



**pennsylvania**

DEPARTMENT OF ENVIRONMENTAL PROTECTION



Office of Water Management

# **Chapter 92a Three-Year Regulatory Fee and Program Cost Analysis Report**

## **Environmental Quality Board**

Harrisburg, PA

February 18, 2014

# Regulatory Requirements

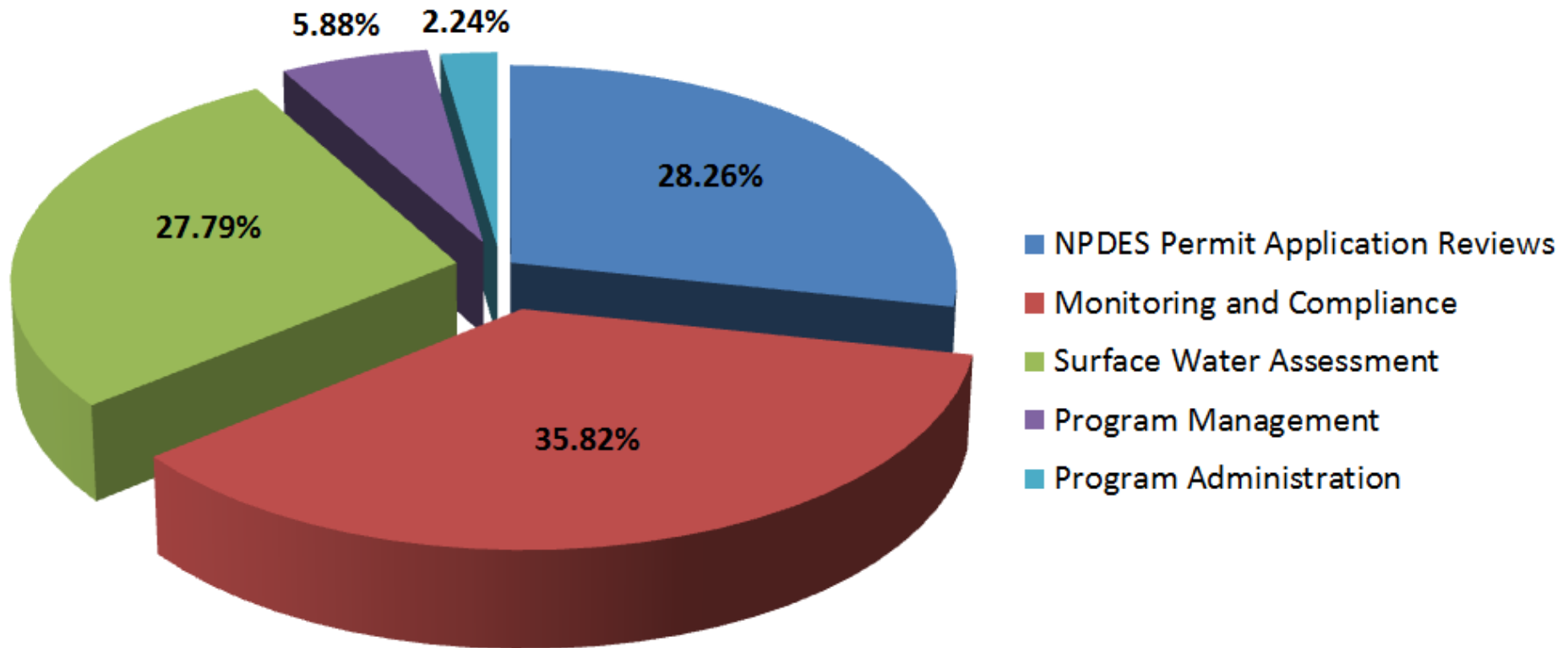
- Chapter 92a, NPDES Permitting, Monitoring and Compliance, was published as final rulemaking on October 9, 2010.
- 25 Pa. Code § § 92a.26(h) and 92a.62(e):  
“The Department will review the adequacy of the fees established in this section at least once every 3 years and provide a written report to the EQB.”

# Fee Related Activities

- NPDES permit application reviews
- Monitoring and compliance
- Program administration
- Program management
- Surface water assessment

# Fee Related Activities

## Program Expenses - Fiscal Year 2012

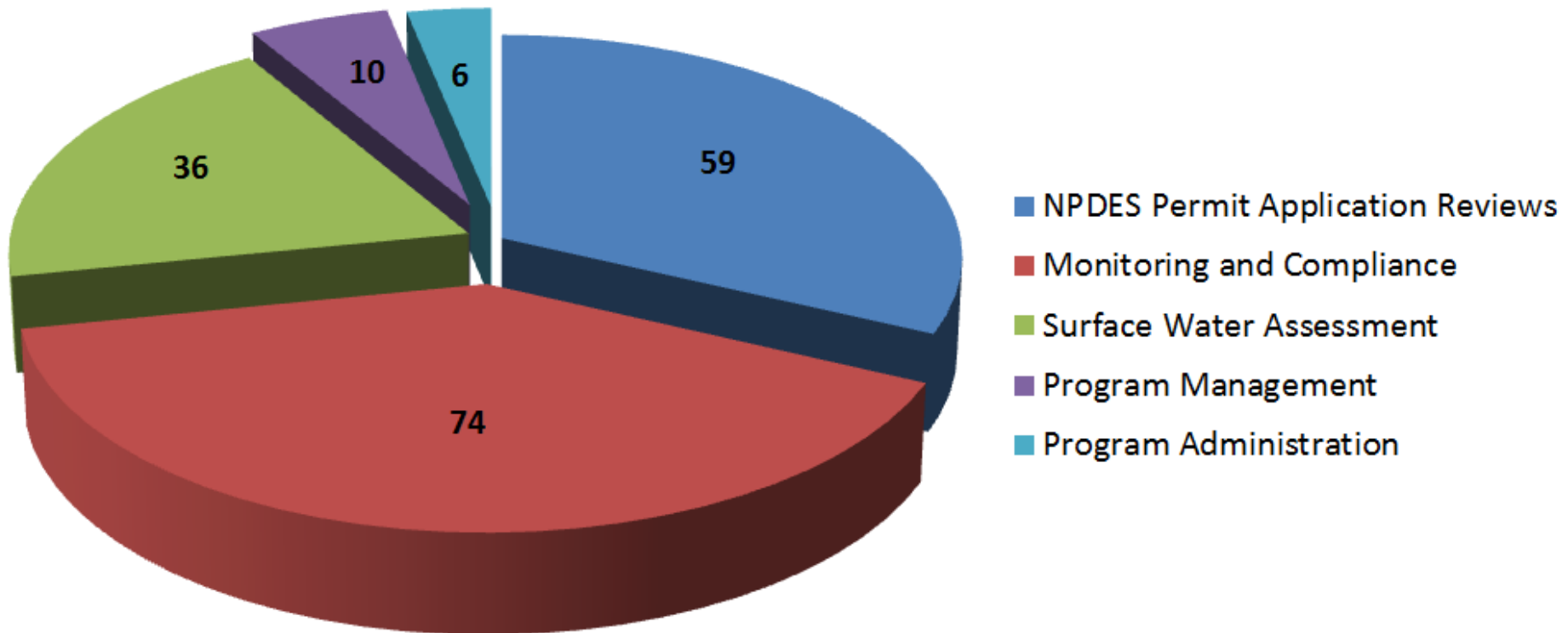


# ▶ Program Implementation: Personnel

- Managers / Supervisors
- Engineering Staff
- Inspectors
- Biologists
- Administrative Staff

# Personnel

## FTEs<sup>1</sup> - Fiscal Year 2012



<sup>1</sup> FTEs include both DEP Central Office and regional staff

# Program Efficiency Improvements

- Approximately 30 SOPs developed to streamline permit reviews.
- Electronic management of permits and enforcement documents.
- Automated notices to regulated community to improve compliance.
- Electronic monitoring data and automated compliance assessment.

# Chapter 92a Revenues

Source <sup>1</sup>	FY2010	FY2011	FY2012	FY2013	FY2014
Application Fees	\$554,549	\$2,261,755	\$1,764,458	\$2,300,000	\$2,300,000
Annual Fees	\$1,795,900	\$1,370,500	\$2,361,100	\$1,300,000	\$1,300,000
<b>Subtotal</b>	<b>\$2,350,449</b>	<b>\$3,632,255</b>	<b>\$4,125,558</b>	<b>\$3,600,000</b>	<b>\$3,600,000</b>
106 Grant <sup>2</sup>	\$6,504,160	\$6,905,078	\$6,648,800	\$6,648,800	\$6,648,800
<b>Totals:</b>	<b>\$8,854,609</b>	<b>\$10,537,333</b>	<b>\$10,774,358</b>	<b>\$10,248,800</b>	<b>\$10,248,800</b>

## NOTES:

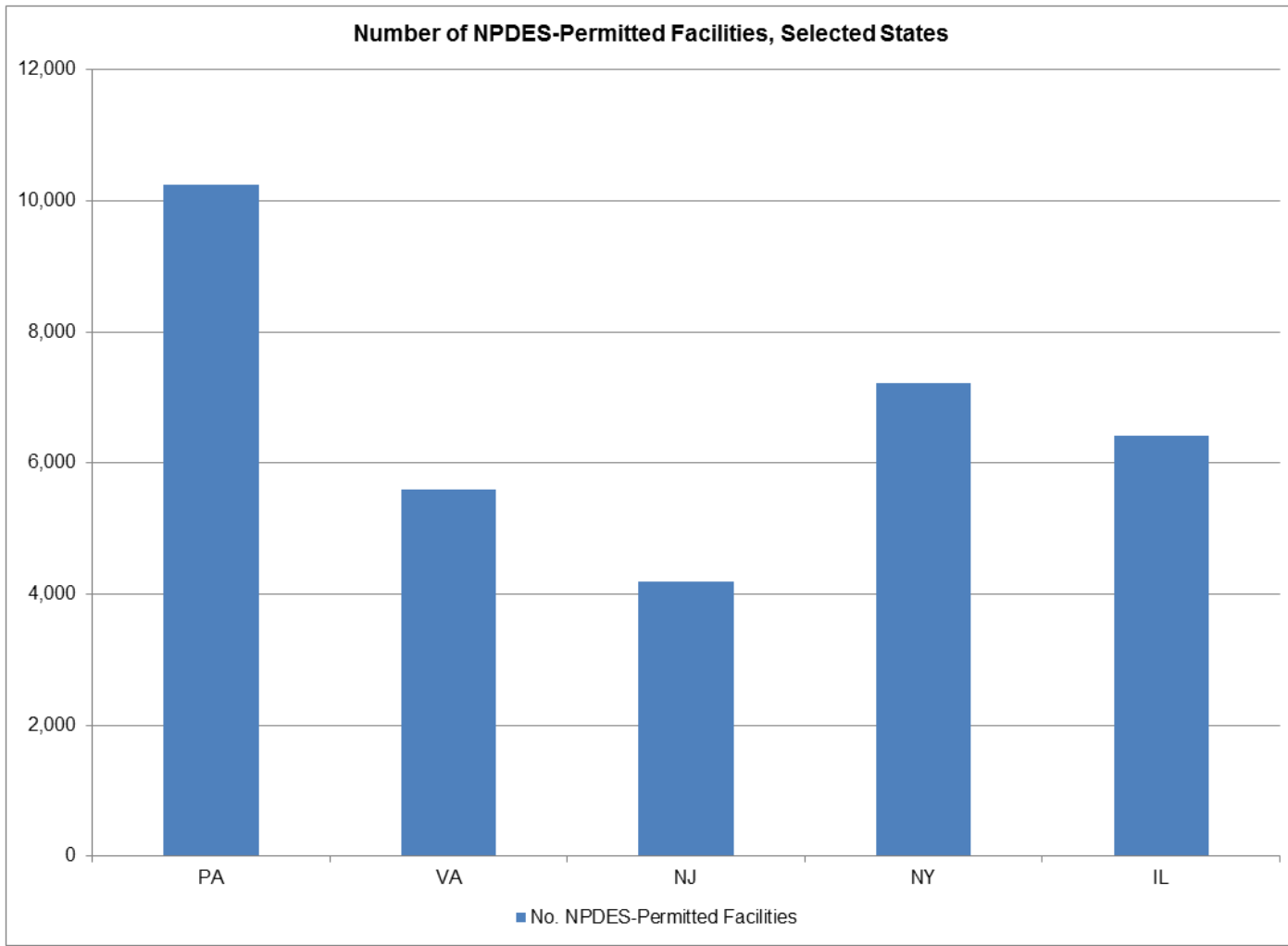
- 1 92a Application and Annual Fees are deposited into multiple sub-funds within the Clean Water Fund.
- 2 The EPA Section 106 Grant requires a state match. Historically the match was approximately \$5 million. The 92a fee package intended to generate \$5 million from Application and Annual Fees, but has generated only 70-80% of this objective. In addition to the Section 106 base grant, DEP also receives a supplementary 106 grant and a 604(b) grant, and these funds are included in this line item.



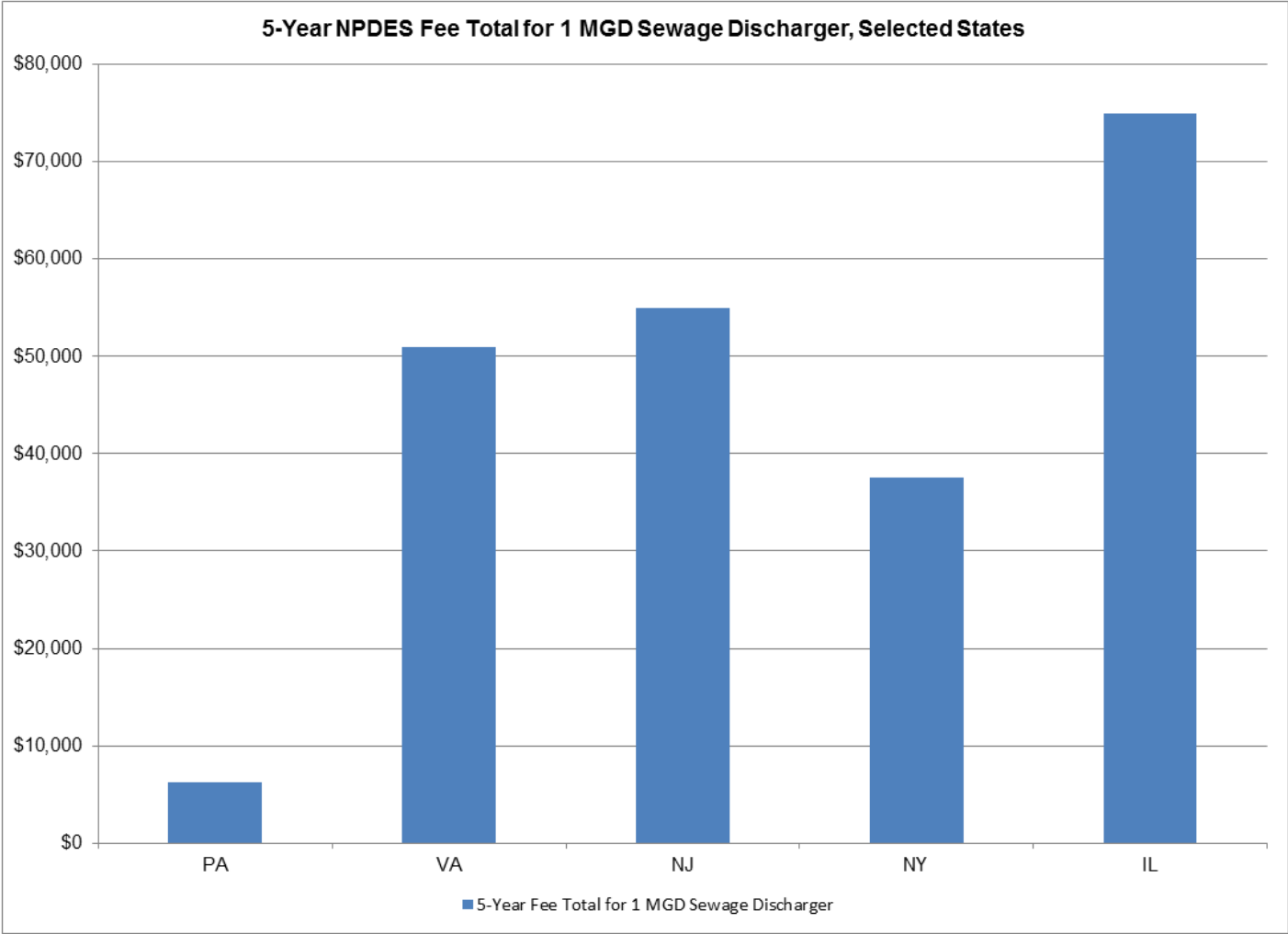
# Revenues vs. Expenses

	<b>FY2010</b>	<b>FY2011</b>	<b>FY2012</b>	<b>FY2013</b>	<b>FY2014</b>
<b>Total Revenue</b>	\$8,854,609	\$10,537,333	\$10,774,358	\$10,248,800	\$10,248,000
<b>Expenses</b>	\$14,110,585	\$17,515,972	\$18,713,590	\$19,120,015	\$19,502,415
<b>Ratios</b>	0.63	0.60	0.58	0.54	0.53

# Comparison – Permits



# Comparison – Fees



# Summary

- The 92a fee package approved in 2010 was not intended to cover complete program expenses but rather the match for the EPA Grant.
- The actual revenues to date indicate that only 70-80% of the objective was met.
- In future years, approximately 50% of program expenses will be paid for using non-NPDES program revenues unless changes are made.



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Office of Water Management

# Thank you.

Kelly Jean Heffner, Deputy Secretary  
Office of Water Management

Lee A. McDonnell, P.E., Director  
Bureau of Point and Non-Point Source  
Management