Appendix B

APPENDIX B

Permit Time-Frame Reduction and Tracking

The Texas Commission on Environmental Quality is charged with issuing permits and other authorizations for the control of air pollution, the management of hazardous and nonhazardous waste, and the safe operation of water and wastewater utilities.

The Texas Government Code, Section 2005.007, requires the TCEQ to report every two years on its permit application system, showing the periods adopted for processing each type of permit issued and any changes enacted since the last report.

The biennial update also includes a statement of the minimum, maximum, and median time periods for processing each type of permit—from the date a request is received to the final permitting decision. Finally, the report describes specific actions taken to simplify and improve the entire permitting process, including application and paperwork requirements.

Permit Time-Frame Tracking

One of the agency's primary goals is to issue well-written permits that are protective of human health and the environment, and to do so in the most efficient manner possible. Each year, the TCEQ receives more than 8,000 applications for various types of permits. In addition, staff handles more than 40,000 requests for other registrations and authorizations, including those for water utilities, water districts, petroleum storage tanks, storage and disposal of radioactive waste, waste handling and transportation, storm water management, and permit-by-rule authorizations.

In 2002, the TCEQ implemented the Permit Time-Frame Reduction initiative to improve efficiencies in the permitting process and to reduce the permit "time frame"—the amount of time required to complete all the steps in the permitting process. Since then, the agency has realized substantial progress, most notably reducing the permit backlog from 1,150 to 109.

The TCEQ plans to build on that success with implementation of the Project Time-Frame Tracking initiative. This program focuses not only on permit processing time frames, but also establishes time-frame goals. The initiative is being implemented incrementally, as follows:

Phase I (began September 2007)
- Water District Regular Bond Applications
- Water District Expedited Escrow Releases and Surplus Fund Requests
- Water District Expedited Creation Applications
- Water System Engineering Plan Reviews
- Water System Plan Exceptions
- Water System Alternative Capacity Requests

Phase II (began September 2008)
- Superfund Projects
- Voluntary Cleanup Program Certifications

Phase III (due to begin December 2008)
- Corrective Action Plans
- Dry Cleaner Site Remediations
- Petroleum Storage Tank Site Remediations

Full implementation of these measures will help eliminate backlogs and ensure that key business functions are completed within reasonable time frames. These improvements will also help streamline the processes for water utilities and remediation activities.

Performance Measures

In addition to permit processing time-frame goals, the TCEQ also maintains established performance measures for each permitting program. For fiscal 2008, the performance measure in each program area was to review 90 percent of all permit applications within the established time frames.

Two categories have been created for tracking the permit time frames:

Priority 1. These projects require agency action before applicants may begin operations. This category includes uncontested applications for new permits and for amendments to existing permits for new operations.

Figure B-1

Air Permits (Uncontested)

Permit Time-Frame Reductions

(as of September 1, 2008; based on rolling 12-month averages)

Application Type	Average Processing Time *(days)*	Total under Review	Target Maximum	Number under Review Exceeding Target
Priority 1				
New source review (NSR) permit, new	200	170	240	25
NSR permit, amendment	216	531	270	76
NSR permit, new - federal timeline	189	11	330	5
NSR permit, amendment - federal timeline	410	8	330	4
Federal NSR *(prevention of significant deterioration, nonattainment, 112g)*, new and major modification	364	80	330	25
Permit by rule	27	259	45	5
Standard permit *(without notice)*, SB 1126, and relocation	32	51	45	6
Concrete batch plant standard permit *(with notice)*	61	38	150	0
Priority 2				
Site operating permit (SOP), new	292	59	330	1
SOP, renewal	311	178	330	18
SOP, revision	203	172	330	8
NSR permit, alteration and other changes	78	185	120	39
NSR permit, renewal	327	163	270	47
General operating permit (GOP), new	101	10	120	0
GOP, renewal	153	105	210	3
GOP, revision	127	78	330	10

Definitions (for Figures B-1 through B-4)

Average Processing Time: The average length of time it took to process the specified application type during the 12 months preceding the reported month.

Total under Review: The total number of applications received but not yet completed (issued, denied, returned, withdrawn, etc.).

Target Maximum: The time-frame goal set by the agency for completing applications in each project type.

Number under Review Exceeding Target: The number of uncompleted applications that have a processing time in excess of the target maximum.

Figure B-2

Waste Permits (Uncontested)
Permit Time-Frame Reductions

(as of September 1, 2008; based on rolling 12-month averages)

Application Type	Average Processing Time *(days)*	Total under Review	Target Maximum	Number under Review Exceeding Target
Priority 1				
Industrial and hazardous waste (IHW), new permit	760	7	450	2
IHW Class 3 permit, modification	357	20	450	1
IHW permit, major amendment	425	4	450	1
IHW combustion permit, new	0	0	540	0
IHW combustion Class 3 permit, modification	0	0	540	0
IHW combustion permit, major amendment	0	0	540	0
Underground injection control (UIC) permit, new	0	12	390	1
UIC permit, major amendment	353	8	390	0
Municipal solid waste (MSW) permit, new	954	11	360	1
Registered transfer stations	0	2	230	0
Registered gas recovery	0	0	230	0
Priority 2				
MSW permit, major amendment	431	13	360	0
IHW permit, renewal	638	14	450	1
IHW permit, combustion renewal	623	0	540	0
UIC permit, renewal	451	8	390	0
Registered liquid waste processors	294	0	230	0

Priority 2. These projects allow the permit applicants to continue operating while the agency processes the request. This category includes uncontested applications for renewals of existing permits and for amendments to existing permits that involve activities already permitted.

The agency also has established processing time-frame goals for each type of permit. These goals, or "target maximums," vary by program area and by environmental media.

Figures B-1 through B-3 show the status of Priority 1 and Priority 2 projects—at the end of fiscal 2008—in the categories of air permits, waste permits, and water quality permits. Table B-4 shows Priority 1 projects for water supply permits (this category has no Priority 2). Excluded from the data are projects that were contested or that involved significant review or approval outside of the TCEQ, such as at another agency.

For fiscal 2008, about 81 percent of all Priority 1 permits were issued within the agency's performance goals, as were 80 percent of all Priority 2 permits.

The performance outcomes for 2008 were slightly below the goals due to an influx of new permit applications that followed a change in the state and federal requirements for issuing permits for planned maintenance start-up and shut-down emissions from refineries, chemical plants, carbon black plants, electric utilities, and oil and gas facilities. Also, a number of water quality discharge permits were delayed to address concerns raised by the Environmental Protection Agency over water quality standards.

Figure B-3

Water Quality Permits (Uncontested)

Permit Time-Frame Reductions

(as of September 1, 2008; based on rolling 12-month averages)

Application Type	Average Processing Time *(days)*	Total under Review	Target Maximum	Number under Review Exceeding Target
Priority 1				
Wastewater permit, new (major facility)	0	0	330	0
Wastewater permit, major amendment (major facility)	443	45	330	5
Wastewater permit, concentrated animal feeding operation (CAFO)/sludge, new (minor facility)	301	84	330	6
Wastewater permit, CAFO/sludge, major amendment (minor facility)	313	79	300	7
CAFO, registration	0	0	0	0
Sludge, registration and permit	137	3	270	0
Priority 2				
Wastewater permit, renewals (major facility)	367	79	330	7
Wastewater permit, CAFO/sludge, renewal (minor facility)	225	293	300	15

Greater Efficiencies

In recent years, the agency has identified a number of streamlining measures to improve efficiencies in the permitting process and to reduce paperwork requirements. Some of those measures are described below.

Expand online permitting options for applicants. The TCEQ continues to create streamlined permitting options for applicants. The first stage of the new e-permitting system allowed storm water general permit applicants to apply for and receive an authorization within a matter of minutes. The feature took effect in February 2008 and was enhanced to handle the high volume of construction storm water general permit renewals. The second stage, expected to come online in the spring or summer of 2009, will focus on general permit authorizations for concentrated animal feeding operations (CAFOs). This new online option will allow CAFO customers to submit complex applications with attachments. In addition, an online information system was created to allow the public to check the status of specific general permits or applications, or to identify authorizations within certain geographic locations or those held by a specific customer.

Expand the options for more standardized permitting through the use of general permits, standard permits, and permits by rule. General permits are available for qualified water and wastewater discharges. Since 2002, the TCEQ has increased the types of general permits from three to 10. The agency has also authorized about 35,580 active facilities, with most permit coverage provided within seven days of receipt of the Notice of Intent. The agency also increased the use of standard permits in the air program. In 2002, the TCEQ had three standard air permits, with an average processing time of 56 days per application. In fiscal 2006, there were eight standard permits, with an average processing time of 30 days (these permits did not require public notice). In fiscal 2008, there were 13 standard permits, only four of which require public notice. For the standard permits that do not require public notice, the average processing time is about 30 days. In 2002, 36 permit-by-rule authorizations required registration, with an average processing time of 67 days. Through changes in rules and operating procedures, the agency eliminated the registration process for five of these permits, which shortened the processing time to 30 days.

Figure B-4

Water Supply Permits (Uncontested)
Permit Time-Frame Reductions

(as of September 1, 2008)

Priority 1

Application Type	Average Processing Time *(days)*	Total under Review	Target Maximum	Number under Review Exceeding Target
Water rights permit, new	146	25	300	4
Water rights permit, amendment with notice	196	49	300	23
Water rights permit, amendment without notice	112	10	180	0
Water district application, expedited bond	61	47	60	16
Water district application, regular bond	165	113	180	31
Water district application, expedited bond escrow release and surplus request	36	10	60	2
Water district application, regular, minor	78	82	120	16
Water district application, expedited creation	77	5	120	0
Water district application, regular creation and conversion	286	21	180	5
Certificate of convenience and necessity (CCN), new or amendment	248	60	180	13
CCN transfer	358	85	365	8
Water system engineering plan reviews	33	113	60	0
Exceptions	82	108	100	0
Alternative capacity requirement	84	14	90	0

Develop an electronic payment system in coordination with the Texas Online Web site so that TCEQ customers can pay any invoiced fee and most permit application fees online. During FYs 2007-2008, the agency's e-pay system processed about 42,000 fee payments and collected a total of $8.3 million in fees.

Maintain an expedited permitting process for all economic development projects. In addition to the standard permit processing time-frame goals, the TCEQ maintains an expedited permitting process for economic development projects. TCEQ staff meets each week with the Governor's Office of Economic Development and Tourism to prioritize economic development projects. During fiscal 2008, the TCEQ tracked and issued 32 permits for major economic development projects. The average time frame for economic development permits was only 180 days; by comparison, the average time frame for issuance of a routine permit was at least 330 days.

Identify and develop streamlining measures that will help keep Texas at the forefront of the global economy. TCEQ staff worked closely with the energy and petrochemical cluster groups of the Governor's Competitiveness Council (GCC) to develop recommendations that help Texas maintain a competitive advantage in these two economic sectors. Some of the GCC's recommendations were:

- Remove inefficient government processes that hinder business growth.
- Streamline permitting processes and improve coordination across agencies to ensure consistency and efficiency.
- Offer end-to-end permitting options through the use of the state business portal at **www.texasonline.com**.

The GCC's final report was presented to Governor Rick Perry for consideration in August 2008. The TCEQ is in the process of implementing additional streamlining measures for its business processes.