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April 2004
SFR-055/04-02

Second Quarter Report on Performance Measures

Fiscal Year 2004

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Fiscal Year 2004

Prepared by
Strategic Planning and Appropriations

SFR-055/04-02
April 2004



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Published and distributed
by the
Texas Commission on Environmental Quality
PO Box 13087
Austin TX 78711-3087

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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	1,420	25.4%
3rd Quarter	1,400		0.0%
4th Quarter	1,400		0.0%
Total	5,600	2,858	51.0%

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	271	77.4%
3rd Quarter	87.5		0.0%
4th Quarter	87.5		0.0%
Total	350	500	142.9%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of federal air quality operating permits reviewed remained above projections through the second 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%	70.93%	74.7%
3rd Quarter	95%		0.0%
4th Quarter	95%		0.0%
Annual Target	95%	70.93%	74.7%

Variance Explanation:

BELOW PROJECTED LEVEL.
 Performance for the percent of air quality permit applications reviewed within established time frames was below projections for the second 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 due to a temporary reduction in staffing during the second quarter. The staffing shortage has been addressed and performance should increase throughout the rest of the fiscal year.

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	6,229	37.4%
3rd Quarter	4,161.50		0.0%
4th Quarter	4,161.50		0.0%
Total	16,646	6,894	41.4%

Variance Explanation:

BELOW PROJECTED LEVEL.

The performance for the number of applications to address water quality impacts was above projections for the second quarter of FY 2004, but remained below annual projections. 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 high performance of this measure is due primarily to the completion of fee billing during the first quarter allowing staff to dedicate time to perform data review and data entry in order to mail out acknowledgment letters for the stormwater general permits and over 5,700 notice of deficiencies. The agency anticipates performance will be similar for the third 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	119	23.8%
3rd Quarter	125		0.0%
4th Quarter	125		0.0%
Total	500	239	47.8%

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	12	14.1%
3rd Quarter	21.25		0.0%
4th Quarter	21.25		0.0%
Total	85	33	38.8%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of concentrated animal feeding operation (CAFO) permits reviewed was below projections for the second quarter of FY 2004. The lower-than-projected performance is due to staff concentrating efforts on drafting rules to incorporate new federal requirements for a new general permit. The agency expects to issue the general permit to allow permit coverage for most CAFOs during the fourth quarter of FY 2004. The agency expects to review approximately 15 permits for the third quarter.

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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%	66.9%	70.4%
3rd Quarter	95%		0.0%
4th Quarter	95%		0.0%
Annual Target	95%	66.9%	70.4%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the percent of water resource permit applications reviewed within established time frames was below projections for the second 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, remained consistent at 86% for the second quarter of FY 2004. The percent of wastewater permits processed within established time frames decreased from 56% for the first quarter of FY 2004 to approximately 48% for the second quarter of FY 2004. The agency continues to examine the permit process through the Permit Time Frame Reduction Initiative to meet the established time frames. Staff are focusing efforts on new and amended permit applications which are typically complex and result in longer time frames for issuance. Several vacancies have been filled within the Water Quality Division which should increase the percent of water resource permit applications reviewed within established time frames. The wastewater permitting program expects the percent of permits issued within the established time frames will increase for third quarter of FY 2004.

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	146	25.6%
3rd Quarter	142.50		0.0%
4th Quarter	142.50		0.0%
Total	570	293	51.4%

Variance Explanation:

Performance met projections. No variance explanation required.

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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	88	21.6%
3rd Quarter	102		0.0%
4th Quarter	102		0.0%
Total	408	246	60.3%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of corrective actions approved for sites contaminated by solid waste met projections for the second quarter of FY 2004, but remained above projections for the year. 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 commission has expected the number of corrective actions would decrease due to implementation of the new Texas Risk Reduction Program (TRRP) rules. These rules have fewer administrative reporting requirements than the previous risk reduction rules, and were anticipated to result in fewer reports submitted for review. This is the first quarter where this decrease has occurred, which may indicate performance will remain at this level for the rest of the FY.

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	57	438.5%
3rd Quarter	3.25		0.0%
4th Quarter	3.25		0.0%
Total	13	115	884.6%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of nonhazardous waste permit applications reviewed was above projections for the second 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	46	34.1%
3rd Quarter	33.75		0.0%
4th Quarter	33.75		0.0%
Total	135	98	72.6%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of hazardous waste permit applications reviewed was above projections for the second 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 second 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 permit 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%	91.0%	95.8%
3rd Quarter	95%		0.0%
4th Quarter	95%		0.0%
Annual Target	95%	91.0%	95.8%

Variance Explanation:

Performance met projections. No variance explanation required.

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	191	9.6%
3rd Quarter	500		0.0%
4th Quarter	500		0.0%
Total	2,000	690	34.5%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of point source air quality assessments was below projections for the second quarter of FY 2004. The end of this quarter is normally characterized by the mail-out of account data for the next cycle's assessments with a decrease in review and assessments from the previous cycle. The point source air quality inventories are due in the third quarter; therefore, the number of assessments to be completed is expected to be above the projections for the third and fourth quarters and the projected performance is expected to be met at the end of the year.

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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	670	26.8%
3rd Quarter	625		0.0%
4th Quarter	625		0.0%
Total	2,500	1,335	53.4%

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	185	14.8%
3rd Quarter	312.50		0.0%
4th Quarter	312.50		0.0%
Total	1,250	495	39.6%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of mobile source air quality assessments was below projections for the second quarter of FY 2004. The agency reallocated staff to process work plans, grants, and contract amendments needed to support the development of a number of SIP emission inventories. Work in support of the SIP emission inventories was completed during the second quarter; therefore, the agency anticipates that performance for this measure will meet or exceed projections next quarter.

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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	582	96.0%
3rd Quarter	606		0.0%
4th Quarter	606		0.0%
Annual Target	606	582	96.0%

Variance Explanation:

Performance met projections. No variance explanation required.

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	3,583.5	128.0%
3rd Quarter	700		0.0%
4th Quarter	700		0.0%
Annual Target	2,800	3,624.4	129.4%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the tons of NO_x reduced through the Texas Emissions Reduction Plan (TERP) was above projections for the second quarter of FY 2004. The original projection was based on FY 2002-2003 funding levels (approximately \$14 million per FY), assuming \$5,000 per ton of NO_x reduced. House Bill (HB) 1365, 78th Texas Legislature, established additional funding sources for the TERP program which are projected to result in revenues for the Emissions Reduction Incentive Grants Program in FY 2004 of approximately \$104 million. Given the increased funding, the agency will greatly exceed the projection for 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	0.0%
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 second 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. RFPs were issued during the second quarter and will be reviewed during the third 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	0.0%
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 second 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. RFPs were issued during the second quarter and will be reviewed during the third 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	0.0%
3rd Quarter	0		0.0%
4th Quarter	0		0.0%
Annual Target	0	0	0.0%

Variance Explanation:

MEETS PROJECTED LEVEL.
Performance for the number of recommended demonstration projects was below projections for the second 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. RFPs were issued during the second quarter and will be reviewed during the third 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	0.0%
3rd Quarter	0		0.0%
4th Quarter	0		0.0%
Annual Target	0	0	0.0%

Variance Explanation:

MEETS PROJECTED LEVEL.
Performance for the number of health effect grant proposals reviewed was zero for the second 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. RFPs were issued during the second quarter and will be reviewed during the third 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%	93%	112.0%
3rd Quarter	83%		0.0%
4th Quarter	83%		0.0%
Annual Target	83%	93%	112.0%

Variance Explanation:

ABOVE PROJECTED LEVEL.
Performance for the percent of data collected by TCEQ air monitoring networks was above projections for the second 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 may continue throughout the fiscal year, although an expected change in sampling technology in the third and fourth quarters may slightly reduce observed performance.

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	\$467	133.4%
3rd Quarter	\$350		0.0%
4th Quarter	\$350		0.0%
Annual Target	\$350	\$467	133.4%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the average cost per air quality assessment was above projections for the second quarter of FY 2004. This was because fewer air quality assessments were conducted during this quarter. The point source air quality inventories are due in the third quarter, which should increase the number of assessments conducted and reduce the average cost per assessment to projected levels.

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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	\$467	122.9%
3rd Quarter	\$380		0.0%
4th Quarter	\$380		0.0%
Annual Target	\$380	\$482	126.7%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the average cost of LIRAP repairs and retrofits was above projections for the second quarter of FY 2004. The LIRAP program is operational in the 5-county Houston area and 9-county North Central Texas area. The number of vehicles repaired in the Houston area was 779 with an average repair cost of \$502.95. The North Central Texas area repaired 799 vehicles for an average of cost of \$431.66. Overall average repair cost for both program areas was \$467. 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	\$993	99.3%
3rd Quarter	\$1,000		0.0%
4th Quarter	\$1,000		0.0%
Annual Target	\$1,000	\$993	99.3%

Variance Explanation:

Performance met projections. No variance explanation required.

- o -

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	\$5,187	103.7%
3rd Quarter	\$5,000		0.0%
4th Quarter	\$5,000		0.0%
Annual Target	\$5,000	\$5,187	103.7%

Variance Explanation:

Performance met projections. No variance explanation required.

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	0.0%
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 second 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. RFPs were issued in the second quarter, but will not be reviewed until the third quarter.

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	1	2.0%
3rd Quarter	12.75		0.0%
4th Quarter	12.75		0.0%
Total	51	5	9.8%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of surface water assessments was below projections for the second 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	7	14.0%
3rd Quarter	12.5		0.0%
4th Quarter	12.5		0.0%
Total	50	13	26.0%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of groundwater assessments was below projections for the second 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	119	45.8%
3rd Quarter	65		0.0%
4th Quarter	65		0.0%
Total	260	139	53.5%

Variance Explanation:

Performance met projections. No variance explanation required.

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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	\$448	22.4%
3rd Quarter	\$2,000		0.0%
4th Quarter	\$2,000		0.0%
Annual Target	\$2,000	\$448	22.4%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the average cost per dam safety assessment was below projections for the second quarter of FY 2004. Due to the reallocation of resources to review dam safety assessments, a higher-than-anticipated number of assessments was conducted this quarter. This resulted in lower average cost per dam safety 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	9.5	3.9%
3rd Quarter	60.25		0.0%
4th Quarter	60.25		0.0%
Total	241	9.5	3.9%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of municipal solid waste facility capacity assessments was below projections for the second quarter of FY 2004. Information on the operations of each facility, including capacity information, was submitted to the agency in the second quarter via the Annual Report for Permitted Solid Waste Facilities; however, the agency did not have sufficient staff available to review the capacity information. New staff has been added and performance is expected to increase, with the majority of reviews being conducted during the third quarter. The agency expects the yearly average at or near projections.

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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	\$89.25	255.0%
3rd Quarter	\$35		0.0%
4th Quarter	\$35		0.0%
Annual Target	\$35	\$89.25	255.0%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the average cost per municipal solid waste facility capacity assessments was above projections for the second quarter of FY 2004. This was because fewer-than-anticipated assessments were conducted during the second quarter. The agency expects to increase the number of assessments conducted during the third and fourth quarters of FY 2004; therefore, the average cost per assessment is expected to be at or near the projection.

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 54	27.0%
2nd Quarter	50	56	28.0%
3rd Quarter	50		0.0%
4th Quarter	50		0.0%
Total	200	110	55.0%

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

*Note: Actual performance for the first quarter was updated after final review of site visit data for the first quarter.

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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	13	7.4%
3rd Quarter	43.75		0.0%
4th Quarter	43.75		0.0%
Total	175	28	16.0%

Variance Explanation:
BELOW PROJECTED LEVEL.
Performance for the number of entities joining these voluntary programs was below projections for the second quarter of FY 2004. The agency has not conducted as many outreach programs and instead is working with trade associations and EPA to distribute program information.

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	22.7	114%
3rd Quarter	5		0%
4th Quarter	5		0%
Total	20	22.8	114%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of quarts of used oil diverted from landfills and processed was above projections for the second quarter of FY 2004. This measure reflects the number of quarts of used oil diverted from landfills and processed (in millions) during the quarter. The majority of annual reports are generally received in the second quarter of each fiscal year as they are due in January. Some late reports will result in a small number to be reported in the third quarter. More used oil collection centers have registered than projected and therefore the amount of reported used oil collected is higher than expected.

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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	\$622.5	51.9%
3rd Quarter	\$1,200		0.0%
4th Quarter	\$1,200		0.0%
Annual Target	\$1,200	\$622.5	51.9%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the average cost per on-site technical assistance visit was below projections for the second 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	6,447	100.7%
3rd Quarter	6,400		0.0%
4th Quarter	6,400		0.0%
Annual Target	6,400	6,447	100.7%

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	7,630	17.3%
3rd Quarter	11,050		0.0%
4th Quarter	11,050		0.0%
Total	44,200	14,058	31.8%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of drinking water samples collected was below projections for the second quarter of FY 2004. Although the number of samples collected during this 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 increased 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 fourth quarter.

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	7	7%
3rd Quarter	25		0%
4th Quarter	25		0%
Total	100	29	29%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of utility rate reviews performed was below projections for the second quarter of FY 2004. This measure reports on the number of utility rate changes processed by agency staff and either approved, dismissed, referred to legal staff as a contested matter or withdrawn by the applicant within the reporting period. This number is below projections because many rate change applications are currently in suspense until the end of the required protest period, approximately 90 days after the application is filed with the agency. The number of reviews will increase as the protest period ends and these uncontested applications are resolved.

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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	177	41.6%
3rd Quarter	106.25		0.0%
4th Quarter	106.25		0.0%
Total	425	344	80.9%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of district applications processed was above projections for the second 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	55	24.4%
3rd Quarter	56.25		0.0%
4th Quarter	56.25		0.0%
Total	225	122	54.2%

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	3,463	18.2%
3rd Quarter	4,750		0.0%
4th Quarter	4,750		0.0%
Total	19,000	6,787	35.7%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of inspections and investigations of air sites was below projections for the second 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 these activities has increased due to the amount of time required to ascertain the proper response and to implement 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	7,658	22.5%
3rd Quarter	8,500		0.0%
4th Quarter	8,500		0.0%
Total	34,000	16,389	48.2%

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	2,273	26.7%
3rd Quarter	2,125		0.0%
4th Quarter	2,125		0.0%
Total	8,500	4,271	50.2%

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	167	23.9%
3rd Quarter	175		0.0%
4th Quarter	175		0.0%
Total	700	257	36.7%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of inspections and investigations of livestock and poultry operation sites met projections for the second quarter of FY 2004, but remained below annual projections. Many of the reports concerning investigations are still pending approval and are not represented in the reported number for the second quarter. 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	1,737	23.6%
3rd Quarter	1,839.50		0.0%
4th Quarter	1,839.50		0.0%
Total	7,358	3,002	40.8%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of inspection and investigations of waste sites was below projections for the second quarter of FY 2004. During this quarter, many complex inspections were conducted, including some with complicated groundwater contamination issues and follow-ups for enforcement cases. These inspections take much more time than other types of inspections. It is expected that investigations of waste sites will increase as investigators are able to complete these inspections and conduct inspections at more facilities.

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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	77	12.8%
3rd Quarter	150		0.0%
4th Quarter	150		0.0%
Total	600	155	25.8%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of spill cleanup inspections was below projections for the second 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	\$410	179.0%
3rd Quarter	\$229		0.0%
4th Quarter	\$229		0.0%
Annual Target	\$229	\$410	179.0%

Variance Explanation:
 ABOVE PROJECTED LEVEL.
 Performance for the average inspection and investigation cost of livestock and poultry operations was above projections for the second quarter of FY 2004. Due to a lower number of investigations during the second quarter, the average cost per investigation was higher than projected. However, the average cost was lower than the first quarter. This trend is expected to continue as the number of investigations increases during the third and fourth quarters.

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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	23.0	109.5%
2nd Quarter	21	21.8	103.8%
3rd Quarter	21		0.0%
4th Quarter	21		0.0%
Annual Target	21	22.4	106.7%

Variance Explanation:
 ABOVE PROJECTED LEVEL.
 Performance for the average time to complete inspection/investigation of air sites was above projections for the second quarter of FY 2004. This was the 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	34.0	97.1%
2nd Quarter	35	25.0	71.4%
3rd Quarter	35		0.0%
4th Quarter	35		0.0%
Annual Target	35	29.5	84.3%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the average time to complete inspection/investigation of water sites was below projections for the second quarter of FY 2004. The desired output for this measure is to be below projections.

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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	28.0	80.0%
2nd Quarter	35	29.6	84.6%
3rd Quarter	35		0.0%
4th Quarter	35		0.0%
Annual Target	35	28.8	82.3%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the average time from date of waste facility inspection to report was below projections for the second 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	0.0%
3rd Quarter	0		0.0%
4th Quarter	0		0.0%
Total	0	0	0.0%

Variance Explanation:
 MEETS EXPECTED LEVEL.
 The agency has not obtained approval from the National Environmental Laboratory Accreditation Program to begin issuing accreditations. The agency allocated four positions to the program during the second quarter and plans to begin accepting applications for accreditation next fiscal year.

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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	6,400	13.3%
3rd Quarter	12,000		0.0%
4th Quarter	12,000		0.0%
Total	48,000	52,246	108.8%

Variance Explanation:
 ABOVE PROJECTED LEVEL.
 Performance for the number of small businesses and local governments assisted was below projections for the second quarter of FY 2004, but remained above annual projections. 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, which has resulted in performance exceeding projections for the entire FY. 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	27	11.0%
3rd Quarter	61.25		0.0%
4th Quarter	61.25		0.0%
Total	245	72	29.4%

Variance Explanation:
 BELOW PROJECTED LEVEL.
 Performance for the number of air program administrative enforcement orders issued was below projections for the second 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	36	11.4%
3rd Quarter	78.75		0.0%
4th Quarter	78.75		0.0%
Total	315	104	33.0%

Variance Explanation:
 BELOW PROJECTED LEVEL.
 Performance for the number of water program administrative enforcement orders issued was below projections for the second quarter of FY 2004. Water program administrative orders include enforcement orders that have been issued and are effective for the agriculture, public drinking water, water rights, and water quality (wastewater) programs. A lower number of water enforcement orders was issued because the agency has undertaken a temporary project designed to address financial assurance violations in the waste program in an expedited manner. This project temporarily diverted staff from finalizing orders in the water program. This situation is not expected to continue and the numbers are expected to go up in the remaining quarters of the fiscal year.

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	60	25.0%
3rd Quarter	60.0		0.0%
4th Quarter	60.0		0.0%
Total	240	117	48.8%

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	116	100.9%
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	88	88.0%
3rd Quarter	100		0.0%
4th Quarter	100		0.0%
Annual Target	100	88	88.0%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the average number of days to file notices of formal violations was below projections for the second 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. The agency expects to handle a higher number of more complex enforcement cases throughout the rest of the fiscal year, which may result in longer processing times. 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	3,986	17.3%
3rd Quarter	5,750		0.0%
4th Quarter	5,750		0.0%
Total	23,000	8,454	36.8%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of applications for certification was below projections for the second 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	2,333	21.4%
2nd Quarter	2,725	1,829	16.8%
3rd Quarter	2,725		0.0%
4th Quarter	2,725		0.0%
Total	10,900	4,162	38.2%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of examinations administered was below projections for the second quarter of FY 2004 because this measure is dependent upon the number of applications received. The number of applications received was lower than projected, thus causing the number of examinations administered to be lower.

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	1,560	19.5%
3rd Quarter	2,000		0.0%
4th Quarter	2,000		0.0%
Total	8,000	3,393	42.4%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of new licenses issued was below projections for the second quarter of FY 2004 because this measure is dependent upon the number of applications received and exams administered. The performance for those measures was low during the second quarter, resulting in fewer licenses issued.

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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	2,390	19.1%
3rd Quarter	3,125		0.0%
4th Quarter	3,125		0.0%
Total	12,500	4,969	39.8%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of licenses renewed was below projections for the second quarter of FY 2004. Performance for this measure can be cyclical, and tends to be lower during the second quarter. Performance for this measure is expected to increase during the third and fourth quarters of FY 2004.

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	\$17.94	81.7%
3rd Quarter	\$21.95		0.0%
4th Quarter	\$21.95		0.0%
Annual Target	\$21.95	\$17.94	81.7%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the average annualized cost per license was below projections for the second 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	4,934	41.2%
3rd Quarter	2,990.75		0.0%
4th Quarter	2,990.75		0.0%
Total	11,963	8,202	68.6%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of petroleum storage tank (PST) self-certifications processed was above projections for the second quarter of FY 2004. Self-Certification is an annual requirement of owners or operators to certify that required facilities are in compliance with certain technical and administrative requirements. The agency had anticipated a decrease in the number of self-certifications processed due to agency funding reductions; however, performance for this measure has been consistent with past levels. The agency anticipates that performance for the rest of the fiscal year will continue to exceed projections.

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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	2	6.7%
3rd Quarter	7.5		0.0%
4th Quarter	7.5		0.0%
Total	30	9	30.0%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of emergency response actions at petroleum storage tank sites was below projections for the second quarter of FY 2004. Fluctuations in performance are likely to occur due to the unpredictable number of sites requiring emergency responses.

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	1,684	33.7%
3rd Quarter	1,250		0.0%
4th Quarter	1,250		0.0%
Total	5,000	4,168	83.4%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the number of petroleum storage tank (PST) reimbursement applications processed was above projections for the second quarter of FY 2004. Due to increased productivity of a contractor and greater processing efficiency by the staff, the agency has been able to exceed projections for this measure. Additionally, 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, who submits claims immediately after work is completed. Some companies may be trying to submit older claims to receive reimbursement before the PST Remediation Account sunsets in 2006. 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	110	7.7%
3rd Quarter	357		0.0%
4th Quarter	357		0.0%
Total	1,428	250	17.5%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the number of PST cleanups completed was below projections for the second 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	32.2	107.3%
3rd Quarter	30		0.0%
4th Quarter	30		0.0%
Annual Target	30	31.5	105.0%

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	33.2	110.7%
3rd Quarter	30		0.0%
4th Quarter	30		0.0%
Annual Target	30	32.6	108.7%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the average time to review and respond to risk-based site assessments was above projections for the second 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 second quarter. A new contractor started work in January 2004 and the third quarter projection 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	58.2	64.7%
3rd Quarter	90		0.0%
4th Quarter	90		0.0%
Annual Target	90	58.2	64.7%

Variance Explanation:

BELOW PROJECTED LEVEL.

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

Turnaround time for claim processing has consistently been below the mandated level of 90 days. This is primarily due to staff 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	1	20.0%
3rd Quarter	1.25		0.0%
4th Quarter	1.25		0.0%
Total	5	1	20.0%

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 second quarter of FY 2004. The San Angelo Electric Service Company offsite removal was completed during the second quarter. Five removal actions are currently underway (Ballard Pits, Rio Chemical, National Chrome Plating, Pearce Caliche Pit, Texas Tanning) 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	16	18.4%
3rd Quarter	21.75		0.0%
4th Quarter	21.75		0.0%
Total	87	40	46.0%

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	22	29%
3rd Quarter	18.75		0%
4th Quarter	18.75		0%
Total	75	32	43%

Variance Explanation:

BELOW PROJECTED LEVEL.
 Performance for the number of voluntary and brownfield cleanups completed was below projections through the second quarter of FY 2004. This measure tracks the number of voluntary cleanup and brownfield sites which have completed necessary response actions. The yearly performance is below projections because of slower responses from applicants in submitting necessary documentation for closure in the first quarter. The agency anticipates meeting the annual projection by the end of the fiscal year.

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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	23	92.0%
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 second quarter of FY 2004. During the second reporting quarter, no additional sites entered this category and no sites moved from this category to cleanups underway. 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	23	79.3%
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 second quarter of FY 2004. During the second quarter, no additional sites entered this category and no sites moved from this category to cleanups completed. 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	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 second quarter of FY 2004. During the second quarter, no sites achieved a cleanup completion. Cleanup completions are not expected to be evenly distributed over each reporting quarter. Two sites (Texas American Oil & Brio Refining) are expected to be completed during the third 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%
2nd Quarter	180	52	28.9%
3rd Quarter	180		0.0%
4th Quarter	180		0.0%
Annual Target	180	52	28.9%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the average time for immediate response actions was below projections for the second quarter of FY 2004. The San Angelo Electric Service Company immediate response action, lasting 52 days in duration, was completed during the second quarter. Response action duration can vary significantly due to site complexity and magnitude of the response action required, making it difficult to predict subsequent quarterly performances.

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%	2.9%	29.0%
3rd Quarter	10%		0.0%
4th Quarter	10%		0.0%
Annual Target	10%	2.9%	29.0%

Variance Explanation:
 BELOW PROJECTED LEVEL.
 Performance for the percentage of special trade construction awarded to HUBs was below projections for the second quarter of FY 2004. Special trade services consist primarily of building and construction contracts. The Texas Building and Procurement Commission is now responsible for the campus' building maintenance and the majority of the larger contracts that are in place for this category were competitively bid and a HUB vendor was not selected. Also, the maintenance contract for the campus' chiller units is a sole-source non-HUB vendor.

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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%	30.5%	168.5%
3rd Quarter	18.1%		0.0%
4th Quarter	18.1%		0.0%
Annual Target	18.1%	30.5%	168.5%

Variance Explanation:
 ABOVE PROJECTED LEVEL.
 Performance for the percentage of professional services going to HUBs was above projections for the second quarter of FY 2004. The Commission has succeeded in identifying HUB vendors in this area and ensuring that all HUB subcontracting information is consistently and accurately recorded.

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%	10.8%	32.7%
3rd Quarter	33%		0.0%
4th Quarter	33%		0.0%
Annual Target	33%	10.8%	32.7%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the percentage of other services going to HUBs was below projections for the second quarter of FY 2004. The agency is implementing a policy that requires contracts under this measure to have a HUB subcontracting plan when contract amounts are for at least \$80,000, which is lower than the current threshold of \$100,000. HUB Program Staff will continue to meet with program areas to develop and implement a HUB improvement plan.

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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%	11.0%	87.3%
3rd Quarter	12.6%		0.0%
4th Quarter	12.6%		0.0%
Annual Target	12.6%	11.0%	87.3%

Variance Explanation:

BELOW PROJECTED LEVEL.

Performance for the percentage of commodity purchasing awarded to HUBs was below projections for the second quarter of FY 2004. The HUB Program established HUB improvement plans with several operational programs within the Commission to increase commodity purchasing by bidding to a larger number of HUB vendors. HUB Program Staff are reviewing all procurement forms for good faith efforts.