

US EPA ARCHIVE DOCUMENT

**State Innovation Grant Program  
Solicitation of Pre-Proposals  
EPA-AO-OPEI-06-01**

**Applicant Information**

**Project Title: Value Stream Mapping for Air Permitting Programs in the State of Delaware**

**Agency: State of Delaware Department of Natural Resources and Environmental Control**

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**Duns Number: 809855091**

**Project Summary**

A number of states such as Michigan, Iowa, Minnesota and Nebraska have improved their environmental permitting processes by borrowing lean manufacturing approaches from the private sector. Significantly, these permitting process improvements have occurred while maintaining, and in some cases, improving, the environmental and public health benefits of the permitting programs. Following requests from several of Delaware's industry clusters, the Delaware Economic Development Office and the Delaware Manufacturing Extension Partnership are currently working with the Department of Natural Resources and Environmental Control (DNREC) and a number of companies from these Delaware industry clusters to identify ways of making our Air Quality Regulation 2 natural minor construction permitting process more efficient while not sacrificing the protectiveness of the permit.

Value Stream Mapping takes the complexity of a process, such as permitting, and transforms it into simple, visual documents. All product and information exchanges in the process are mapped. The value adding and non-value adding (waste) activities are identified. An objective is to eliminate rework and waiting in the permitting process ensuring requirements, issues and goals are identified and clearly communicated prior to application submittal or initiating engineering review.

We expect to improve permit processing times at the same time as delivering a better service to all citizens of our State, both corporate and individuals. Cost savings could help address unmet needs at DNREC such as improved environmental monitoring, modeling, better public communications, and more rigorous analysis of emerging risks, including multimedia issues. Any potential changes that may be identified through this process will present additional opportunities for improvement. If regulatory changes are identified, they will need to be vetted through a formal process that includes ample opportunity for public participation.

With funding provided through this grant, we would like to continue our ongoing efforts with Value Stream Mapping in the Air Quality Regulation 2 natural minor construction permitting program and expand Value Stream Mapping beyond the natural minor permits to other environmental permitting programs within the Department either others within air quality or water, waste management, tank management etc.. The learning concepts from the Value Stream Mapping Process in our Air Quality Program can very easily be transferred to other permitting processes throughout our Department as well as to administrative processes throughout the Department. We expect to complete our current Value Stream Mapping process for Air Quality Regulation 2 natural minor construction permitting program during the third quarter of 2006. We hope to take the learning concepts and apply them to other permitting programs within the Department that would show significant improvement. We have a vast number of permitting programs that would benefit from Value Stream Mapping. If our pre-grant application was approved, we would look at the resources available through the grant and the resources available by the Department to determine which permitting programs would benefit the most.

This project is not being executed in cooperation with or funded by another federal program.

This project has the full support of the Cabinet Secretary of the Delaware Department of Natural Resources and Environmental Control.

### **Summary of Budget Information**

Dollar amount requested from EPA: **[withheld by EPA]**

### **Project Narrative**

Through the Value Stream Mapping Process, the Department will be working with Stakeholders which include industry in Delaware, The Delaware Economic Development Office and The Delaware Manufacturing Extension Partnership. We have mapped our current Air Quality Permitting Process and are developing future maps to indicate where we would like to be in the future. We would provide Value Stream Mapping training to staff and map the permitting processes for selected permitting programs through this grant. Items that are considered in scope during this process include: interpretation of the Department's rules, policies and guidance documents; internal organizational structure, internal permit process and timing, applicant process and timing, electronic submittals, application content and format, web site format, permit and technical memo format, special condition content, and communication internally and externally. The Value Stream Mapping Process includes gathering input from prior permit applicants to capture their previous experience with the permitting process. We consider their input very valuable in making changes to improve the permitting process for everyone involved.

This process is consistent with the framework of EPA's Strategy for environmental innovation by fostering a more "innovation-friendly" organizational culture and system within the Department of Natural Resources and Environmental Control. By having a more effective Air Quality Permitting Program we are working to ensure Clean Air. With this grant, we would like to expand into other air permitting programs and other permitting programs (water, waste management, tank management etc) within DNREC to also help ensure a cleaner environment. The permitting process is one tool that the Department uses to prevent or control pollution. This also helps to diversify our environmental protection

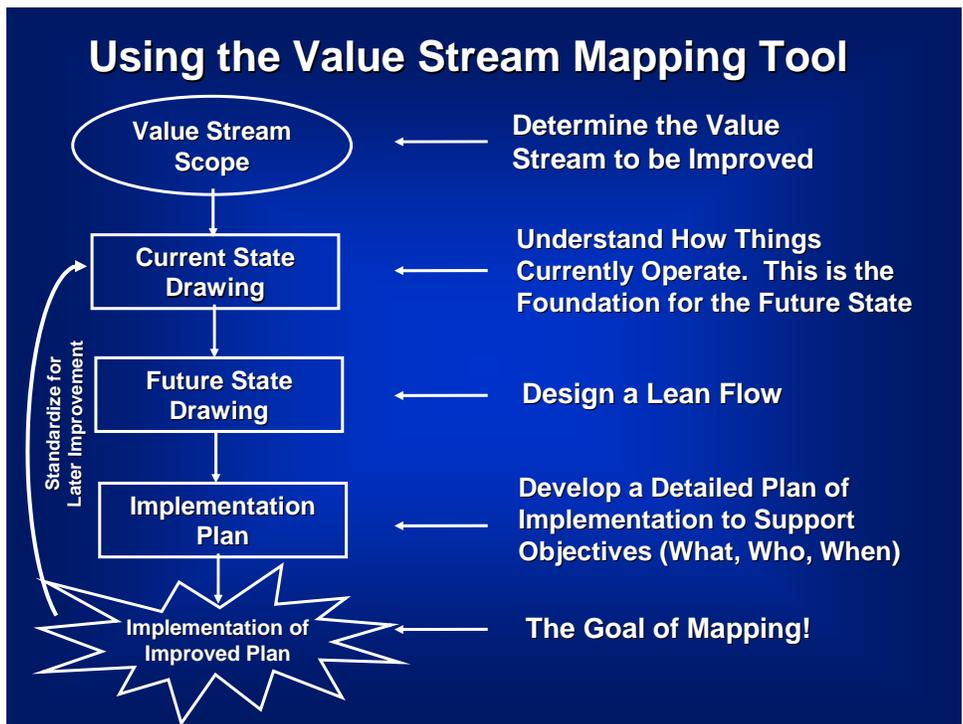
tools by improving the permitting process, improving information resources available to our customers and having results-based goals and measures.

Outputs and Outcome measures will be tracked by the Department throughout the grant. Through our permit tracking system, we have a good knowledge base of performance prior to Value Stream Mapping. We will be able to determine the effectiveness of the Value Stream Mapping by comparing prior performance to performance afterwards. We will be tracking the number of stakeholders involved in the process, the number of facilities applying for a permit, and the types of training offered and the number of attendees. We will hold pre-application meetings with permit applicants and develop a User's Guide to assist with completing permit applications. The number of businesses that attend a pre-application meeting and the distribution of the User's Guide will be tracked. We will be tracking behavioral changes such as the number of permit applications that are received with first time quality that include necessary and accurate information. We will be tracking the number of permits that are sent out to companies without being returned to DNREC's engineers for rework by their program managers. We will be tracking the amount of time it takes DNREC's permitting programs to process a permit application and we have the goal of reducing that turnaround time. External and Internal Quality of Permit applications and Permits will be tracked.

## **Project Work Plan**

The project will take a two year period to complete, followed by a three month period for completion and submittal of a final report on the project.

The below work plan is currently under way for the Air Quality Regulation 2 natural minor construction permits. We would continue our work in this permitting process and expand Value Stream Mapping to include other Air Quality Permitting Programs and other permitting programs within the Department. The scope of work for other permitting programs would look similar to what is stated below.



The new process is designed to:

- Be Transparent
- Be Efficient
- Be Proactive
- Be timely
- Foster Communications Between All Parties

Key elements include:

- Expectations for success
- Standardized application Checklists
- Permit scoping meeting
- Up-front draft conditions
- Agency and applicant deadlines

**Project Budget**

[withheld by EPA]