining factor for PEDA to move from this planning stage and into implementation.

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. NEEP's project has struggled to hire assessors, underscoring the shortage of trained building energy code workforce members. 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 for Building Science Principles is underway with over 20 instructors trained in October and November and additional trainings for instructors and students in early 2025. RFQs will be released for technical college work and career mapping for work to get underway in 2025.

- 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 Winter 2025. 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. In Spring 2025, DOE will award Round 4 formula grants under the program. Pennsylvania has been allocated \$7,335,756 in funding.

Climate Pollution Reduction Grants (CPRG) - Planning

The Energy Programs Office (EPO) has made significant progress on the CRPG Climate Change Action Plan (CCAP) engagement for Pennsylvania, advancing various aspects of our outreach strategy. In collaboration with consulting firms, EPO has initiated plans for eight in-person meetings across the commonwealth and is developing outreach materials, including a story map that highlights Pennsylvania's climate challenges and opportunities. This story map will feature interactive feedback activities and serve as a central element in an upcoming virtual webinar, which will include a detailed presentation and guided walk-through. Meeting registration information is forthcoming. The selection of communities for in-person engagements utilized tools such as the Justice40 Screening Tool, EPA's Disadvantaged Communities Mapping Tool, and the Pennsylvania Environmental Screening Tool. These were overlaid with DEP's previous engagement areas and state-specific demographic and geographic data. The state was divided into eight zones to account for geographic diversity, climate impacts, population density, and community-specific challenges, allowing EPO to target regions with the greatest need for engagement. Selected locations include Erie, Clarion, Johnstown, Uniontown, Wysox, Hazleton, Lancaster, and Chester, representing a mix of previously engaged and newly prioritized areas.

In addition to community engagement meetings, webinars will be held to engage local governments and partners, aligning their plans with state climate goals. The engagement narrative is being tailored to emphasize Pennsylvania's evolving climate conditions, such as flooding, heat, air quality, energy affordability, and job impacts. Community meetings are scheduled from late February to mid-March,

supported by sector-specific webinars and local government partner sessions. Over the coming weeks, EPO will finalize meeting agendas, venues, and advertising strategies to ensure robust participation. Details about meeting registration will be provided soon.

Western Pennsylvania in-person meetings will be held from 6 to 8 PM on the following dates: Erie (Monday, February 24), Clarion (Tuesday, February 25), Johnstown (Wednesday, February 26), and Uniontown (Thursday, February 27). To allow flexibility for inclement weather, snow dates have been set for Wednesday, March 5, and Thursday, March 6. Eastern Pennsylvania meetings will also run from 6 to 8 PM on these dates: Wysox (Monday, March 17), Hazleton (Tuesday, March 18), Chester (Wednesday, March 19), and Lancaster (Thursday, March 20).

Virtual sector-specific webinars will be held on Thursday, March 13 (12–1:30 PM), Thursday, March 27 (TBD), Monday, March 31 (12–1:30 PM), and Tuesday, April 1 (12–1:30 PM). Local government webinars are tentatively scheduled for Thursday, April 3, and Monday, April 6, with time options of either 12–1:30 PM or 6–7:30 PM. This phased approach reflects DEP's commitment to meaningful climate action planning, prioritizing engagement with environmental justice communities and regions most vulnerable to climate impacts.

- **Output** Climate Pollution Reduction Grants (CPRG) Implementation
 - The program guidance for Reducing Industrial Sector Emissions in Pennsylvania (RISE PA) has been finalized and is now available online on <u>DEP's</u> and <u>PennTAP's</u> websites. RISE PA's Small-scale Award Track will be administered by the Pennsylvania Technical Assistance Program (PennTAP), and the Medium- and Large-scale Award Tracks will be administered by DEP. The application window is expected to open in early 2025.
 - RISE PA is funded by a \$396M award from EPA under the CPRG Implementation Grants. The goal of RISE PA is to offer grants for small-, medium-, and large-scale decarbonization projects to reduce greenhouse gas and co-pollutant emissions at industrial facilities. Eligible project types include the following: energy efficiency; electrification; process emissions reduction technologies; fuel-switching; on-site renewable energy generation; carbon capture, utilization, and storage (CCUS), and fugitive emissions reductions technologies.
- Energy Auditor Training Grant (EAT): PA has been awarded a \$1,786,391 grant under DOE's Energy Auditor Training (EAT) grant to provide residential energy auditor training. Training will be provided to 150 individuals. Trainees will be able to sit for the Building Performance Institute Home Energy Professional Energy Auditor (HEP EA) certification exam. EPO is currently in contract negotiations with DOE, with the expectation a contract will be executed summer 2025.

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

has issued the Comment Response Document for the EJ Policy and Pennsylvania Environmental Justice Mapping and Screening Tool (PennEnviroScreen) Methodology Documentation 2023.

EJIC

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

EJAB convened on Tuesday, August 13. EJAB convened privately to discuss the new meeting format. New interactions will be implemented starting in 2025 to move EJAB's operational structure back as intended in the Commonwealth of Pennsylvania Executive Order 2021-07, Environmental Justice. These changes seek to have a more effective EJAB, that is result-driven and maximizes the member's time. The next EJAB meeting is scheduled for *May 13*, 2025 at 10am 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.

Well Plugging

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 221 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 January 17, 2025, the Department has plugged all 81 orphan and abandoned wells in Round 1 and 139 of 140 orphan and abandoned wells in Round 2. The Department has plugged a total of 220 wells.

IIJA Phase 1 Formula Grant

On August 19, 2024, the U.S. Department of Interior (DOI) issued a Notice of Award for the Phase 1 Formula Grant to DEP. The grant provides the Department an additional \$76,406,474 to plug, locate, and remediate orphan and abandoned wells. The period of performance is September 1, 2024 through August 31, 2029.

IIJA Phase 1 Formula Grant orphan well plugging projects have been significantly delayed due to extensive federal review requirements and lengthy approval processes at the U.S. Department of Interior (DOI). On December 31, 2024, after four months of back-and-forth and four significant submissions to DOI, DEP was informed that an important project involving a contract to plug 12 orphan wells in McKean County was approved. This represents only the third project in the nation to be approved by DOI. The Department also had a similar experience for another project in Jefferson County to plug 19 wells via contract which was given final approval on January 21, 2025. Pennsylvania now has two projects authorized by DOI under the IIJA Phase 1 Formula Grant, both of which have been routed to post to Bid Express, the Commonwealth's platform for soliciting bids for contracting. The Department has had to expend considerable time and resources to reach consensus with DOI as the Environmental Information Documentation (EID) requirements for these IIJA-funded projects is quite burdensome. The EID includes information concerning various environmental standards, as well as documentation related to the federal Endangered Species Act (ESA) and the National Historic Preservation Act (NHPA).

Orphan Well Plugging Grant Program

Act 96/Act 136 of 2022 requires DEP to establish the Orphan Oil and Gas Well Plugging Grant program and direct at least 20% of any funds awarded to Pennsylvania under the Infrastructure Investment and Jobs Act (IIJA) to the Orphan Well Plugging Grant Program (OWPGP). The Department successfully launched the opening of the OWPGP on October 9, 2024. To date, 31 applications have been received, of which 30 have been conditionally approved and 1 application was denied since the well to be plugged was not an orphan well as required by Act 96/Act 136. The applications represent 148 wells to be plugged, of which 29 have detectable

levels of methane. To date, \$11,760,000 has been committed to these projects, provided all projects are approved by the U.S. Department of Interior (DOI).

IIJA Phase 2 Formula Grant Guidance

On August 14, 2024, the U.S. Department of Interior (DOI) released final Phase 2 Formula Grant guidance. This guidance allows states to request up to 50% of their remaining available IIJA Formula Grant funding, approximately \$114 million in Pennsylvania's case. The Department submitted the grant application on December 12, 2024, *and is awaiting approval*.

Methane Emissions Reduction Program 1 (MERP1):

On May 14, 2024, 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.

The Department has developed two new grant programs including the MERP "Small Operator Assistance Grant" and "General Assistance Grant." The "MERP Small Operator Assistance Grant" is available to operators with 10 or fewer wells. Many such operators are "home use" well operators who may not have the necessary funds to properly maintain or plug these wells. The "MERP General Assistance Grant" is designed for operators with 11 or more wells. Eligible applicants include operators, qualified well pluggers, or third parties.

MERP grant awards are available on a competitive basis to plug "Marginal Conventional Wells" (MCWs). An MCW is defined as a conventional well that produces less than 90 thousand cubic feet of gas per day or 15 barrels of oil per day on average. Applications will be prioritized based on well scoring criteria to maximize the goals and initiatives of the program, including methane emission reduction and environmental justice.

The Office of Oil and Gas Management opened these two well plugging grant programs simultaneously starting on Wednesday, October 16, 2024 and they closed on December 16, 2024. As of January 17, 2025, 41 grant applications have been received (10 small operator and 31 general operator). The grant applications include a total of 410 wells to be plugged, of which 153 have detectable levels of methane. Thus far, \$9,205,000 has been committed to these projects.

<u>U.S. Department of Interior Released Grant Guidance for Regulatory Improvement Grant</u>

On January 15, 2025, the U.S. Department of Interior released <u>final guidance</u> on how states can apply for up to \$40 million each in Regulatory Improvement Grant funding. States are eligible for two types of Regulatory Improvement Grants under today's announcement:

- Plugging Standards Grants: Intended to incentivize states to implement standards and procedures designed to ensure that wells located in the state are plugged in an effective manner that protects groundwater and other natural resources, public health and safety, and the environment.
- Program Improvement Grants: Intended to incentivize states to implement other improvements to state programs designed to reduce future orphaned well burdens, such as financial assurance reform, alternative funding mechanisms for orphaned well programs, and reforms to programs relating to well transfer or temporary abandonment.

Under the <u>final guidance</u>, states are eligible to receive a Plugging Standards Regulatory Improvement Grant of \$20 million, and a Program Improvement Regulatory Improvement Grant of \$20 million, for a total of \$40 million per state. By incentivizing states to improve their standards, procedures and orphaned well programs, these grants will help better protect the environment and help prevent the creation of new orphaned wells.

Infrastructure Investment and Jobs Act

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. The work plan lays out activities to be undertaken in support of primacy over the next five years and was submitted to the EPA on September 9, 2024. The EPA is currently reviewing the application.

Waste Management

<u>Food Recovery Infrastructure Grant – Open Solicitation</u>

DEP is now accepting applications for Food Recovery Infrastructure Grants under the Pennsylvania Municipal Waste Planning, Recycling and Waste Reduction Act of 1988 (Act 101). This funding is available to registered section 501(c)(3) nonprofit organizations operating programs in Pennsylvania that partner with food retailers, wholesalers, agriculture organizations, farms and cooperatives, grocery stores, etc. to recover safe and wholesome foods before they unnecessarily become a waste. The foods are then made available to the public through the nonprofit organization. The intent of this program is to reduce, to the greatest extent practicable, the amount of fresh and processed foodstuffs currently entering Pennsylvania's waste stream. Equipment eligible for funding for reimbursement under this program assists these nonprofit organizations with the storage, transportation, or preparation of the recovered safe and wholesome foods, such as refrigerators, freezers, refrigerant and non-refrigerant vehicles, cargo vans, pallet jacks, dollies, hand trucks, forklifts, stoves, ovens, microwaves, and shipping and installation costs for the eligible equipment. The maximum grant award the nonprofit organization can request or receive per application cannot exceed \$50,000. Special consideration will be given to those applicants identified in Environmental Justice Areas. The deadline to apply is February 28, 2025, by 11:59 p.m. All applications must be submitted through the Commonwealth's Electronic Single Application (ESA) system.

Act 101, Section 901 Household Battery Education Grant

The Bureau of Waste Management (BWM) will begin accepting grant applications in early 2025 for educational campaigns on the proper management of household batteries authorized under the Act 101, Section 901 grant program. Due to the emerging fire risk posed by improperly managed end-of-life consumer lithium batteries, BWM is developing a scope of work within the Section 901 grant program to target this focus material. The grant will provide a maximum award amount of \$75,000 to 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.

Act 101, Section 903 County Recycling Coordinator Grant

BWM will begin accepting grant applications in early 2025 for the Act 101, Section 903 County Recycling Coordinator Grant. This grant provides a 50% reimbursement for County Recycling Coordinators salary and expenses. This grant is only available to Pennsylvania county governments. The deadline to apply is April 30, 2025, by 11:59 p.m. All applications must be submitted through the Commonwealth's Single Electronic Application for Assistance website.

Solid Waste Advisory Committee (SWAC)

The next regular SWAC meeting is scheduled for March 27, 2025. More information is available on the SWAC website.

Recycling Fund Advisory Committee (RFAC)

The next annual RFAC meeting is scheduled for September 27, 2025 (jointly with SWAC). Additional information is available on the SWAC website.

Environmental Cleanup and Brownfields

Environmental Cleanup and Brownfields Rulemakings

Draft Proposed Rulemaking: Administration of Land Recycling Program - Chapter 250 Update DEP has prepared a proposed rulemaking to address Statewide health standard medium-specific concentrations (MSCs) including the soil lead values and Polycyclic Aromatic Hydrocarbons (PAHs). At the June 30, 2022, and August 11, 2022, Cleanup Standards Scientific Advisory Board (CSSAB) meetings, the lead and PAH workgroups presented their conclusions and recommendations to DEP on the issues of lead and PAH toxicity. The PAH workgroup recommended that DEP use the 1993 relative potency factors from EPA that were referenced in the development of the benzo[a]pyrene Integrated Risk Information System (IRIS) toxicological values. The lead workgroup recommended that DEP adopt 5 µg/dL as the target blood lead level for the calculation of the soil direct contact values and also recommended that DEP allow for the use of averaging attainment data for the demonstration of attainment of the lead direct contact statewide health standard. DEP presented the draft proposed regulation to the CSSAB on October 20, 2022, January 23, 2023, and May 31, 2023. EQB voted to adopt the proposal in the March 12, 2024, meeting. The proposed rulemaking was published in the July 13, 2024, edition of the PA Bulletin for a 60-day public comment period, which ended on September 11, 2024. In-person public hearings were held on August 19, 2024, at DEP's Southwest Regional Office and on August 27, 2024, at DEP's Southeast Regional Office. A virtual hearing was held on September 4, 2024, via Microsoft Teams. DEP received no public comments on the rulemaking from either the August 27 or September 4 public hearing. Comments received from the public comment period are currently being assessed.

Cleanup Standards Scientific Advisory Board (CSSAB)

The CSSAB held a meeting on October 30, 2024, where DEP provided final updates to the Technical Guidance Manual (TGM) Sections II, III, and IV. DEP also provided a response to the board's comments on the TGM Sections II, III, and IV. DEP also provided a proposed rulemaking for Chromium (VI) and presented a draft guidance for Addressing the Historical Application of Lead and Arsenic Pesticides. Information about the meetings can be found through the Public Participation tab on the DEP web site at www.dep.pa.gov (select "Public Participation," then "Advisory Committees," then "Cleanup and Brownfields Advisory Committees," then "Cleanup Standards Scientific Advisory Board"). The next CSSAB meeting is scheduled for March 18, 2025.

Storage Tank Advisory Committee (STAC)

The Storage Tank Advisory Committee (STAC) met on December 4, 2024. Randy Martin, Chief, Division of Storage Tanks, reviewed the STAC membership list and indicated that all 16 positions are currently filled. Benjamin Lorah, Director, Bureau of Special Funds, Department of Insurance, provided an update regarding the Underground Storage Tank Indemnification Fund. Alex Eckman provided an update on various program statistics, compliance rates, and proposed future activities to increase compliance rates. DEP staff provided updates to the Closure Requirements for Underground Storage Tank Systems Technical Guidance Document Number 263-4500-601, Closure Requirements for Aboveground Storage Tank Systems Technical Guidance

Documents Number 263-4200-001 and to the Closure Report Forms associated with the two Technical Guidance Documents. DEP staff informed the committee that all documents have been recently finalized and are now published. Alex Eckman provided the committee with updates regarding newly regulated aboveground storage tanks containing perfluorooctanoic acid (PFOA), perfluorooctanesulfonic acid (PFOS) and their salts and structural isomers. These storage tanks became regulated by DEP when amendments to the list of hazardous substances under the Federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) became effective on July 8, 2024. Ross Jarvis, Square Robot, provided a presentation on in-Service robotic tank inspections to the committee and Alex Eckman provided the DEP's current position on robotic tank inspections. The next STAC meeting is scheduled for March 5, 2025.

PA Brownfields Conference

The 2024 Pennsylvania Brownfields Conference took place at The Penn Stater Hotel in State College, on March 25-27, 2024. DEP, in partnership with the Engineers' Society of Western Pennsylvania (ESWP) and the conference steering committee provided participants a chance to collaborate with industry professionals and explore a vast array of brownfield topics including sessions on environmental justice, PFAS and emerging contaminants, building solar arrays on brownfields, and more. The next PA Brownfields Conference is tentatively scheduled for spring 2026 at a location yet to be determined.

Radiation Protection

National Radon Action Month

January is National Radon Action Month. The purpose of National Radon Action Month is to increase public awareness about the presence and health hazards of radon. The Radon division worked with Commonwealth Media to promote radon awareness through a Governor's proclamation as well as television ads, social media, outreach at the Pennsylvania Farm Show, and billboard advertising. Targeted radon surveys are being conducted to distribute radon test kits to high-risk areas.

Acting Secretary Jessica Shirley stated in a Press Release that the Pennsylvania Department of Environmental Protection remains committed to working with home builders, school districts, realtors, family physicians, to address radon issues and keep all Pennsylvanians safe.

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 μ 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 PA DEP's eComment website. A final rulemaking is anticipated in early 2025.

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 early 2025.

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.

Notification Requirements for Unauthorized Discharges to Waters of the Commonwealth

This proposed rulemaking aims to provide addition clarity on which unauthorized discharges require immediate Department notification while continuing to enable the Department to meet its statutory duty to protect the waters of the Commonwealth. To accomplish this, the proposed amendments to 25 Pa. Code Chapter 91 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.

This rulemaking was proposed by the Environmental Quality Board on November 12, 2024, and is currently under review by the Office of Attorney General.

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 House Resolution 149 from the 2021-2022 General Assembly session. LBFC's final report 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 permit revisions are on hold until EPA releases their PFAS risk analysis in biosolids which is anticipated to occur near the end of 2024. Since the existing permits were set to expire on November 30, 2024, the Department published notice in the Pennsylvania Bulletin on November 16, 2024, that the existing general permits were extended until the permits are reissued in final form.

On January 14, 2025, EPA Released its "Draft Risk Assessment to Advance Scientific Understanding of PFOA and PFOS in Biosolids." DEP is reviewing the <u>Draft Risk Assessment</u> and how it will impact the biosolids program in Pennsylvania.

<u>Federal Infrastructure Funding - Bipartisan Infrastructure Investment and Jobs Act (IIJA)</u>
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.

EPA Announces Expedited Timeline Goal for FFY25 CB IIJA Grant Funds to Support Accelerating Progress in

PA

In late September 2024, EPA announced a projected, expedited timeline for the FFY 2025 CB IIJA Most Effective Basin (MEB) grant award. The CBWRD is now projected to receive its FFY 2025 amendment in fall 2024. To further simplify the process, EPA Chesapeake Bay Program Office (CBPO) will process the amendment for Project Year 4 based on the current workplan and budget submitted by DEP in May 2024, as no changes are needed. If necessary, small changes can be completed later in accordance with EPA grant guidance. Pennsylvania will receive a total of \$9.3M in FFY 2025 IIJA MEB grant awards: \$5.33 million to DEP, \$4 million to PDA, and \$0 to DCNR. The awarding of incremental Infrastructure MEB funding early in the federal fiscal year (FFY) is a programmatic change for EPA to avoid delaying implementation of projects and accelerate progress toward PA's goals. EPA typically processes amendments of grant awards for incremental funding in late spring/ summer of the same FFY; this timeline change enables the CBWRD to provide increased funds, earlier in the project period, to counties through the Countywide Action Plan Implementation Block Grant program.

2025 Community Clean Water Coordinator (CCWC) and Countywide Action Plan (CAP) Implementation Block Grant Round Open

The 2025 Community Clean Water Coordinator (CCWC) and CAP Implementation Block Grant round opened for counties to submit their project proposals on October 1, 2024, and will close on October 31, 2024. 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 for county partners to submit the anticipated quantity of Best Management Practices (BMPs) for each project, which allows CBWRD staff to calculate the estimated nitrogen and phosphorus reductions per project, and also a requirement to provide a detailed project description and site photo. The minimum threshold of \$200,000 per county will continue, which allows counties to plan ahead for project implementation. CBWRD staff will review the project proposals and allocation formulas and announce the awards to county partners in December 2024.

DEP's CBWRD awarded \$24 million through the <u>2025 Countywide Action Plan (CAP) Implementation Grants</u> to county teams across Pennsylvania's share of the Chesapeake Bay Watershed in early December 2024.

The 2025 CAP Implementation Grant round brought in applications for 205 projects that will be completed in the next 12 to 18 months, resulting in an estimated reduction of nearly 110,000 pounds/year of nitrogen, 42,150 pounds/year of phosphorus, and 11.8 million pounds/year of sediment. The 2025 CAP Implementation Grants include \$9.6 million from the state Environmental Stewardship Fund and \$14.4 million in EPA funding, including \$7.1 million in Infrastructure Investment and Jobs Act (IIJA) funds, to support counties' implementation of their local priority initiatives in their CAPs. In addition to the funding awarded for implementing projects, DEP also awarded nearly \$1.8 million to county teams to support local Clean Water Coordinators who help to strategically implement the CAPs. Additional EPA funding includes \$1.12 million in Local Government Implementation (LGI) funds to be used to implement projects in the Octoraro Watershed in Chester County that will be reported toward the multi-jurisdictional Conowingo Watershed Implementation Plan (WIP) as a supplement to funding for Chester County's CAP.

Chesapeake Bay Federal Grant and Cooperative Agreement Guidance Revisions Expected for FFY26 In late September 2024, EPA CBPO announced its intent to revise its Grant and Cooperative Agreement guidance. The EPA CBPO goal is to rewrite the Grant and Cooperative Agreement Guidance for FFY26 for program improvement, accessibility, and ease of understanding. Areas to be addressed also include state implementation funding allocations, needs and priorities in support of Beyond 2025 efforts, streamlined guidance and agreements (example: combine the separated CBRAP/ CBIG grants into one implementation grant instead of two), and barriers to implementation. EPA CBPO is working on a planning timeline to meet a goal of December 2025 for the revised guidance. Pennsylvania's CBWRD requested that EPA CBPO include

PA and other Bay states' participation in this revision of the program's grant guidance. For FFY25, the revision will only focus on timeline date updates and grammatical/spelling errors, with no significant updates.

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 were presented to the Water Resources Advisory Committee on November 21, 2024. Notice of the availability of the draft PAG-13 was published in the Pennsylvania Bulletin [55 Pa.B 601] on January 18, 2025, for a 60-day public comment period and the draft documents have been published to DEP's eLibrary.

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 four calendar quarters. Thus far DEP has received six Pilot applications and one permit has been issued. 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 2 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 (pa.gov).

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 their press release, they highlighted the incremental progress that states were making toward achieving the Chesapeake Bay Total Maximum Daily Load (TMDL)
Planning Targets, but 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 here:
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 here:
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 here:

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

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, 2024.

The FFY 2026 EPA Section 319 NPS Management Grants round opened *April 22*, 2025, with applications due by *June 20*, 2025, at 11:59 p.m., as noticed in the Pennsylvania Bulletin on April 1, 2023. The draft FFY 2025 workplans and budgets were submitted by DEP to EPA *on November 11*, 2024, for their initial review and comment.

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

The Watershed Support section received final comments on the five-year Nonpoint Source Management Plan and have made the requested updates. The plan has been submitted with the changes for final approval to EPA. Once the updates have been approved, the Bureau of Watershed Restoration and Nonpoint Source Management's Watershed Support section will be uploading the plan on the department's website.

EPA will notify DEP of their approval of the 2024-2029 NPS Management Plan by the end of the calendar year. On January 13th we were informed that EPA has approved the final changes, and the plan is going through signature and will be sent to us in the near future.

The 2024 NPS Annual Report draft has been completed. *It has been* sent to EPA for comment. Following EPA's review the department will respond to any questions.

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).

The Department received 12 applications totaling \$5,193,321. Nine applications totaling \$3,658,358 are being recommended. In total, there are \$3,658,358 for grant awards, \$1,104,542 for DEP projects, and \$10,000 for EPA (in-kind) project. The remaining \$153,632 is allotted for BMP implementation within WIP watersheds for 319 NPS Management Program grantees, which allows for DEP to fund budget over-runs for existing projects. The recommendation package is presently being circulated for internal approval prior to being sent to EPA for review and comment.

The 2025 319 NPS Management grant package received internal preliminary approval and was sent to EPA for review and comment. DEP's Bureau of Watershed Restoration and Nonpoint Source Management is awaiting comments from EPA. All is presently on schedule.

DEP's Bureau of Watershed Restoration and Nonpoint Source Management is currently working on the guidance documents, grant procedures, and scoring recommendations for the 2026 grant round with an anticipated opening time at the end of April 2025.

The Watershed Support section has also been working with EPA and the Department on updating all of our reporting forms and procedures to assist in making the process both internally and externally more streamlined.

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</u> Justice Areas.

Growing Greener Plus Program

DEP anticipates opening the 2025 Growing Greener Plus grant round in April 2025.

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 <u>Growing Greener (pa.gov)</u>.

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 grantees by the end of the calendar year.

DEP has prepared the recommendation package and is presently circulating the package for internal approval with the intent of announcing successful grantees by the end of the calendar year.

We have notice that the 2024 Growing Greener grant recommendations were approved, and that the announcement will be made shortly. We are presently working with the OAG's office to prepare the announcement.

We are currently working on the guidance documents, grant procedures, and scoring recommendations for the 2025 grant round with an anticipated opening time at the end of April 2025.

The Watershed Support section has also been working with Fiscal, the Grant Center and Legal, updating all of our contracts, reporting forms, and procedures to assist in making the process both internally and externally more streamlined.

New this year:

- The proposed required match for the applicant will be reduced from 15% to 5% to assist with Environmental Justice Areas that are struggling to the meet the 15%.
- The Growing Greener Watershed Renaissance Initiative (GGWRI) is expanded statewide.
- Within the Chesapeake Bay watershed, agricultural construction projects will be considered, however Chesapeake Bay Phase 3 Watershed Implementation Plan Countywide Action Plan and statewide Agricultural Conservation Assistance Program funding should be the priority funding source for agricultural construction projects. A new form for the CAP Coordinators will be provided with clearer guidance.
- Preference will be given to implementation projects in Pennsylvania's Environmental Justice Areas.
- The required withholding at the end of the grant for receipt and approval of the final report will be reduced from 15% to 10%.

State Water Plan

The <u>2022 State Water Plan Update Report</u> ("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 second round of meetings took place in October 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 Thursday, November 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 PWS-TAC Board website 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, February 20, 2025, in room 105 at the Rachel

Carson State Office Building.

Attachment 1

2025 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.

February	
6	Air Quality Technical Advisory Committee, 9am
11	Citizens Advisory Council, 12:30pm
12	State Board for Certification of Water and Wastewater Systems Operators, 10am
18	Climate Change Advisory Committee, 9am
19	Aggregate Advisory Board, 10am
20	Public Water System Technical Assistance Center Board, 9am
24	Climate Pollution Reduction Grant workshop in Erie 6-8 pm
25	Climate Pollution Reduction Grant workshop in Clarion 6-8 pm
26	Climate Pollution Reduction Grant workshop in Uniontown 6-8 pm
27	Climate Pollution Reduction Grant workshop in Johnstown 6-8 pm
26	Small Business Compliance Advisory Committee, 10am
March	
5	Board of Coal Mine Safety, 10am
5	Storage Tank Advisory Committee, 10am
11	Environmental Quality Board, 9am
11	Citizens Advisory Council, 12:30pm
12	Water Resources Advisory Committee, 9:30am
13	Virtual sector-specific webinars 12 – 1:30 pm
17	Climate Pollution Reduction Grant workshop in Wysox 6-8 pm
18	Climate Pollution Reduction Grant workshop in Lancaster 6-8 pm
18	Cleanup Standards Scientific Advisory Board, 9:30am
19	Climate Pollution Reduction Grant workshop in Hazelton 6-8 pm
20	Climate Pollution Reduction Grant workshop in Chester 6-8 pm
20	Oil and Gas Technical Advisory Board, 10am
27	Solid Waste Advisory Committee, 10am
27	Virtual sector-specific webinars 12 – 1:30 pm
31	Virtual sector-specific webinars 12 – 1:30 pm

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