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January 2004
SFR-055/04-01

First Quarter Report on Performance Measures

Fiscal Year 2004

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Fiscal Year 2004

Prepared by
Strategic Planning and Appropriations

SFR-055/04-01
January 2004



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Strategic Planning Structure Fiscal Year 2004

Goal 01 — ASSESSMENT, PERMITTING, AND PREVENTION:

To protect public health and the environment by accurately assessing environmental conditions; by preventing or minimizing the level of contaminants released to the environment through regulation and permitting of facilities or activities with potential to contribute to pollution levels; by promoting voluntary efforts to prevent pollution; and by assuring the delivery of safe drinking water to Texas citizens at affordable rates.

Objective 01: To decrease the amount of toxics released and disposed of in Texas by 30 percent by 2005 from the 1992 level through assessing the environment, permitting facilities, and promoting voluntary pollution prevention and recycling.

Strategy 01 — Air Quality Permitting: Perform complete and timely reviews of applications to release pollutants into the air.

Strategy 02 — Water Resource Permitting: Perform complete and timely reviews of applications to utilize the state's water resources or to discharge to the state's waterways.

Strategy 03 — Waste Management and Permitting: Perform complete and timely reviews of applications relating to the management and disposal of municipal and industrial solid and hazardous waste.

Strategy 04 — Air Quality Assessment and Planning: Reduce and prevent air pollution by monitoring and assessing air quality, developing and/or revising plans to address identified air quality problems and to assist in the implementation of approaches to reduce motor vehicle emissions.

Strategy 05 — Water Resource Assessment and Planning: Develop plans to ensure an adequate, affordable supply of clean water by monitoring and assessing water quality and availability.

Strategy 06 — Waste Management Assessment and Planning: Ensure the proper and safe disposal of pollutants by monitoring the generation, treatment, and storage of solid waste and assessing the capacity of waste disposal facilities; and by providing financial and technical assistance to municipal solid waste planning regions for the development and implementation of waste reduction plans.

Strategy 07 — Pollution Prevention, Recycling, and Innovative Programs: Promote voluntary pollution prevention, recycling, and innovative programs through a combination of technical assistance and public education and by organizing and promoting voluntary prevention initiatives.

Objective 02: To provide 95 percent of Texans served by public drinking water systems with drinking water that meets drinking water standards.

Strategy 01 — Safe Drinking Water: Ensure the delivery of safe drinking water to all citizens through monitoring and oversight of drinking water sources consistent with the requirements of the Safe Drinking Water Act.

Strategy 02 — Water Utilities Oversight: Provide regulatory oversight of water and sewer utilities to ensure that charges to customers are necessary and cost-based and to promote and ensure adequate customer services.

Goal 02 — ENFORCEMENT AND COMPLIANCE ASSISTANCE

To protect public health and the environment by administering enforcement programs that promote voluntary compliance with environmental laws and regulations while providing strict, sure, and just enforcement when environmental laws are violated.

Objective 01: By fiscal year 2005, to bring 95 percent of all regulated facilities into compliance with state environmental laws and regulations, and to respond appropriately to citizen inquiries and complaints.

Strategy 01 — Field Inspections and Complaint Response: Promote compliance with environmental laws and regulations by conducting field inspections and responding to citizen complaints.

Strategy 02—Enforcement and Compliance Support: Maximize voluntary compliance with environmental laws and regulations by providing educational outreach and assistance to businesses and units of local

governments; and assure compliance with environmental laws and regulations by taking swift, sure and just enforcement actions to address violation situations.

Strategy 03 — Occupational Licensing: Establish and maintain occupational certification programs to ensure compliance with statutes and regulations that protect public health and the environment.

Goal 03 — POLLUTION CLEANUP

To protect public health and the environment by identifying, assessing, and prioritizing contaminated sites, and by assuring timely and cost-effective cleanup based on good science and current risk factors.

Objective 01: By fiscal year 2005, to identify, assess and clean up 80 percent of the known sites contaminated by hazardous materials and petroleum from leaking storage tanks.

Strategy 01 — Storage Tank Administration and Cleanup: Regulate the installation and operation of underground storage tanks and administer a program to identify and remediate sites contaminated by leaking storage tanks. Provide prompt and appropriate reimbursement to contractors and owners for the cost of remediating sites contaminated by leaking storage tanks.

Strategy 02 — Hazardous Materials Cleanup: Aggressively pursue the investigation, design and cleanup of federal and state Superfund sites; and facilitate voluntary cleanup activities at other sites and respond immediately to spills which threaten human health and environment.

Goal 04 — INDIRECT ADMINISTRATION

To provide the essential infrastructure required to maintain an agency's day-to-day operations and guarantee internal and external customers to the TCEQ the ability to conduct business in the most efficient manner for the State of Texas.

Objective 01: To provide the essential infrastructure required to maintain an agency's day-to-day operations and guarantee internal and external customers to the TCEQ the ability to conduct business in the most efficient manner for the State of Texas.

Strategy 01 — Central Administration: The Central Administration strategy includes the Offices of the Commissioners, the Executive Director, and Administrative Services.

Strategy 02 — Information Resources: Provide all information technologies within TCEQ to maximize the flow of data, processes and information to meet the strategic and operational objectives with the essential infrastructure required for the delivery of high-quality effective services to TCEQ employees, programs, customers, and the public.

Strategy 03 — Other Support Services: To provide efficient and effective facilities, reproduction, plant management, and other operational support to agency personnel and programs through the use of current technology and a highly skilled workforce.

Goal 05 — HISTORICALLY UNDERUTILIZED BUSINESS PROGRAM

To establish and carry out policies and practices governing purchasing and public works contracts that foster meaningful and substantive inclusion of historically underutilized businesses (HUBs).

Objective 01: To conduct a good faith effort program that will encourage inclusion of HUBs in all purchasing and procurement opportunities as set forth by 1 TAC 111.11 - 111.23, as adopted by the TCEQ.

Strategy 01 — Develop and implement a plan for increasing the use of HUBs in purchasing and public works contracts and subcontracts.

STRATEGY 01-01-01: AIR QUALITY PERMITTING

Output Measure 01: Number of state and federal air quality permit applications reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	1,400	1,438	25.7%
2nd Quarter	1,400		0.0%
3rd Quarter	1,400		0.0%
4th Quarter	1,400		0.0%
Total	5,600	1,438	25.7%

Variance Explanation:

Performance met projections. No variance explanation required.

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Output Measure 02: Number of federal air quality operating permits reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	87.5	229	65.4%
2nd Quarter	87.5		0.0%
3rd Quarter	87.5		0.0%
4th Quarter	87.5		0.0%
Total	350	229	65.4%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of federal air quality operating permits reviewed was above projections for the first quarter of FY 2004. This measure reflects the number of completed application reviews for federal air quality operating permits mandated by Title V of the federal Clean Air Act (CAA). The large number of projects completed during this quarter reflects the agency's efforts to eliminate its backlog of pending permit applications.

STRATEGY 01-01-01: AIR QUALITY PERMITTING

Efficiency Measure 01: Percent of air quality permit applications reviewed within established time frames

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	95%	71.77%	75.5%
2nd Quarter	95%		0.0%
3rd Quarter	95%		0.0%
4th Quarter	95%		0.0%
Annual Target	95%	71.77%	75.5%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the percent of air quality permit applications reviewed within established time frames was below projections for the first quarter of FY 2004. This measure counts projects completed within specified time frames as a percentage of the total number of projects reviewed. The agency continues to process backlogged projects which have exceeded time frames. This has resulted in fewer new applications being reviewed within the established time frames. Also, fewer Permits by Rules were completed on time this quarter due to a surge in applications received right before the end of FY 2003.

STRATEGY 01-01-02: WATER RESOURCE PERMITTING

Output Measure 01: Number of applications to address water quality impacts reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	4,161.50	665	4.0%
2nd Quarter	4,161.50		0.0%
3rd Quarter	4,161.50		0.0%
4th Quarter	4,161.50		0.0%
Total	16,646	665	4.0%

Variance Explanation:

BELOW PROJECTED LEVEL.

The performance for the number of applications to address water quality impacts was below projections for the first quarter of FY 2004. This measure consists of the total number of municipal and industrial wastewater permits and the total number of general permit Notices of Intent (NOIs) reviewed during the quarter. The agency has contracted with Texas State University to process NOIs for general permits and to mail the acknowledgment letters following the processing of the NOIs. However, during the first quarter, this contractor was primarily used in support of fee billing instead of mailing out the acknowledgment letters. Currently, the agency is processing approximately 10,000 applications for general permits, the majority of which are for stormwater permits. The wastewater permitting program expects to mail over 4,000 acknowledgment letters for the second quarter of FY 2004.

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Output Measure 02: Number of applications to address water rights impacts reviewed

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	125	120	24.0%
2nd Quarter	125		0.0%
3rd Quarter	125		0.0%
4th Quarter	125		0.0%
Total	500	120	24.0%

Variance Explanation:

Performance met projections. No variance explanation required.

STRATEGY 01-01-02: WATER RESOURCE PERMITTING

Output Measure 03: Number of concentrated animal feeding operation permits reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	21.25	21	24.7%
2nd Quarter	21.25		0.0%
3rd Quarter	21.25		0.0%
4th Quarter	21.25		0.0%
Total	85	21	24.7%

Variance Explanation:

Performance met projections. No variance explanation required.

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Efficiency Measure 01: Percent of water resource permit applications reviewed within established time frames

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	95%	70.1%	73.8%
2nd Quarter	95%		0.0%
3rd Quarter	95%		0.0%
4th Quarter	95%		0.0%
Annual Target	95%	70.1%	73.8%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the percent of water resource permit applications reviewed within established time frames was below projections for the first quarter of FY 2004. This measure includes the percent of both water rights and wastewater permits reviewed within established time frames. The number of reviewed applications for water rights, including permit applications, changes of ownership, and water supply contracts, increased from 70% in the fourth quarter of FY 2003 to 85% for the first quarter of FY 2004. The percent of wastewater permits processed within established time frames remained at near 56% for the first quarter of FY 2004. The agency continues to examine the permit issuance process through the Permit Time Frame Reduction Initiative. Additional resources are being added and procedural changes implemented in order to increase the percent of water resource permit applications reviewed within established time frames.

STRATEGY 01-01-03: WASTE MANAGEMENT AND PERMITTING

Output Measure 01: Number of new system waste evaluations conducted

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	142.50	147	25.8%
2nd Quarter	142.50		0.0%
3rd Quarter	142.50		0.0%
4th Quarter	142.50		0.0%
Total	570	147	25.8%

Variance Explanation:

Performance met projections. No variance explanation required.

STRATEGY 01-01-03: WASTE MANAGEMENT AND PERMITTING

Output Measure 02: Number of corrective actions approved for sites contaminated by solid waste

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	102	158	38.7%
2nd Quarter	102		0.0%
3rd Quarter	102		0.0%
4th Quarter	102		0.0%
Total	408	158	38.7%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of corrective actions approved for sites contaminated by solid waste was above projections for the first quarter of FY 2004. Corrective actions are cleanups of industrial waste sites and municipal hazardous waste sites in which the specific steps are either self-implemented or are required by agency order, permits, or compliance plans. This measure tracks the number of cleanup actions (e.g., notification, assessment reports, and cleanup plans) the agency reviews and approves. The high performance can be attributed to meeting processing time frames by the Corrective Action Section and to implementing streamlining measures (such as expedited review of status reports and use of standardized form letters) to increase efficiency in the approval process. Additionally, the submission rate of corrective action reports has continued to exceed projections as more corrective actions have been submitted by waste companies using the reporting process under the agency's previous risk reduction rules. The new Texas Risk Reduction Program (TRRP) rules have fewer administrative reporting requirements; however, companies continue to utilize the older rules. This will only be allowed until May 1, 2005, when regulated sites will have to utilize the new TRRP rules. One additional explanation is that the agency is receiving more closure requests for waste management units (e.g., tanks, container storage areas, etc.). Closures document that the units have been taken out of service, that the wastes have been disposed of properly, and that any associated contamination is cleaned up. One factor contributing to this increase in closures is that companies have been encouraged by the agency to update their records and address units that are no longer being used. The agency anticipates that performance for this measure will continue to exceed projections throughout this fiscal year.

STRATEGY 01-01-03: WASTE MANAGEMENT AND PERMITTING

Output Measure 03: Number of nonhazardous waste permit applications reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	3.25	58	446.2%
2nd Quarter	3.25		0.0%
3rd Quarter	3.25		0.0%
4th Quarter	3.25		0.0%
Total	13	58	446.2%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of nonhazardous waste permit applications reviewed was above projections for the first quarter of FY 2004. This measure tracks the number of permit reviews for new, modified, or amended MSW storage, treatment, processing, and disposal facilities and renewed or amended commercial industrial non-hazardous waste landfill (CINWL) facilities. A higher than anticipated number of permit modifications was received and reviewed during this quarter. The agency anticipates this level of performance will continue throughout the fiscal year.

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Output Measure 04: Number of hazardous waste permit applications reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	33.75	52	38.5%
2nd Quarter	33.75		0.0%
3rd Quarter	33.75		0.0%
4th Quarter	33.75		0.0%
Total	135	52	38.5%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of hazardous waste permit applications reviewed was above projections for the first quarter of FY 2004. This was due to the continued processing of backlogged applications, and because the majority of applications for permit modifications (Class 1ED and Class 2 modifications) received during the first quarter were processed quicker than most applications. Class 1ED and Class 2 modifications are submitted primarily in response to the need of the regulated community to make minor changes to address business needs and are processed rather quickly compared to other types of permit applications.

STRATEGY 01-01-03: WASTE MANAGEMENT AND PERMITTING

Efficiency Measure 01: Percent of waste management permit applications reviewed within established time frames

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	95%	73.0%	76.8%
2nd Quarter	95%		0.0%
3rd Quarter	95%		0.0%
4th Quarter	95%		0.0%
Annual Target	95%	73.0%	76.8%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the percent of waste management permit applications reviewed within established time frames was below projections for the first quarter of FY 2004. The reasons include delays caused by insufficient information provided by the applicants, the complex nature of combustion facility applications, and the continued processing of older backlog permit applications. Staff is striving to improve external coordination and delays resulting from insufficient information for applicants. Also, there has been a 66% reduction in the number of backlog applications. The majority of remaining backlog applications are for combustion facilities.

STRATEGY 01-01-04: AIR QUALITY ASSESSMENT AND PLANNING

Output Measure 01: Number of point source air quality assessments (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	500	499	25.0%
2nd Quarter	500		0.0%
3rd Quarter	500		0.0%
4th Quarter	500		0.0%
Total	2,000	499	25.0%

Variance Explanation:

Performance met projections. No variance explanation required.

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Output Measure 02: Number of area source air quality assessments (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	625	665	26.6%
2nd Quarter	625		0.0%
3rd Quarter	625		0.0%
4th Quarter	625		0.0%
Total	2,500	665	26.6%

Variance Explanation:

Performance met projections. No variance explanation required.

STRATEGY 01-01-04: AIR QUALITY ASSESSMENT AND PLANNING

Output Measure 03: Number of mobile source air quality assessments (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	312.50	310	24.8%
2nd Quarter	312.50		0.0%
3rd Quarter	312.50		0.0%
4th Quarter	312.50		0.0%
Total	1,250	310	24.8%

Variance Explanation:

Performance met projections. No variance explanation required.

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Output Measure 04: Number of air monitors operated

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	606	571	94.2%
2nd Quarter	606		0.0%
3rd Quarter	606		0.0%
4th Quarter	606		0.0%
Annual Target	606	571	94.2%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of air monitors operated was below projections for the first quarter of FY 2004. The agency has increased the projection for this measure to address plans by the Environmental Protection Agency, which intends to establish new standards for Air Toxics, PM-Fine, and PM-Course particulate monitoring. The agency anticipates meeting projections for this measure during this fiscal year, as additional monitors are deployed.

STRATEGY 01-01-04: AIR QUALITY ASSESSMENT AND PLANNING

Output Measure 05: Tons of NO_x reduced through the Emissions Reduction Plan (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	700	40.9	1.5%
2nd Quarter	700		0.0%
3rd Quarter	700		0.0%
4th Quarter	700		0.0%
Annual Target	2,800	40.9	1.5%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the tons of NO_x reduced through the Texas Emissions Reduction Plan (TERP) were below projections for the first quarter for FY 2004. Only one grant contract (\$512,000) has been issued using FY 2004 funds. That grant was applied for under the last FY 2003 grant application and selection process, but the entity could not get the contract signed in time for it to be assigned to FY 2003 funds. The first FY 2004 application period ended in September 2003. Grants under that application process will be selected and awarded in December 2003. It is expected that the agency will meet or exceed the targeted tons of NO_x emission reductions by the end of FY 2004.

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Output Measure 06: Number of new technology grant proposals reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	10	0	0.0%
2nd Quarter	10		0.0%
3rd Quarter	10		0.0%
4th Quarter	10		0.0%
Annual Target	40	0	0.0%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of new technology grant proposals reviewed was below projections for the first quarter of FY 2004. The functions of the Texas Council on Environmental Technology (TCET) were transferred to the TCEQ's New Technology Research and Development Program during the first quarter of FY 2004. There were no Request For Proposals (RFPs) issued during this quarter. RFPs will be issued beginning with the second quarter of FY 2004.

STRATEGY 01-01-04: AIR QUALITY ASSESSMENT AND PLANNING

Output Measure 07: Number of technology certifications by the EPA

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	0.25	0	0.0%
2nd Quarter	0.25		0.0%
3rd Quarter	0.25		0.0%
4th Quarter	0.25		0.0%
Annual Target	1	0	0.0%

Variance Explanation:

BELOW PROJECTED LEVEL.
Performance for the number of new technology certifications reviewed was below projections for the first quarter of FY 2004. The functions of the TCET were transferred to the TCEQ's New Technology Research and Development Program during the first quarter of FY 2004. There were no RFPs issued during this quarter. RFPs will be issued beginning with the second quarter of FY 2004.

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Output Measure 08: Number of recommended demonstration projects

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	0	0	0.0%
2nd Quarter	0		0.0%
3rd Quarter	0		0.0%
4th Quarter	0		0.0%
Annual Target	0	0	0.0%

Variance Explanation:

BELOW PROJECTED LEVEL.
Performance for the number of recommended demonstration projects was below projections for the first quarter of FY 2004. The functions of the TCET were transferred to the TCEQ's New Technology Research and Development Program during the first quarter of FY 2004. There were no RFPs issued during this quarter. RFPs will be issued beginning with the second quarter of FY 2004.

STRATEGY 01-01-04: AIR QUALITY ASSESSMENT AND PLANNING

Output Measure 09: Number of health effects grant proposals reviewed by TCET

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	0	0	0.0%
2nd Quarter	0		0.0%
3rd Quarter	0		0.0%
4th Quarter	0		0.0%
Annual Target	0	0	0.0%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of health effect grant proposals reviewed was below projections for the first quarter of FY 2004. The functions of the TCET were transferred to the TCEQ's New Technology Research and Development Program during the first quarter of FY 2004. There were no RFPs issued during this quarter. RFPs will be issued beginning with the second quarter of FY 2004.

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Efficiency Measure 01: Percent of data collected by TCEQ continuous and non-continuous air monitoring networks

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	83%	95%	114.5%
2nd Quarter	83%		0.0%
3rd Quarter	83%		0.0%
4th Quarter	83%		0.0%
Annual Target	83%	95%	114.5%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the percent of data collected by TCEQ air monitoring networks was above projections for the first quarter of FY 2004. The performance exceeded projections because of improving data return for the PM 10, Lead, and the Community Air Toxics Monitoring Network (CATMN), and improved technology for monitor calibrations in the continuous monitoring networks. This level of performance is expected to continue for the immediate future.

STRATEGY 01-01-04: AIR QUALITY ASSESSMENT AND PLANNING

Efficiency Measure 02: Average cost per air quality assessment

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	\$350	\$327	93.4%
2nd Quarter	\$350		0.0%
3rd Quarter	\$350		0.0%
4th Quarter	\$350		0.0%
Annual Target	\$350	\$327	93.4%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the average cost per air quality assessment was below projections for the first quarter of FY 2004. This was due to a slightly higher number of air quality assessments being completed during the quarter. The desired performance for this measure is to be below projected costs.

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Efficiency Measure 03: Average cost of LIRAP vehicle emissions repairs and retrofits (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	\$380	\$497	130.8%
2nd Quarter	\$380		0.0%
3rd Quarter	\$380		0.0%
4th Quarter	\$380		0.0%
Annual Target	\$380	\$497	130.8%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the average cost of LIRAP repairs and retrofits was above projections for the first quarter of FY 2004. Average repair cost for LIRAP is derived from repairs costs in the 5 county Houston area and 9 county North Central Texas area. The number of vehicles repaired in the Houston area was 806 for an average repair cost of \$491.77. The North Central Texas area vehicle repairs were 717 for an average of \$503.79. Overall average repair cost for both program areas was \$497. Future performance for FY 2004 is expected to remain near this level. The \$380 cost was a projection based on repair costs in a similar program in California during program design. Actual costs in Texas have been higher than the original projection.

STRATEGY 01-01-04: AIR QUALITY ASSESSMENT AND PLANNING

Efficiency Measure 04: Average cost of LIRAP retirement

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	\$1,000	\$997	99.7%
2nd Quarter	\$1,000		0.0%
3rd Quarter	\$1,000		0.0%
4th Quarter	\$1,000		0.0%
Annual Target	\$1,000	\$997	99.7%

Variance Explanation:

Performance met projections. No variance explanation required.

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Efficiency Measure 05: Average cost/ton of NO_x reduced through the Emissions Reduction Plan (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	\$5,000	\$12,517	250.3%
2nd Quarter	\$5,000		0.0%
3rd Quarter	\$5,000		0.0%
4th Quarter	\$5,000		0.0%
Annual Target	\$5,000	\$12,517	250.3%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the average cost/ton of NO_x reduced through the TERP was above projections for the first quarter of FY 2004. The current performance is based on only one grant that has been issued in FY 2004. The agency is currently evaluating applications submitted under the first application period for FY 2004, and those grants will be awarded in December 2003. The final average cost per ton of NO_x reduced in FY 2004 is anticipated to be much closer to the \$5,000 target once those and future grants are awarded.

STRATEGY 01-01-04: AIR QUALITY ASSESSMENT AND PLANNING

Efficiency Measure 06: Average number of days to review a grant proposal (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	14	0	0.0%
2nd Quarter	14		0.0%
3rd Quarter	14		0.0%
4th Quarter	14		0.0%
Annual Target	14	0	0.0%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the average number of days to review a grant proposal was below projections for the first quarter of FY 2004. The functions of the TCET were transferred to the TCEQ's New Technology Research and Development Program during the first quarter of FY 2004. There were no RFPs issued during this quarter. RFPs will be issued beginning with the second quarter of FY 2004.

STRATEGY 01-01-05: WATER RESOURCE ASSESSMENT AND PLANNING

Output Measure 01: Number of surface water assessments (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	12.75	4	7.8%
2nd Quarter	12.75		0.0%
3rd Quarter	12.75		0.0%
4th Quarter	12.75		0.0%
Total	51	4	7.8%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of surface water assessments was below projections for the first quarter of FY 2004. Variations between the quarters in the number of assessments conducted will occur because assessments are due for different time frames and some are dependent upon environmental conditions. For example, some types of assessments included in this measure, such as intensive surveys, receiving water assessments, and special studies, require warm weather and low flow conditions. These types of assessments are typically conducted in the late spring and summer. The agency expects to meet projections for the fiscal year.

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Output Measure 02: Number of groundwater assessments (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	12.5	6	12.0%
2nd Quarter	12.5		0.0%
3rd Quarter	12.5		0.0%
4th Quarter	12.5		0.0%
Total	50	6	12.0%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of groundwater assessments was below projections for the first quarter of FY 2004. The majority of these assessments are longer-term projects which are anticipated to be completed in the third and fourth quarters of FY 2004.

STRATEGY 01-01-05: WATER RESOURCE ASSESSMENT AND PLANNING

Output Measure 03: Number of dam safety assessments

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	65	20	7.7%
2nd Quarter	65		0.0%
3rd Quarter	65		0.0%
4th Quarter	65		0.0%
Total	260	20	7.7%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of dam safety assessments was below projections for the first quarter of FY 2004. Some of the dam assessments will be conducted by an outside contractor. The contract for these additional assessments has not yet been implemented. The agency anticipates performance for this measure will meet projections, following implementation of the outside contract.

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Efficiency Measure 01: Average cost per dam safety assessment

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	\$2,000	\$2,343	117.2%
2nd Quarter	\$2,000		0.0%
3rd Quarter	\$2,000		0.0%
4th Quarter	\$2,000		0.0%
Annual Target	\$2,000	\$2,343	117.2%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the average cost per dam safety assessment exceeded projections for the first quarter of FY 2004. A fewer-than-anticipated number of dam safety assessments were conducted this quarter, resulting in a slightly higher average cost per dam safety assessment. The agency anticipates the number of dam safety assessments will increase in follow-on quarters, resulting in a decrease in the average cost per assessment.

STRATEGY 01-01-06: WASTE MANAGEMENT ASSESSMENT AND PLANNING

Output Measure 01: Number of municipal solid waste facility capacity assessments (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	60.25	0.0	0.0%
2nd Quarter	60.25		0.0%
3rd Quarter	60.25		0.0%
4th Quarter	60.25		0.0%
Total	241	0.0	0.0%

Variance Explanation:

BELOW PROJECTED LEVEL.
 Performance for the number of municipal solid waste facility capacity assessments was below projections for the first quarter of FY 2004. Information on the operations of each facility, including capacity information, will be submitted to the agency in the second quarter via the Annual Report for Permitted Solid Waste Facilities which will be used to conduct assessments to be used for waste management planning. There were no assessments conducted during the first quarter of FY 2004.

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Efficiency Measure 01: Average cost per municipal solid waste facility capacity assessment (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	\$35	\$0.00	0.0%
2nd Quarter	\$35		0.0%
3rd Quarter	\$35		0.0%
4th Quarter	\$35		0.0%
Annual Target	\$35	\$0.00	0.0%

Variance Explanation:

BELOW PROJECTED LEVEL.
 Performance for the average cost per municipal solid waste facility capacity assessments was below projections for the first quarter of FY 2004. This was because no assessments were conducted during the first quarter. The agency anticipates the performance of this measure will meet projections once the agency starts receiving annual reports from permitted solid waste facilities during the second quarter of FY 2004.

STRATEGY 01-01-07: POLLUTION PREVENTION, RECYCLING, AND INNOVATIVE PROGRAMS

Output Measure 01: Number of on-site technical assistance visits, presentations, and workshops on pollution prevention/waste minimization and environmental management systems (EMS) conducted

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	50	53	26.5%
2nd Quarter	50		0.0%
3rd Quarter	50		0.0%
4th Quarter	50		0.0%
Total	200	53	26.5%

Variance Explanation:
Performance met projections. No variance explanation required.

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Output Measure 02: Number of entities joining the Clean Texas Program, Texas Environmental Management Systems (EMS) Program, and Innovative Programs

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	43.75	15	8.6%
2nd Quarter	43.75		0.0%
3rd Quarter	43.75		0.0%
4th Quarter	43.75		0.0%
Total	175	15	8.6%

Variance Explanation:
BELOW PROJECTED LEVEL.
Performance for the number of entities joining these voluntary programs was below projections for the first quarter of FY 2004. A reduction in agency travel funding may have contributed to this performance, since the agency was unable to conduct as many outreach programs intended to inform entities about the various programs related to this measure.

STRATEGY 01-01-07: POLLUTION PREVENTION, RECYCLING, AND INNOVATIVE PROGRAMS

Output Measure 03: Number of quarts of used oil diverted from landfills and processed (in millions)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	5	0.1	1%
2nd Quarter	5		0%
3rd Quarter	5		0%
4th Quarter	5		0%
Total	20	0.1	1%

Variance Explanation:
 BELOW PROJECTED LEVEL.
 Performance for the number of quarts of used oil diverted from landfills and processed was below projections for the first quarter of FY 2004. This measure reflects the number of quarts of used oil diverted from landfills and processed (in millions) during the quarter. This information is collected from the Annual Used Oil Report which is due to the TCEQ by January 25, 2004. The agency anticipates that future performance will increase during the second quarter of FY 2004 as data from the reports is received and processed.

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Efficiency Measure 01: Average cost per on-site technical assistance visit

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	\$1,200	\$606.9	50.6%
2nd Quarter	\$1,200		0.0%
3rd Quarter	\$1,200		0.0%
4th Quarter	\$1,200		0.0%
Annual Target	\$1,200	\$606.9	50.6%

Variance Explanation:
 BELOW PROJECTED LEVEL.
 Performance for the average cost per on-site technical assistance visit was below projections for the first quarter of FY 2004. The cost per site assistance visit was lower than projected due to limiting on-site technical assistance to the Austin-San Antonio, Houston, Dallas-Ft. Worth, and Beaumont regions. Other parts of the state are served based on approved travel. Staff are conducting day trips to reduce overnight travel expenses. The desired performance for this measure is to be below projected costs.

STRATEGY 01-02-01: SAFE DRINKING WATER

Output Measure 01: Number of public drinking water systems which meet primary drinking water standards (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	6,400	6,508	101.7%
2nd Quarter	6,400		0.0%
3rd Quarter	6,400		0.0%
4th Quarter	6,400		0.0%
Annual Target	6,400	6,508	101.7%

Variance Explanation:

Performance met projections. No variance explanation required.

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Output Measure 02: Number of drinking water samples collected (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	11,050	6,428	14.5%
2nd Quarter	11,050		0.0%
3rd Quarter	11,050		0.0%
4th Quarter	11,050		0.0%
Total	44,200	6,428	14.5%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of drinking water samples collected was below projections for the first quarter of FY 2004. Although the number of samples collected during the first quarter was lower than projected, these results reflect the lower sampling requirements that exist through the end of calendar year 2003. The number of samples collected will increase beginning January 1, 2004, due to full implementation of the Stage 1 Disinfection Byproducts Rule at all water systems and increased nitrate monitoring according to the Phase II/Phase V Rules. Consequently, the number of samples collected each quarter are projected to increase throughout the fiscal year, but are not expected to reach maximum levels until the third or fourth quarters.

STRATEGY 01-02-02: WATER UTILITIES OVERSIGHT

Output Measure 01: Number of utility rate reviews performed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	25	22	22%
2nd Quarter	25		0%
3rd Quarter	25		0%
4th Quarter	25		0%
Total	100	22	22%

Variance Explanation:
Performance met projections. No variance explanation required.

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Output Measure 02: Number of district applications processed

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	106.25	167	39.3%
2nd Quarter	106.25		0.0%
3rd Quarter	106.25		0.0%
4th Quarter	106.25		0.0%
Total	425	167	39.3%

Variance Explanation:
ABOVE PROJECTED LEVEL.
Performance for the number of district applications processed was above projections for the first quarter of FY 2004. This measure includes applications for agency approval of district creations, bond issues, and a wide variety of other approvals required under the Texas Water Code. The number has exceeded projections because low interest rates have kept the housing and development market active, which directly affects water districts, resulting in a larger number of applications filed and processed.

STRATEGY 01-02-02: WATER UTILITIES OVERSIGHT

Output Measure 03: Number of certificates of convenience and necessity applications processed

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	56.25	67	29.8%
2nd Quarter	56.25		0.0%
3rd Quarter	56.25		0.0%
4th Quarter	56.25		0.0%
Total	225	67	29.8%

Variance Explanation:
Performance met projections. No variance explanation required.

STRATEGY 02-01-01: FIELD INSPECTIONS AND COMPLAINT RESPONSE

Output Measure 01: Number of inspections and investigations of air sites (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	4,750	3,324	17.5%
2nd Quarter	4,750		0.0%
3rd Quarter	4,750		0.0%
4th Quarter	4,750		0.0%
Total	19,000	3,324	17.5%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of inspections and investigations of air sites was below projections for the first quarter of FY 2004. Performance for this measure was due largely to the increased manpower requirements of addressing emissions events (upset/maintenance activities). Rules that became effective in September 2002 have prompted a redirection of resources away from planned investigations to more on-demand investigations in FY 2003 and continuing in FY 2004. The level of effort for on-demand, emissions events related activities has increased due to both the amount of time required to review emissions events to ascertain the proper response and the time required to implement requirements for corrective action plans. This level of effort is expected to continue throughout the fiscal year.

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Output Measure 02: Number of inspections and investigations of water rights sites (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	8,500	8,731	25.7%
2nd Quarter	8,500		0.0%
3rd Quarter	8,500		0.0%
4th Quarter	8,500		0.0%
Total	34,000	8,731	25.7%

Variance Explanation:

Performance met projections. No variance explanation required.

STRATEGY 02-01-01: FIELD INSPECTIONS AND COMPLAINT RESPONSE

Output Measure 03: Number of inspections and investigations of water sites and facilities (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	2,125	1,998	23.5%
2nd Quarter	2,125		0.0%
3rd Quarter	2,125		0.0%
4th Quarter	2,125		0.0%
Total	8,500	1,998	23.5%

Variance Explanation:

Performance met projections. No variance explanation required.

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Output Measure 04: Number of inspections and investigations of livestock and poultry operation sites (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	175	90	12.9%
2nd Quarter	175		0.0%
3rd Quarter	175		0.0%
4th Quarter	175		0.0%
Total	700	90	12.9%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of inspections and investigations of livestock and poultry operation sites was below projections for the first quarter of FY 2004. The agency conducted close to the projected number of inspections during the first quarter; however, many of the reports concerning those investigations are still pending approval and are not represented in the reported number. The agency anticipates meeting projections for this measure by the end of the fiscal year.

STRATEGY 02-01-01: FIELD INSPECTIONS AND COMPLAINT RESPONSE

Output Measure 05: Number of inspections and investigations of waste sites (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	1,839.50	1,265	17.2%
2nd Quarter	1,839.50		0.0%
3rd Quarter	1,839.50		0.0%
4th Quarter	1,839.50		0.0%
Total	7,358	1,265	17.2%

Variance Explanation:

BELOW PROJECTED LEVEL.
 Performance for the number of inspection and investigations of waste sites was below projections for the first quarter of FY 2004. Training events occurred during the beginning of FY 2004 to ensure that protocols are being consistently applied in all TCEQ Regional offices. It is expected that investigations of waste sites will increase as investigators are able to spend additional time in the field in the coming quarter.

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Output Measure 06: Number of spill cleanup inspections

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	150	78	13.0%
2nd Quarter	150		0.0%
3rd Quarter	150		0.0%
4th Quarter	150		0.0%
Total	600	78	13.0%

Variance Explanation:

BELOW PROJECTED LEVEL.
 Performance for the number of spill cleanup inspections was below projections for the first quarter of FY 2004. Spill cleanup investigations are on-demand activities based on the number of spills of regulated materials reported by citizens, industry representatives, and local and state law enforcement officials. This number can vary widely from quarter to quarter. During this reporting period, fewer spills were reported to the agency that required investigations. The desired performance for this measure is to be below projections.

STRATEGY 02-01-01: FIELD INSPECTIONS AND COMPLAINT RESPONSE

Efficiency Measure 01: Average inspection and investigation cost of livestock and poultry operations

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	\$229	\$729	318.3%
2nd Quarter	\$229		0.0%
3rd Quarter	\$229		0.0%
4th Quarter	\$229		0.0%
Annual Target	\$229	\$729	318.3%

Variance Explanation:

ABOVE PROJECTED LEVEL.
Performance for the average inspection and investigation cost of livestock and poultry operations was above projections for the first quarter of FY 2004. Due to a relatively low number of investigations during the first quarter, the average cost per investigation was higher than projected. It is expected that as the number of investigations increases, the average cost will decrease to projected levels.

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Efficiency Measure 02: Average time (days) to complete inspection/investigation of air sites

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	21	23	109.5%
2nd Quarter	21		0.0%
3rd Quarter	21		0.0%
4th Quarter	21		0.0%
Annual Target	21	23	109.5%

Variance Explanation:

ABOVE PROJECTED LEVEL.
Performance for the average time to complete inspection/investigation of air sites was above projections for the first quarter of FY 2004, as a result of increased time devoted to the evaluation of excessive emission events. The projection was developed before implementation of new rules which have increased the level of effort on many air investigations.

STRATEGY 02-01-01: FIELD INSPECTIONS AND COMPLAINT RESPONSE

Efficiency Measure 03: Average time (days) to complete inspection/investigation of water sites

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	35	34	97.1%
2nd Quarter	35		0.0%
3rd Quarter	35		0.0%
4th Quarter	35		0.0%
Annual Target	35	34	97.1%

Variance Explanation:

Performance met projections. No variance explanation required.

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Efficiency Measure 04: Average time (days) from date of waste facility inspection to report

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	35	28	80.0%
2nd Quarter	35		0.0%
3rd Quarter	35		0.0%
4th Quarter	35		0.0%
Annual Target	35	28	80.0%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the average time from date of waste facility inspection to report was below projections for the first quarter of FY 2004. Inspections and investigations took less time primarily because most of the inspections/investigations conducted have been less complex in nature, and therefore, took less time to complete. The desired performance for this measure is to be below projections.

Strategy 02-01-02: Enforcement and Compliance Support

Output Measure 01: Number of commercial lab inspections

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	0	0	0.0%
2nd Quarter	0		0.0%
3rd Quarter	0		0.0%
4th Quarter	0		0.0%
Total	0	0	0.0%

Variance Explanation:

MEETS EXPECTED LEVEL.

Funding for this program has not been approved since it was transferred from the Health Department in the FY 2002-2003 biennium. This prevented the agency from hiring and training staff, implementing the program, and obtaining the authority to accredit from the National Environmental Laboratory Accreditation Program. The agency is considering options to implement the program.

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Output Measure 02: Number of small businesses and local governments assisted (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	12,000	45,846	95.5%
2nd Quarter	12,000		0.0%
3rd Quarter	12,000		0.0%
4th Quarter	12,000		0.0%
Total	48,000	45,846	95.5%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of small businesses and local governments assisted was above projections for the first quarter of FY 2004. The agency sent a notification of agency rule and policy changes to all small businesses and local governments included in the program's database during the first quarter, resulting in performance exceeding projections for the year to date. These notifications are provided to the state's small businesses and local governments to keep them informed of regulatory changes that might affect them. The notices included information on the following issues: construction storm water permits; standard air permits for hot mix asphalt plants; public water supply minimum capacity rules; concrete crushing facilities; and dry cleaning rules.

Strategy 02-01-02: Enforcement and Compliance Support

Output Measure 03: Number of air program administrative enforcement orders issued

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	61.25	45	18.4%
2nd Quarter	61.25		0.0%
3rd Quarter	61.25		0.0%
4th Quarter	61.25		0.0%
Total	245	45	18.4%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of air program administrative enforcement orders issued was below projections for the first quarter of FY 2004. Air program administrative orders include enforcement orders that have been issued to address violations of statutes and rules that regulate releases of pollutants to air. A lower number of air enforcement orders was issued because the agency has undertaken a temporary project designed to address financial assurance violations in an expedited manner. This project temporarily diverted staff from finalizing orders in the air program. This situation is not expected to continue and the numbers are expected to go up in the remaining quarters of the fiscal year.

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Output Measure 04: Number of water program administrative enforcement orders issued

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	78.75	68	21.6%
2nd Quarter	78.75		0.0%
3rd Quarter	78.75		0.0%
4th Quarter	78.75		0.0%
Total	315	68	21.6%

Variance Explanation:

Performance met projections. No variance explanation required.

Strategy 02-01-02: Enforcement and Compliance Support

Output Measure 05: Number of waste program administrative enforcement orders issued

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	60.0	57	23.8%
2nd Quarter	60.0		0.0%
3rd Quarter	60.0		0.0%
4th Quarter	60.0		0.0%
Total	240	57	23.8%

Variance Explanation:

Performance met projections. No variance explanation required.

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Output Measure 06: Number of drinking water labs certified (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	115	116	100.9%
2nd Quarter	115		0.0%
3rd Quarter	115		0.0%
4th Quarter	115		0.0%
Annual Target	115	116	100.9%

Variance Explanation:

Performance met projections. No variance explanation required.

Strategy 02-01-02: Enforcement and Compliance Support

Efficiency Measure 01: Average number of days to file notices of formal violations

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	100	32	32.0%
2nd Quarter	100		0.0%
3rd Quarter	100		0.0%
4th Quarter	100		0.0%
Annual Target	100	32	32.0%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the average number of days to file notices of formal violations was below projections for the first quarter of FY 2004. This measure represents the average number of days from the date the case was screened for appropriate evidence and a decision was made to take formal enforcement action, to the mailing date of the initial document that explains the violations and calculated penalty included in the enforcement action. Preparation of this documentation includes evaluation of evidence and development of the necessary legal documents. The average number of days was lower than projected because the agency has undertaken a temporary project designed to address financial assurance violations in an expedited manner. This project allowed staff to create documentation and penalty calculations in a streamlined manner due to the singular nature of the violation involved, which is less complex than normal enforcement matters. This situation is expected to continue into the next quarter, but not for the remainder of the fiscal year. The desired performance for this measure is to be below projections.

STRATEGY 02-01-03: OCCUPATIONAL LICENSING

Output Measure 01: Number of applications for certification

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	5,750	4,468	19.4%
2nd Quarter	5,750		0.0%
3rd Quarter	5,750		0.0%
4th Quarter	5,750		0.0%
Total	23,000	4,468	19.4%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of applications for certification was below projections for the first quarter of FY 2004. The agency implemented a new database system which no longer requires that a new application be submitted in order for an individual to retest. This system change has resulted in fewer applications for certification being processed by the agency. The agency anticipates that performance for this measure could potentially be lower than projected for the remainder of the fiscal year.

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Output Measure 02: Number of examinations administered (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	2,725.00	2,333	21.4%
2nd Quarter	2,725.00		0.0%
3rd Quarter	2,725.00		0.0%
4th Quarter	2,725.00		0.0%
Total	10,900	2,333	21.4%

Variance Explanation:

Performance met projections. No variance explanation required.

STRATEGY 02-01-03: OCCUPATIONAL LICENSING

Output Measure 03: Number of new licenses issued

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	2,000	1,833	22.9%
2nd Quarter	2,000		0.0%
3rd Quarter	2,000		0.0%
4th Quarter	2,000		0.0%
Total	8,000	1,833	22.9%

Variance Explanation:

Performance met projections. No variance explanation required.

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Output Measure 04: Number of licenses renewed

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	3,125	2,579	20.6%
2nd Quarter	3,125		0.0%
3rd Quarter	3,125		0.0%
4th Quarter	3,125		0.0%
Total	12,500	2,579	20.6%

Variance Explanation:

Performance met projections. No variance explanation required.

STRATEGY 02-01-03: OCCUPATIONAL LICENSING

Efficiency Measure 01: Average annualized cost per license

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	\$21.95	\$18.05	82.2%
2nd Quarter	\$21.95		0.0%
3rd Quarter	\$21.95		0.0%
4th Quarter	\$21.95		0.0%
Annual Target	\$21.95	\$18.05	82.2%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the average annualized cost per license was below projections for the first quarter of FY 2004. This measure reflects the average annualized cost for the agency's licensing program per license issued. The agency has realigned licensing staff and redistributed the workload to ensure performance was maintained, while reducing operating costs through staff retirements. The decreased salary costs and continued performance has resulted in a reduction in the average annualized cost per license. This performance is expected to continue for the remainder of this fiscal year. The desired performance for this measure is to be below projected costs.

STRATEGY 03-01-01: STORAGE TANK ADMINISTRATION AND CLEANUP

Output Measure 01: Number of petroleum storage tank self-certifications processed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	2,990.75	3,268	27.3%
2nd Quarter	2,990.75		0.0%
3rd Quarter	2,990.75		0.0%
4th Quarter	2,990.75		0.0%
Total	11,963	3,268	27.3%

Variance Explanation:

Performance met projections. No variance explanation required.

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Output Measure 02: Number of emergency response actions at petroleum storage tank sites

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	7.5	7	23.3%
2nd Quarter	7.5		0.0%
3rd Quarter	7.5		0.0%
4th Quarter	7.5		0.0%
Total	30	7	23.3%

Variance Explanation:

Performance met projections. No variance explanation required.

STRATEGY 03-01-01: STORAGE TANK ADMINISTRATION AND CLEANUP

Output Measure 03: Number of petroleum storage tank reimbursement applications processed

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	1,250	2,484	49.7%
2nd Quarter	1,250		0.0%
3rd Quarter	1,250		0.0%
4th Quarter	1,250		0.0%
Total	5,000	2,484	49.7%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of petroleum storage tank (PST) reimbursement applications processed was above projections for the first quarter of FY 2004. Due to staffing allocation and processing efficiency, the agency has been able to exceed projections for this measure. An increase in claims for this year has occurred because of several factors. One factor is that contractors have increased their corrective action activities performed at leaking petroleum storage tank (LPST) sites in order for sites to meet mandated legislative deadlines to remain in the program. A second factor is that most cleanups at LPST sites are being managed and funded by the contractor. Some companies may be trying to submit older claims to receive reimbursement prior to fund sunseting. The agency expects to exceed performance for this measure throughout the remainder of this fiscal year.

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Output Measure 04: Number of petroleum storage tank cleanups completed

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	357	140	9.8%
2nd Quarter	357		0.0%
3rd Quarter	357		0.0%
4th Quarter	357		0.0%
Total	1,428	140	9.8%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of PST cleanups completed was below projections for the first quarter of FY 2004. This measure tracks the number of leaking PST sites at which no further corrective action is required. Since most cleanups are finalized after responsible parties complete all field work and formally request closure review, the projection assumed a higher request rate. The TCEQ has limited control over the number of requests for closure review.

STRATEGY 03-01-01: STORAGE TANK ADMINISTRATION AND CLEANUP

Efficiency Measure 01: Average time (days) to review and respond to remedial action plans

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	30	30.7	102.3%
2nd Quarter	30		0.0%
3rd Quarter	30		0.0%
4th Quarter	30		0.0%
Annual Target	30	30.7	102.3%

Variance Explanation:

Performance met projections. No variance explanation required.

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Efficiency Measure 02: Average time (days) to review and respond to risk-based site assessments

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	30	31.9	106.3%
2nd Quarter	30		0.0%
3rd Quarter	30		0.0%
4th Quarter	30		0.0%
Annual Target	30	31.9	106.3%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the average time to review and respond to risk-based site assessments was above projections for the first quarter of FY 2004. This measure provides the average number of days for the agency to review and respond to remedial action plans over the reporting period. The remedial action plan statutory deadline and expiration of the privatization contract on 8/31/03 resulted in higher work volume and reduced staffing resources during the first quarter. A new contract is expected in 12/03 and second quarter projections should be met.

STRATEGY 03-01-01: STORAGE TANK ADMINISTRATION AND CLEANUP

Efficiency Measure 03: Average time (days) to process Petroleum Storage Tank Remediation Fund reimbursement claims

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	90	67.7	75.2%
2nd Quarter	90		0.0%
3rd Quarter	90		0.0%
4th Quarter	90		0.0%
Annual Target	90	67.7	75.2%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the average time to process PST remediation fund reimbursement claims was below projections for the first quarter of FY 2004.

Turnaround time for claim processing has consistently been below the mandated level of 90 days. This is primarily due to agency staff processing efficiency and the improved quality of information provided in claims submitted. The desired performance for this measure is to be below projections.

STRATEGY 03-01-02: HAZARDOUS MATERIALS CLEANUP

Output Measure 01: Number of immediate response actions conducted to protect human health and environment

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	1.25	0	0.0%
2nd Quarter	1.25		0.0%
3rd Quarter	1.25		0.0%
4th Quarter	1.25		0.0%
Total	5	0	0.0%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of immediate response actions conducted to protect human health and the environment was below projections for the first quarter of FY 2004. Four response actions are currently underway (San Angelo Electric Service Company, Pearce Caliche, National Chrome, and Rio Chemical). These sites will be completed during the second and third quarters. It is anticipated that the annual projection for this measure will be met.

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Output Measure 02: Number of Superfund site assessments

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	21.75	24	27.6%
2nd Quarter	21.75		0.0%
3rd Quarter	21.75		0.0%
4th Quarter	21.75		0.0%
Total	87	24	27.6%

Variance Explanation:

Performance met projections. No variance explanation required.

STRATEGY 03-01-02: HAZARDOUS MATERIALS CLEANUP

Output Measure 03: Number of voluntary and brownfield cleanups completed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	18.75	10	13%
2nd Quarter	18.75		0%
3rd Quarter	18.75		0%
4th Quarter	18.75		0%
Total	75	10	13%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of voluntary and brownfield cleanups completed was below projections for the first quarter of FY 2004. This measure tracks the number of voluntary cleanup and brownfield sites which have completed necessary response actions. A lower-than-anticipated number of completion reports was received by the agency. This was primarily due to an increased level of effort required by applicants cleaning up chlorinated solvent sites and by delays in submitting closure paperwork.

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Output Measure 04: Number of Superfund evaluations underway (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	25	23	92.0%
2nd Quarter	25		0.0%
3rd Quarter	25		0.0%
4th Quarter	25		0.0%
Annual Target	25	23	92.0%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of Superfund evaluations underway was below projections for the first quarter of FY 2004. During the first reporting quarter two sites (Materials Recovery Enterprise and Rockwool Industries) left this category for cleanups underway and one site (Conroe Creosoting) left this category for cleanup completion status. The number of evaluations underway is expected to approach the projected level by the end of the fiscal year.

STRATEGY 03-01-02: HAZARDOUS MATERIALS CLEANUP

Output Measure 05: Number of Superfund cleanups underway (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	29	23	79.3%
2nd Quarter	29		0.0%
3rd Quarter	29		0.0%
4th Quarter	29		0.0%
Annual Target	29	23	79.3%

Variance Explanation:
 BELOW PROJECTED LEVEL
 Performance for the number of Superfund cleanups underway was below projections for the first quarter of FY 2004. Two additional sites, (Materials Recovery Enterprises and Rockwool Industries) have initiated cleanups. The number of cleanups underway is expected to approach the projected level by the end of the fiscal year.

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Output Measure 06: Number of Superfund cleanups completed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	1.25	1	20%
2nd Quarter	1.25		0%
3rd Quarter	1.25		0%
4th Quarter	1.25		0%
Total	5	1	20%

Variance Explanation:
 BELOW PROJECTED LEVEL.
 Performance for the number of Superfunds cleanups completed was below projections for the first quarter of FY 2004. During the quarter, one Superfund site (Conroe Creosoting) achieved a cleanup completion due to completion of a site-wide removal action at the site. Cleanup completions are not expected to be evenly distributed over each reporting quarter. The number of cleanups completed is expected to meet the projected level by the end of the fiscal year.

STRATEGY 03-01-02: HAZARDOUS MATERIALS CLEANUP

Efficiency Measure 01: Average time (days) for immediate response actions

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	180	0.0	0.0%
2nd Quarter	180		0.0%
3rd Quarter	180		0.0%
4th Quarter	180		0.0%
Annual Target	180	0.0	0.0%

Variance Explanation:
BELOW PROJECTED LEVEL.
Performance for the average time for immediate response actions was below projections for the first quarter of FY 2004. Due to no immediate removals being completed in the first quarter, no average time could be calculated.

STRATEGY 05-01-01: HISTORICALLY UNDERUTILIZED BUSINESSES

Output Measure 01: Percentage of special trade construction awarded to HUBs

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	10%	0.4%	4.0%
2nd Quarter	10%		0.0%
3rd Quarter	10%		0.0%
4th Quarter	10%		0.0%
Annual Target	10%	0.4%	4.0%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the percentage of special trade construction awarded to HUBs was below projections for the first quarter of FY 2004. Several large A/C and heating projects were competitively bid and HUBs were not awarded the contracts. The HUB Program staff will meet with the offices that have purchased services under the Special Trade category and identify methods to identify and target HUBs and potential HUBs in this category and to solicit additional HUBs when procuring services under this category. The agency will continue to emphasize purchasing from HUBs when competitive bids are not required. When competitive bids are required, the agency will emphasize obtaining additional HUB bids.

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Output Measure 02: Percentage of professional services going to HUBs

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	18.1%	8.6%	47.5%
2nd Quarter	18.1%		0.0%
3rd Quarter	18.1%		0.0%
4th Quarter	18.1%		0.0%
Annual Target	18.1%	8.6%	47.5%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the percentage of professional services going to HUBs was below projections for the first quarter of FY 2004. A HUB audit was conducted of 30 contracts with HUB Subcontracting Plans and none were meeting their HUB goals. The HUB Program staff will meet with contract managers to begin notifying the respective contractors to begin fulfilling their contractually obligated HUB Plans. The monitoring of current contracts with HUB Subcontracting Plans will be done on a quarterly basis. The HUB Program staff will then begin to audit the rest of the agency's biddable contracts.

STRATEGY 05-01-01: HISTORICALLY UNDERUTILIZED BUSINESSES

Output Measure 03: Percentage of other services going to HUBs

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	33%	15.3%	46.4%
2nd Quarter	33%		0.0%
3rd Quarter	33%		0.0%
4th Quarter	33%		0.0%
Annual Target	33%	15.3%	46.4%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the percentage of other services going to HUBs was below projections for the first quarter of FY 2004. An audit of the larger biddable contracts will begin in the near future and their HUB Subcontracting Plan (if applicable) will be examined. The HUB Program staff will meet with offices that have low category percentages and develop a plan to increase HUB participation. The plan will identify contracts for services that have been completed and that are still ongoing. These contracts will be examined for their initial HUB outreach and their current HUB compliance.

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Output Measure 04: Percentage of commodity purchasing awarded to HUBs

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	12.6%	9.8%	77.8%
2nd Quarter	12.6%		0.0%
3rd Quarter	12.6%		0.0%
4th Quarter	12.6%		0.0%
Annual Target	12.6%	9.8%	77.8%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the percentage of commodity purchasing awarded to HUBs was below projections for the first quarter of FY 2004. A competitively bid purchase of an engine had a large impact on this category, in which there was only one non-HUB bid received. The HUB Program staff will meet with the offices that have low commodity percentages and develop a plan to increase the number of opportunities to HUB vendors. ProCard purchases will also be included in this HUB outreach effort. The agency will continue to emphasize purchasing from HUBs when competitive bids are not required. When competitive bids are required, the agency will emphasize obtaining additional HUB bids.