

US EPA ARCHIVE DOCUMENT

## **U.S. EPA State Innovation Grant Program**

### **CT DEP NPDES Innovation Project Pre-proposal - Project Narrative**

#### **Problem Statement:**

Several New England states have been investing significant time and resources on National Pollutant Discharge Elimination System (NPDES)-permitted facilities that will likely not be acknowledged through the NPDES Permitting for Environmental Results (PER) initiative and related permit backlog reduction efforts, even when looking at environmentally significant permits. This problem was formally discussed at the State-Federal Regional Innovations Workgroup Meeting in Leominster, Massachusetts, on July 14, 2005. The problem was articulated as: "existing current measures and processes are not addressing environmental priorities." The current system places heavy emphasis on expired permits and does not take into account the environmental significance of other permit and compliance-related efforts conducted within the NPDES program that are not related to permit re-issuance, even if such efforts or the permits themselves may be more environmentally significant than an expired permit awaiting renewal.

Connecticut Department of Environmental Protection (DEP), in partnership with New England Interstate Water Pollution Control Commission (NEIWPCC) and Massachusetts DEP, seeks to develop and implement an innovative permitting strategy that prioritizes NPDES-program activities based on environmental significance and measures success in terms of environmental improvements such as reduction in discharge flow, reduced pollutant loading, resource conservation, and/or elimination of direct discharges. Overall, the project would achieve a significant environmental outcome for the NPDES-regulated universe by identifying measures that are representative of environmental improvement.

#### **Project Goals:**

The Connecticut DEP and other NEIWPCC member state agencies are seeking EPA assistance to support the development of prioritization criteria and performance measures that acknowledges a broad array of NPDES program efforts that support the NPDES PER Strategy and demonstrate the effectiveness of the NPDES program in achieving meaningful environmental outcomes. The goals of the project are to:

- Increase flexibility for state environmental agencies to more effectively and efficiently direct their limited resources consistent with each state's respective environmental priorities; and,
- Improve the ability of state environmental agencies to measure, assess and report meaningful environmental outcomes in the NPDES program that are not achieved through permit re-issuance efforts, as outlined in the NPDES PER Strategy.

#### **Project Objectives:**

- Development of common criteria for assessing and prioritizing environmentally significant permitting and compliance activities and other initiatives under the NPDES program.
- Determination of performance measures, such as reduction in discharge flow, reduced pollutant loading, and/or elimination of discharge or pollutants, for assessing and reporting environmental outcomes in order to collect data to support changes in the credit or measurement systems.

- Development of recommendations to EPA for state environmental agencies to receive credit under the NPDES PER strategy, in lieu of reissuing permits, for efforts directed towards meaningful environmental outcomes.

**Anticipated project results:**

The project will enable participating states to better focus their limited resources on achieving environmentally significant outcomes. As an interested organization, NEIWPCC will facilitate the participation of its member states who have each indicated their support and interest in this project. Individual states will contribute input with respect to their environmental priorities as well as their previous experiences. Once an approach is developed, the program will be implemented in Connecticut. Data will be tracked and compiled by NEIWPCC, and the program will be evaluated against the environmental performance measures determined in the planning portion of the project. Based on the data and findings of the case studies, Connecticut will develop recommendations for receiving credit under the NPDES PER strategy.

Once an approach has been solidified, a report and set of recommendations will be drafted and shared with all interested states regionally and nationally. Because input from non-authorized states will have been included in the strategic portions of this project, the approach will have potential applications in these states as they move towards achieving authorization for their NPDES programs.

**Connection to EPA's Strategic Goals:**

This project is consistent with EPA's Strategic Goal 3: Clean and Safe Water, Objective 2.2 – Protect Water Quality, which commits EPA to “protect the quality of rivers, lakes, and streams on a watershed basis and protect coastal and ocean waters.” EPA has identified strengthening the NPDES permit program as a strategy for achieving this objective. This project addresses this objective by proposing to develop and implement an innovative permit strategy that prioritizes permits and related NPDES-program activities based on environmental significance and measures success in terms of environmental improvements. This project will achieve two of the five key strategic objectives for the permitting program: (#1) ensure effective management of the permit program including focusing on permits that have the greatest benefit for water quality; and (#4) advance program innovation. Identifying and issuing the most environmentally significant permits will have the greatest overall impact on water quality. This project meets one of the key target areas of EPA's PER Strategy by establishing environmentally based success measures within permitting programs for focusing limited resources on achieving environmental results.

**Summary Work Plan:**

Key steps:

1. Development of common criteria for assessing and prioritizing environmentally significant permitting and compliance activities and other initiatives under the NPDES program.
2. Development of performance measures to assess and report environmental outcomes.
3. Implementation of innovative prioritization and performance measure approach by Connecticut DEP.
4. Collection, compilation, and assessment of program data by NEIWPCC.

5. Development of recommendations to EPA for state environmental agencies to receive credit under the NPDES PER strategy for efforts directed towards meaningful environmental outcomes.
6. Report final results and recommendations to EPA.
7. Transfer innovation and project findings to interested states and programs.

Step 1: Development of common criteria for assessing and prioritizing environmentally significant permitting and compliance activities and other initiatives under the NPDES program.

NEIWPCC will coordinate a meeting of interested states in the region to identify each state's respective environmental objectives and needs. This will involve input from authorized states (Connecticut), as well as non-authorized states (Massachusetts and New Hampshire). This process is critical to ensuring potential for broad implementation of the innovative approach developed as a result of this project. The result of this step will be a common set of criteria for assessing and prioritizing NPDES program activities.

Step 2: Development of performance measures to assess and report environmental outcomes.

NEIWPCC will coordinate a meeting of interested states to identify environmental performance measures such as reduction in discharge flow, reduced pollutant loading, and/or elimination of discharge or pollutants. The result of this step will be an agreed-upon set of environmental performance measures that will recognize the work that is done in the region to achieve environmental improvement, but may not be acknowledged under the current system. These measures will emphasize environmental outcomes rather than current measures such as number of permits re-issued.

Step 3: Implementation of innovative prioritization and performance measure approach by Connecticut DEP.

Once a prioritization and performance measurement approach has been developed through the collaborative effort of the New England states described in Steps 1 and 2, Connecticut DEP will assess the benefits of the innovative approach by implementing it in Connecticut's NPDES program. Connecticut will identify NPDES-program activities, including permits to be issued or renewed, based on the innovative prioritization approach developed in Step 1, and work with the facilities to collect the appropriate data with respect to the performance measures determined in Step 2.

Step 4: Collection, compilation, and assessment of program data by NEIWPCC.

Connecticut DEP will provide data to NEIWPCC based on the implementation of the program. This will include a list of cases and a justification for the prioritization and data collected in terms of environmental performance measures (such as reduction in discharge flow, reduced pollutant loading, and/or elimination of discharge or pollutants). NEIWPCC will compile these data and share with other states in the region for assessment purposes. This step will also evaluate historical data from environmentally significant permits issued and related NPDES program efforts undertaken prior to this project.

Step 5: Development of recommendations to EPA for state environmental agencies to receive credit under the NPDES PER strategy for efforts directed towards meaningful environmental outcomes.

NEIWPCC will coordinate a meeting of interested states to develop recommendations based on the outcomes of the prioritization and measurement approach implemented in Connecticut. The data will provide justification for state environmental agencies to receive credit under the NPDES PER strategy, in lieu of reissuing permits, for efforts directed towards meaningful environmental outcomes.

Step 6: Report final results and recommendations to EPA.

Connecticut DEP and NEIWPCC will prepare and submit a report to EPA that summarizes the results of the project including:

- Innovative NPDES Approach
  - Prioritization Process
  - Environmental Performance Measures
- Case studies and data evaluated
- Recommendations to EPA for receiving credits under NPDES PER strategy

Step 7: Transfer innovation and project findings to interested states and programs.

NEIWPCC will distribute and disseminate the results and outcome of this project to interested states and programs. This will include a workshop to transfer the innovation and provide training on its application and implementation.

Connecticut DEP's Role in the Project -

- Participate in identifying and defining factors for prioritizing NPDES-program activities, including permits for issuance or re-issuance.
- Participate in identifying and defining environmentally based success measures against which to evaluate NPDES program efforts.
- Provide input for development of innovative approach.
- Lead the effort in implementation of innovative approach.
- Provide data to NEIWPCC based on implementation of innovative approach.
- Serve as mentor to other states interested in adopting the innovative approach.

Participating States' Role in the Project -

- Participate in identifying and defining factors for prioritizing NPDES-program activities, including permits for issuance or re-issuance.
- Participate in identifying and defining environmentally based success measures against which to evaluate NPDES program efforts.
- Provide input for development of innovative approach.
- Provide input during the assessment phase and development of recommendations to EPA for a revised credit system.

NEIWPCC's Role in the Project –

- Facilitate the collection of information from participating states through coordination of conference calls, meetings, and workshops.

- Track, compile and report data.
- Document and disseminate the outcomes and methods of this innovation to other states and programs.
- Provide training on this innovation.

**Project Reporting & Measurement:**

Connecticut DEP will provide periodic project status reports to EPA, at least every six months or quarterly if required.

**Project Milestones: (October 1, 2006 – September 30, 2009)**

Year 1 (October 2006 – September 2007) – Identification of criteria for prioritization and development of performance measures.

- NEIWPCC and CT DEP will collect information from states on prioritization and performance measures.
- Meetings will be held to determine common criteria for assessing and prioritizing environmentally significant permitting and compliance activities and other initiatives under the NPDES program, and determine performance measures for assessing and reporting environmental outcomes.
- A prioritization and performance measure approach will be developed based on the results of the meetings.

Year 2 (October 2007 – September 2008) – Implementation of innovative approach in Connecticut. Data will be collected by Connecticut DEP and compiled by NEIWPCC during this project phase.

Year 3 (October 2008 – September 2009) –

- Data will be analyzed and assessed.
- NEIWPCC will convene a meeting to review and evaluate data for the purpose of refining the developed innovative approach.
- A final report of project results and recommendations will be developed and distributed.