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Second Quarter Report on Performance Measures

Fiscal Year 2007

Budget & Planning Division - Strategic Planning and Assessment

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



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Strategic Planning Structure

Fiscal Year 2007

Goal 01 — ASSESSMENT, PLANNING, AND PERMITTING

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, individuals, or activities with potential to contribute to pollution levels.

Objective 01: To decrease the amount of toxics released and disposed of in Texas by 40 percent by 2007 from the 1992 level and reduce air, water, and waste pollutants through assessing the environment.

Strategy 01 — 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 assist in the implementation of approaches to reduce motor vehicle emissions.

Strategy 02 — 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 03 — Waste 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.

Objective 02: To review and process 90% of air, water, and waste authorization applications within established time frames.

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

Objective 03: To ensure the proper and safe disposal of low-level radioactive waste.

Strategy 01 — Low-Level Radioactive Waste Management: To ensure the proper and safe disposal of low-level radioactive waste.

Goal 02 — DRINKING WATER AND WATER UTILITIES

To protect public health and the environment by assuring the delivery of safe drinking water to the citizens of Texas consistent with requirements in the Safe Drinking Water Act; by providing regulatory oversight of water and sewer utilities; and by promoting regional water strategies.

Objective 01: To supply 95% of Texans served by public drinking water systems with drinking water consistent with requirements in the Safe Drinking Water Act. To provide regulatory oversight of water and sewer utilities and to promote regional water strategies.

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 ensure adequate customer service.

Goal 03 – ENFORCEMENT AND COMPLIANCE ASSISTANCE

To protect public health and the environment by administering enforcement and environmental assistance programs that promote compliance with environmental laws and regulations, voluntary efforts to prevent pollution, and offer incentives for demonstrated environmental performance while providing strict, sure, and just enforcement when environmental laws are violated.

Objective 01: By fiscal year 2007, to maintain at least 95 percent of all regulated facilities in compliance with state environmental laws and regulations, and to respond appropriately to citizen inquiries and complaints and to achieve pollution prevention, resource conservation, and enhanced compliance.

Strategy 01 – Field Inspections and Complaints: 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 – Pollution Prevention and Recycling: Enhance environmental performance, pollution prevention, recycling, and innovative programs through technical assistance, public education, and innovative programs implementation.

Goal 04 – 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 2007, to identify, assess and remediate up to 56 percent of the known Superfund sites and/or other sites contaminated by hazardous materials. To identify, assess and remediate up to 85% of the leaking petroleum storage tank sites.

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 05 – TEXAS RIVER COMPACTS

To ensure the delivery of Texas' equitable share of water.

Objective 01: To ensure the delivery of 100% of Texas' equitable share of water as apportioned by the River Compacts.

Goal – 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). The agency strives 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. The HUB program will 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 Assessment and Planning

Output Measure 01:
Number of Point Source Air Quality Assessments (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	500	330	16.50%
2nd Quarter	500	300	15.00%
3rd Quarter	500		0.00%
4th Quarter	500		0.00%
Total Performance	2,000	630	31.50%

Variance Explanation:
 BELOW PROJECTED LEVEL
 Performance for the Number of Point Source Air Quality Assessments was below projections for the second quarter of FY 2007. This measure counts the number of point source air emission inventories which have been reviewed and entered into the State of Texas Air Reporting System Database. During the second quarter, the remaining point source emissions inventories for the next reporting year were mailed to regulated entities. The point source emissions inventories are required to be remitted to the TCEQ in the third quarter per the air emissions inventory rule 30 TAC 101.10. The third quarter is expected to be above projections, and the end-of-year projections are expected to be met.

Output Measure 02:
Number of Area Source Air Quality Assessments (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	625	654	26.16%
2nd Quarter	625	655	26.20%
3rd Quarter	625		0.00%
4th Quarter	625		0.00%
Total Performance	2,500	1309	52.36%

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

Strategy 01-01-01: Air Quality Assessment and Planning

Output Measure 03:

Number of Mobile Source Air Quality Assessments (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	312.50	2815 * 457	36.56%
2 nd Quarter	312.50	178	14.24%
3 rd Quarter	312.50		0.00%
4 th Quarter	312.50		0.00%
Total Performance	1,250	635	50.80%

Variance Explanation:

Performance met projections. No variance explanation required.

*The first quarter performance has been updated from a value of 2815 to 457. The number of modeling runs was over reported due to a calculation error.

Output Measure 04:

Number of Air Monitors Operated

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	590	585	99.15%
2 nd Quarter	590	585	99.15%
3 rd Quarter	590		0.00%
4 th Quarter	590		0.00%
Annual Target	590	585	99.15%

Variance Explanation:

Performance met projections. No variance explanation required.

Strategy 01-01-01: Air Quality Assessment and Planning

Output Measure 05:

Tons of NOx Reduced through the Texas Emissions Reduction Plan (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	6,644	0	0.00%
2 nd Quarter	6,644	1,819	6.84%
3 rd Quarter	6,644		0.00%
4 th Quarter	6,644		0.00%
Total Performance	26,576	1,819	6.84%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Tons of NOx Reduced through the Texas Emissions Reduction Plan (TERP) was below projections for the second quarter of FY 2007. This measure reports the amount of NOx emissions projected to be reduced through projects funded by TERP incentive grants awarded each year. The Rebate Grants Program has awarded grants totaling \$9,995,247 with a projected NOx reduction of 1,819.73 tons. The Emissions Reduction Incentive Grants Program is in the process of closing the most recent grant application period. The program will award additional grants in the 3rd quarter of FY 2007. The program expects to meet or exceed the performance targets by the end of the fiscal year.

Output Measure 06:

Number of New Technology Grant Proposals Reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	20	19	23.75%
2 nd Quarter	20	0	0.00%
3 rd Quarter	20		0.00%
4 th Quarter	20		0.00%
Total Performance	80	19	23.75%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of New Technology Grant Proposals reviewed was below projections for the second quarter of FY 2007. This measure reports the number of grant proposals reviewed that identify and evaluate new technologies to improve air quality and to facilitate the deployment of those technologies. During the 79th Legislative Session, implementation of the New Technology Research Development (NTRD) Program was transferred to the Texas Environmental Research Consortium (TERC). TERC has informed the agency that the first round of grant proposals will not be reviewed until the third quarter. Performance is projected to remain below projections until that time.

Strategy 01-01-01: Air Quality Assessment and Planning

Efficiency Measure 01:

Percent of Data Collected by TCEQ Continuous and Non-Continuous Air Monitoring Networks

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	90%	93%	103.33%
2 nd Quarter	90%	93%	103.33%
3 rd Quarter	90%		0.00%
4 th Quarter	90%		0.00%
Annual Target	90%	93%	103.33%

Variance Explanation:

Performance met projections. No variance explanation required.

Efficiency Measure 02:

Average Cost Per Air Quality Assessment

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	\$370	122* \$321	32.97%
2 nd Quarter	\$370	\$417	112.70%
3 rd Quarter	\$370		0.00%
4 th Quarter	\$370		0.00%
Annual Target	\$370	\$369	99.73%

Variance Explanation:

Performance met projections. No variance explanation required.

*The first quarter performance has been updated to reflect a correction to the “number of mobile source air quality assessments.” The number of modeling runs was over reported due to a calculation error.

Strategy 01-01-01: Air Quality Assessment and Planning

Efficiency Measure 03:

Average Cost of LIRAP Vehicle Emissions Repairs/Retrofits (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	\$480	\$490.15	102.11%
2 nd Quarter	\$480	\$494.26	102.97%
3 rd Quarter	\$480		0.00%
4 th Quarter	\$480		0.00%
Annual Target	\$480	\$492.09	102.52%

*Note: Annual target attainment is calculated by taking year-to-date expenditures and dividing by the number of repairs and retrofits completed. As of the second quarter, \$1,593,391.24 has been expended for the program. There have been 3,238 vehicles repaired or retrofitted.

Variance Explanation:

Performance for the Average Cost of LIRAP Vehicle Emissions Repairs/Retrofits met projections for the second quarter of FY 2007. This measure reports the average cost of repairs/retrofits to cars participating in the LIRAP program. This measure includes cost for the five (5) county Houston/Galveston/Brazoria (HGB) area, nine (9) county Dallas/Fort Worth (DFW) Area, and two (2) county Austin area, are used to determine average LIRAP repair costs. The average LIRAP repair costs for 878 vehicles repaired at a cost of \$464,866.18 in the HGB area program was 529.46. The average LIRAP repair cost for 478 vehicles repaired at a cost of \$214,752.30 in the DFW area was \$449.27. The average LIRAP repair cost for 174 vehicles repaired at a cost of \$76,594.91 in Central Texas (Travis/Williamson County) was \$440.20. FY 07 Year-To-Date (YTD) performance is determined by dividing YTD total LIRAP repair cost (\$1,593,391.24) by YTD total number of LIRAP repairs (3238), resulted in a YTD average LIRAP repair cost of \$492.09.

Efficiency Measure 04:

Average Cost Per Ton of NOx Reduced through the Texas Emissions Reduction Plan (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	\$5,000	\$0	0.00%
2 nd Quarter	\$5,000	\$5,492.00	109.84%
3 rd Quarter	\$5,000		0.00%
4 th Quarter	\$5,000		0.00%
Annual Target	\$5,000	\$5,492.00	109.84%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Average Cost Per Ton of NOx Reduced through the Texas Emissions Reduction Plan (TERP) exceeded projections for the second quarter of FY 2007. This measure shows the average cost per ton of NOx reduced through projects funded by the TERP incentive grants. The performance exceeded projection because the rebate grants were fixed at \$5,500 per ton for on-road and \$10,000 per ton for non-road. (The rebate program only funded one non-road project.) The projects funded under the larger Emissions Reduction Incentive Program, to be selected and awarded in the 3rd quarter, may result in a lower average cost per ton.

Strategy 01-01-01: Air Quality Assessment and Planning

Efficiency Measure 05:

Average Number of Days to Review a Grant Proposal (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	14	1	7.14%
2 nd Quarter	14	0	0.00%
3 rd Quarter	14		0.00%
4 th Quarter	14		0.00%
Annual Target	14	1	7.14%

Variance Explanation:

BELOW PROJECTED LEVEL

The Average Number of Days to Review a Grant Proposal measure was below expectations for the second quarter FY 2007. This measure reports the number of days to review New Technology and Research Development (NTRD) grant proposals. During the 79th Legislative Session, implementation of the NTRD program was transferred to the Texas Environmental Research Consortium (TERC). According to TERC, no grant proposals were reviewed in the second quarter. Performance for this measure is expected to remain below projections.

Strategy 01-01-02: Water Resource Assessment and Planning

**Output Measure 01:
Number of Surface Water Assessments (Key)**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	10.75	4	9.30%
2nd Quarter	10.75	4	9.30%
3rd Quarter	10.75		0.00%
4th Quarter	10.75		0.00%
Total Performance	43	8	18.60%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Number of Surface Water Assessments was below projections for the second quarter of FY 2007. This measure quantifies a diverse assemblage of assessment types performed and reported by multiple divisions within the agency. Field sampling conducted to support surface water assessments is performed primarily during the warmer parts of the year when aquatic systems are most responsive to environmental conditions. It is anticipated performance will continue to improve and should reach maximum levels in the fourth quarter when all assessments are completed.

**Output Measure 02:
Number of Groundwater Assessments (Key)**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	12.5	3	6.00%
2nd Quarter	12.5	7	14.00%
3rd Quarter	12.5		0.00%
4th Quarter	12.5		0.00%
Total Performance	50	10	20.00%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Number of Groundwater Assessments was below projections for the second quarter of FY 2007. This measure counts the number of reports completed which evaluate environmental or programmatic data related to groundwater quality or quantity issues. This level of performance is to be expected as most of the assessments are either regional studies requiring four months or longer of preparation or ongoing tasks where data or the number of coordination activities are compiled at the end of the year. Projected performance is anticipated to be met in the fourth quarter.

Strategy 01-01-02: Water Resource Assessment and Planning

**Output Measure 03:
Number of Dam Safety Assessments**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	107.5	105	24.42%
2nd Quarter	107.5	123	28.60%
3rd Quarter	107.5		0.00%
4th Quarter	107.5		0.00%
Total Performance	430	228	53.02%

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

**Efficiency Measure 01:
Average Cost Per Dam Safety Assessment**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	\$1,200	\$780.75	65.06%
2nd Quarter	\$1,200	\$966.25	80.52%
3rd Quarter	\$1,200		0.00%
4th Quarter	\$1,200		0.00%
Annual Target	\$1,200	\$880.82	73.40%

Variance Explanation:
BELOW PROJECTED LEVEL
Performance for the Average Cost Per Dam Safety Assessment was below projections for the second quarter of FY 2007. This measure reports the average cost for each dam safety assessment performed by TCEQ staff and contractors. The costs for dam safety investigations was lower during the reporting period because the FY 2007 contract to outsource investigations was not yet finalized until January 2007, so very little contract costs were incurred during this reporting period. It is anticipated that the costs will increase this year once more contract investigations are completed and the agency is invoiced. Projected performance is expected to be met this fiscal year.

Strategy 01-01-03: Waste Management Assessment and Planning

Output Measure 01:

Number of Municipal Solid Waste Facility Capacity Assessments (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	63.75	44	17.25%
2 nd Quarter	63.75	34	13.33%
3 rd Quarter	63.75		0.00%
4 th Quarter	63.75		0.00%
Total Performance	255	78	30.59%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of Municipal Solid Waste Facility (MSW) Capacity Assessments was below projections for the second quarter of FY 2007. This measure reports the number of annual capacity assessments for municipal solid waste landfills reviewed by the Waste Planning Team. Information used in the assessments is provided by the Annual Report for Permitted Solid Waste Facilities which is due each year by November 15. Capacity information is gathered through the annual report submitted to the TCEQ by each MSW Landfill. To date, approximately 90% of the annual reports have been returned to the TCEQ. Staff is in the process of entering the data from these reports and conducting reviews. The majority of the reviews will be conducted during the third and fourth quarters. It is anticipated that the annual performance will be at or near projection by the end of the year.

Efficiency Measure 01:

Average Cost Per Municipal Solid Waste Facility Capacity Assessment (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	\$35	\$19.70	56.29%
2 nd Quarter	\$35	\$27.29	77.97%
3 rd Quarter	\$35		0.00%
4 th Quarter	\$35		0.00%
Annual Target	\$35	\$23.50	67.13%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Average Cost Per Municipal Solid Waste Facility Capacity Assessment was below projections for the second quarter of FY 2007. This measure reflects agency efforts to conduct municipal solid waste facility capacity assessments in an efficient manner. The Annual Report for Permitted Solid Waste Facilities is used to gather data regarding the operations of each facility, including capacity information. Staff's focus at this time is on reviewing and entering data from these reports. Once this critical function is completed then assessments will be conducted. It is anticipated that a significant increase in cost will occur in the fourth quarter, with the yearly average at or near projections.

Strategy 01-02-01: Air Quality Permitting

Output Measure 01:

Number of State and Federal New Source Review Air Quality Permit Applications Reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	1,400	1,275	22.77%
2 nd Quarter	1,400	1,183	21.13%
3 rd Quarter	1,400		0.00%
4 th Quarter	1,400		0.00%
Total Performance	5,600	2,458	43.89%

Variance Explanation:

BELOW PROJECTED LEVEL

The Number of State and Federal New Source Review Air Quality Permit Applications Reviewed was below projections for the second quarter FY 2007. This measure quantifies the permitting workload of the Air Permits Division (APD) staff assigned to review state and federal new source review permit applications. The reported performance may be attributable to APD's shifting emphasis from reviewing renewals to other project review initiatives. Performance for this measure is still expected to meet expectations for the fiscal year.

Output Measure 02:

Number of Federal Air Quality Operating Permits Reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	200	192	24.00%
2 nd Quarter	200	251	31.38%
3 rd Quarter	200		0.00%
4 th Quarter	200		0.00%
Total Performance	800	443	55.38%

Variance Explanation:

ABOVE PROJECTED LEVEL

The Number of Federal Air Quality Operating Permits Reviewed was above projected level for FY 2007. This measure quantifies the permitting workload of the Air Permits Division staff assigned to review federal operating permit applications. This measure's success is attributable to additional project types counted with General Operating Permit (GOP) review initiatives. Meeting annual targets for this measure is still anticipated.

Strategy 01-02-01: Air Quality Permitting

Output Measure 03:

Number of Emissions Banking and Trading Transaction Applications Reviewed

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	250	159	15.90%
2 nd Quarter	250	399	39.90%
3 rd Quarter	250		0.00%
4 th Quarter	250		0.00%
Total Performance	1,000	558	55.80%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Number of Emissions Banking and Trading (EBT) Transaction Applications Reviewed was above projections for the second quarter of FY 2007. This measure reports the number of EBT transaction applications reviewed by the Air Permits Division. The measure includes emission reduction credits, discrete emission reduction credits, mass emission cap and trade, emissions banking and trading of allowances, and System Cap Trading Programs. The reported variance is primarily attributable to the fact that the agency received an unusually high number of applications for trade this quarter. Projections for this measure are expected to reach its objective by close of the fiscal year.

Strategy 01-02-02: Water Resource Permitting

Output Measure 01:

Number of Applications to Address Water Quality Impacts Reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	3,864.50	5,971	38.63%
2 nd Quarter	3,864.50	5,132	33.20%
3 rd Quarter	3,864.50		0.00%
4 th Quarter	3,864.50		0.00%
Total Performance	15,458	11,103	71.83%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Number of Applications to Address Water Quality Impacts Reviewed was above projections for the second quarter of FY 2007. This measure reports the number of water quality applications reviewed by the water quality and field operations divisions to address water quality impacts. The wastewater permitting program expects to exceed FY 07 projections due to the Commissions' reissuance of the Multi-Sector General Permit (MSGP) for industrial storm water on August 14, 2006. Approximately 10,000 facilities were to renew authorization under the MSGP by December 2006, resulting in the commission processing over 2,400 notice of intents (NOI) during the second quarter of FY 07. The commission typically processes 300 MSGP NOI's per quarter. Performance for this measure is expected to exceed projections for the year.

Output Measure 02:

Number of Applications to Address Water Rights Impacts Reviewed

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	148.75	158	26.55%
2 nd Quarter	148.75	149	25.04%
3 rd Quarter	148.75		0.00%
4 th Quarter	148.75		0.00%
Total Performance	595	307	51.60%

Variance Explanation:

Performance met projections. No variance explanation required.

Strategy 01-02-02: Water Resource Permitting

Output Measure 03:

Number of Concentrated Animal Feeding Operation (CAFO) Authorizations Reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	346.25	45	3.25%
2nd Quarter	346.25	64	4.62%
3rd Quarter	346.25		0.00%
4th Quarter	346.25		0.00%
Total Performance	1,385	109	7.87%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of Concentrated Animal Feeding Operation (CAFO) Authorizations Reviewed was below projections for the second quarter of FY 2007. This measure counts the number of CAFO authorizations the agency reviews. The commission anticipated 1,300 notices of intent (NOI) from existing unauthorized and new dry litter poultry CAFOs. In February of 2005, the 2nd Circuit Court of Appeals vacated the portion of EPA's CAFO rules affecting dry litter poultry operation's duty to apply. The commission subsequently amended the CAFO rules in September 2006, to remove the duty to apply for dry litter poultry operations covered under a water quality management plan. As a result, 1,300 dry litter poultry operations will not file NOIs in 2007. The TCEQ anticipates processing 150 authorizations in FY 2007.

Strategy 01-02-03: Waste Management and Permitting

Output Measure 01:
Number of New System Waste Evaluation Conducted

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	142.50	145	25.44%
2 nd Quarter	142.50	136	23.86%
3 rd Quarter	142.50		0.00%
4 th Quarter	142.50		0.00%
Total Performance	570	281	49.30%

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

Output Measure 02:
Number of Non-Hazardous Waste Permit Applications Reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	59	54	22.88%
2 nd Quarter	59	64	27.12%
3 rd Quarter	59		0.00%
4 th Quarter	59		0.00%
Total Performance	236	118	50.00%

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

Strategy 01-02-03: Waste Management and Permitting

Output Measure 03:

Number of Hazardous Waste Permit Applications Reviewed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	40	48	30.00%
2nd Quarter	40	37	23.13%
3rd Quarter	40		0.00%
4th Quarter	40		0.00%
Total Performance	160	85	53.13%

Variance Explanation:

Performance met projections. No variance explanation required.

Strategy 01-02-04: Occupational Licensing

Output Measure 01: Number of Applications for Occupational Licensing

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	5,750	5,646	24.55%
2 nd Quarter	5,750	5,149	22.39%
3 rd Quarter	5,750		0.00%
4 th Quarter	5,750		0.00%
Total Performance	23,000	10,795	46.93%

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

Output Measure 02: Number of Examinations Administered (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	2,625	2,496	23.77%
2 nd Quarter	2,625	2,271	21.63%
3 rd Quarter	2,625		0.00%
4 th Quarter	2,625		0.00%
Total Performance	10,500	4,767	45.40%

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

Strategy 01-02-04: Occupational Licensing

Output Measure 03: Number of Licenses and Registrations Issued

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	5,500	5,178	23.54%
2 nd Quarter	5,500	4,781	21.73%
3 rd Quarter	5,500		0.00%
4 th Quarter	5,500		0.00%
Total Performance	22,000	9,959	45.27%

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

Efficiency Measure 01: Average Annualized Cost Per License and Registration

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	\$18	\$18.18	101.00%
2 nd Quarter	\$18	\$17.86	99.22%
3 rd Quarter	\$18		0.00%
4 th Quarter	\$18		0.00%
Annual Target	\$18	\$17.86	99.22%

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

Strategy 02-01-01: 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
1 st Quarter	6,000	6,278	104.63%
2 nd Quarter	6,000	6,327	105.45%
3 rd Quarter	6,000		0.00%
4 th Quarter	6,000		0.00%
Total Performance	6,000	6,327	105.45%

Variance Explanation:

ABOVE PROJECTIONS

The Number of Public Drinking Water Systems which Meet Primary Drinking Water Standards is slightly above projections for the second quarter FY 2007. The measure counts the number of systems which have no health based violations to the drinking water rules. This measure is above projection because the number of systems in Texas has grown since the measure was projected. There are currently 6,697 PWS in Texas and the majority of these systems have had no health based violations. This number has and will continue to grow as the amount of Texans increase.

Output Measure 02:

Number of Drinking Water Samples Collected (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	9,000	8,519	23.66%
2 nd Quarter	9,000	8,676	24.09%
3 rd Quarter	9,000		0.00%
4 th Quarter	9,000		0.00%
Total Performance	36,000	17,195	47.76%

Variance Explanation:

Performance met projections. No variance explanation required.

Strategy 02-01-02: Water Utilities Oversight

**Output Measure 01:
Number of Utility Rate Reviews Performed (Key)**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	25	8	8.00%
2nd Quarter	25	19	19.00%
3rd Quarter	25		0.00%
4th Quarter	25		0.00%
Total Performance	100	27	27.00%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Number of Utility Rate Reviews Performed was below projections for the second quarter of FY 2007. This measure reports the number of utility rate change requests which are reviewed and processed by agency staff. Performance is low in the second quarter because we have received fewer rate applications than expected due to the fact that many small systems have been acquired or transferred to cities or larger multi-system investor owned utilities. Performance for this measure may not meet expectations for FY 2007.

**Output Measure 02:
Number of District Applications Processed**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	137.5	173	31.45%
2nd Quarter	137.5	200	36.36%
3rd Quarter	137.5		0.00%
4th Quarter	137.5		0.00%
Total Performance	550	373	67.82%

Variance Explanation:
ABOVE PROJECTED LEVEL
 Performance for the Number of District Applications Processed was above projections for the second quarter of FY 2007. This measure reports the number of major and minor district applications reviewed which includes: applications for district creation, bond issues, and other approvals required under the Texas Water Code. Performance is directly tied to the needs of the regulated community. With the rapid expansion of the housing markets in the state, the needs of water districts have expanded as well. This has resulted in a greater number of applications being filed and processed. This performance is expected to continue as long as economic activity remains high.

Strategy 02-01-02: 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	26	11.56%
2nd Quarter	56.25	33	14.67%
3rd Quarter	56.25		0.00%
4th Quarter	56.25		0.00%
Total Performance	225	59	26.22%

Variance Explanation:
 BELOW PROJECTED LEVEL
 Performance for the Number of Certificates of Convenience and Necessity (CCN) Applications Processed was below projections for the second quarter of FY 2007. This measure reports the number of applications received and processed by agency staff and either approved, dismissed, referred to legal staff as a contested case matter, or withdrawn by the applicant within the reporting period. Recent rulemaking has changed the requirements for cities that serve or plan to serve customers outside their city limits but within the city's extraterritorial jurisdiction. Additional information must now be submitted with applications, resulting in fewer CCN related applications than normal. Furthermore, many of the applications received are still in the comment period. This number directly impacts the number of applications staff was able to process during the second quarter of 2007. Performance will increase as the number of CCN related applications goes up and as the comment period on pending application expires.

Strategy 03-01-01: Field Inspections and Complaints

Output Measure 01:
Number of Inspections and Investigations of Air Sites (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	3,250	3,954	30.42%
2 nd Quarter	3,250	2,584	19.88%
3 rd Quarter	3,250		0.00%
4 th Quarter	3,250		0.00%
Total Performance	13,000	6,538	50.29%

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

*Note: This is the new version of this measure which does not include emission event investigations. Second quarter performance for the number of emission event investigations, is 1,325.

Output Measure 02:
Number of Inspections and Investigations of Water Rights Sites (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	8,500	9,611	28.27%
2 nd Quarter	8,500	7,153	21.04%
3 rd Quarter	8,500		0.00%
4 th Quarter	8,500		0.00%
Total Performance	34,000	16,764	49.31%

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

Strategy 03-01-01: Field Inspections and Complaints

Output Measure 03:

Number of Inspections and Investigations of Water Sites and Facilities (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	2,125	2,143	25.21%
2 nd Quarter	2,125	2,084	24.52%
3 rd Quarter	2,125		0.00%
4 th Quarter	2,125		0.00%
Total Performance	8,500	4,227	49.73%

Variance Explanation:

Performance met projections. No variance explanation required.

Output Measure 04:

Number of Inspections and Investigations of Livestock and Poultry Operation Sites (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	175	166	23.71%
2 nd Quarter	175	176	25.14%
3 rd Quarter	175		0.00%
4 th Quarter	175		0.00%
Total Performance	700	342	48.86%

Variance Explanation:

Performance met projections. No variance explanation required.

Strategy 03-01-01: Field Inspections and Complaints

Output Measure 05:

Number of Inspections and Investigations of Waste Sites (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	1,839.50	2,195	29.83%
2 nd Quarter	1,839.50	2,296	31.20%
3 rd Quarter	1,839.50		0.00%
4 th Quarter	1,839.50		0.00%
Total Performance	7,358	4,491	61.04%

Variance Explanation:

ABOVE PROJECTED LEVEL

The Number of Inspections and Investigations of Waste Sites was above projections for the second quarter of FY 2007. This measure counts the total number of inspections/investigations completed of regulated municipal solid waste (MSW), industrial and hazardous waste (IHW), petroleum storage tank (PST) and stage II vapor recovery entities during the reporting period. The PST inspections have increased this year by approximately 500 in order to complete the federal Energy Bill requirement of inspecting all PST facilities that have not been inspected since 1998. In addition on-demand inspections, such as complaints, increased dramatically in the second quarter of FY 2007. Performance is expected to remain above projections for the remainder of the year.

Output Measure 06:

Number of Spill Cleanup Inspections

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	100	99	24.75%
2 nd Quarter	100	219	54.75%
3 rd Quarter	100		0.00%
4 th Quarter	100		0.00%
Total Performance	400	318	79.50%

Variance Explanation:

ABOVE PROJECTED LEVEL

The Number of Spill Cleanup Inspections was above projections for the second quarter of FY 2007. This measure is the total number of initial, on-site spill incident inspections/investigations conducted. Spill investigations are an on-demand activity and are based upon the number of spills of regulated materials reported by citizens, industry representatives, and state law enforcement officials. This number can vary widely from quarter to quarter, and the agency has limited control over how many spills occur. During this reporting period, more spills were reported to the agency that required investigations. Performance is expected to be on target for the remainder of the fiscal year.

Strategy 03-01-01: Field Inspections and Complaints

Efficiency Measure 01:

Average Inspection and Investigation Cost of Livestock and Poultry Operations

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	\$770	\$744	96.62%
2 nd Quarter	\$770	\$529	68.70%
3 rd Quarter	\$770		0.00%
4 th Quarter	\$770		0.00%
Annual Target	\$770	\$638	82.86%

Variance Explanation:

BELOW PROJECTED LEVEL

The Average Inspection and Investigation Cost of Livestock and Poultry Operations was below projections for the second quarter of FY 2007. This measure is the total funds expended during the reporting period for TCEQ monitoring of livestock and poultry operations, divided by the number of inspections/investigations, and other compliance inspections and complaint investigations for livestock and poultry operations completed during the reporting period. The number of inspections increased during the second quarter lowering the average cost per inspection. Additional investigations were performed in conjunction with a joint investigation program initiative with the Environmental Protection Agency. The desired performance for this measure is to be below projections.

Efficiency Measure 02:

Average Time (days) from Air, Water, and Waste Inspections to Report Completion

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	35	30	85.71%
2 nd Quarter	35	26	74.29%
3 rd Quarter	35		0.00%
4 th Quarter	35		0.00%
Annual Target	35	28	80.00%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Average Time (days) from Air, Water, and Waste Inspections to Report Completion was below projections for the second quarter of FY 2007. This measure reports the total number of calendar days between date of investigation and date of completion divided by the total number of completed investigations reported during the reporting period. Field Operations Support Division (FOSD) had increased number of investigations that do not take as much time to complete. For example, FOSD had an increase in the number of reconnaissance investigations in the air program and Petroleum Storage Tank (PST) modified compliance evaluations associated with the Energy Bill inspections. The desired performance for this measure is to be below projections. The agency expects to be below the projection for the remainder of the year.

Strategy 03-01-02: Enforcement and Compliance Support

**Output Measure 01:
Number of Environmental Laboratories Accredited**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	80	59	73.75%
2nd Quarter	80	64	80.00%
3rd Quarter	80		0.00%
4th Quarter	80		0.00%
Total Performance	80	64	80.00%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of Environmental Laboratories Accredited was below projections for the second quarter of FY 2007. This measure reflects the number of environmental laboratories accredited according to Texas Water Code Section 5.801. To date, the agency has received 79 applications for accreditation, issued 64 with 15 remaining in progress. Performance is expected to reach projections during the year as the remaining applications are received and processed.

**Output Measure 02:
Number of Small Business and Local Governments Assisted (Key)**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	13,500	41,562	76.97%
2nd Quarter	13,500	12,750	23.61%
3rd Quarter	13,500		0.00%
4th Quarter	13,500		0.00%
Total Performance	54,000	54,312	100.58%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Number of Small Businesses and Local Governments Assisted was above average for the second quarter FY 2007. This measure provides an indication of the number of notifications provided to the state's small businesses and local governments to keep them informed of regulatory changes that might affect them. During the first quarter, the TCEQ sent an advance notice to stakeholders that led to an unusually high number for that quarter, thus affecting the entire year. The third and fourth quarters will remain consistent with the second. Performance for this measure is expected to exceed projections for the remainder of the fiscal year.

Strategy 03-01-02: Enforcement and Compliance Support

**Output Measure 03:
Number of Drinking Water Laboratories Certified (Key)**

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	117	103	88.03%
2 nd Quarter	117	101	86.32%
3 rd Quarter	117		0.00%
4 th Quarter	117		0.00%
Total Performance	117	101	86.32%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Number of Drinking Water Laboratories Certified was below projections for the second quarter of FY 2007. This measure reports the number of labs certified to analyze public water supply samples. Laboratories are switching from the Drinking Water Certification Program to the Environmental Laboratory Accreditation Program. It is projected as more laboratories switch their certifications, the number of certified drinking water laboratories will continue to decrease during the year.

**Efficiency Measure 01:
Average Number of Days to File an Initial Settlement Offer**

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	70	41	58.57%
2 nd Quarter	70	45	64.29%
3 rd Quarter	70		0.00%
4 th Quarter	70		0.00%
Annual Target	70	43	61.43%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Average Number of Days to File an Initial Settlement Offer was below projections for the second quarter of FY 2007. 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. The average number of days was lower than projected because the agency has revised enforcement processing procedures to process all new cases within a 60 day or less average time frame. For this type of measure, performance below the target level reflects positively on agency efforts to expedite cases. The agency anticipates performing below projections for the remainder of the year.

Strategy 03-01-03: Pollution Prevention and Recycling

Output Measure 01:

Number of On-Site Technical Assistance Visits, Audits, Presentations and Workshops on Pollution Prevention/Waste Minimization and Environmental Management Systems Conducted

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	60	60	25.00%
2nd Quarter	60	33	13.75%
3rd Quarter	60		0.00%
4th Quarter	60		0.00%
Total Performance	240	93	38.75%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of On-Site Technical Assistance Visits, Audits, Presentations and Workshops on Pollution Prevention/Waste Minimization and Environmental Management Systems Conducted was below projections for the second quarter of FY 2007. This measure reports the number of outreach activities conducted by the Pollution Prevention and Environmental Management Staff. A lower level of performance was due in part to a slowing trend during and immediately following the holiday months. The demand for technical assistance and training continues to be high. Future performance is expected to increase for the fiscal year.

Output Measure 02:

Number of Entities Participating in Performance-Based Regulatory Programs

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	370	335	90.54%
2nd Quarter	370	155	41.89%
3rd Quarter	370		0.00%
4th Quarter	370		0.00%
Total Performance	370	155	41.89%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of Entities Participating in Regulatory Programs was below projections for the second quarter of FY 2007. This measure reflects the number of entities participating in voluntary programs. Performance was below projections due in part to the changes made to the Clean Texas Program and participants transitioning to the updated program. The number of participants is expected to increase to meet the goal through heightened marketing and public outreach during the third quarter.

Strategy 03-01-03: Pollution Prevention and Recycling

Output Measure 03:

Number of Quarts of Used Oil Diverted from Landfills and Processed (in millions)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	8.25	0	0.0%
2 nd Quarter	8.25	5.2	15.8%
3 rd Quarter	8.25		0.0%
4 th Quarter	8.25		0.0%
Total Performance	33	5.2	15.8%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of Quarts of Used Oil Diverted from Landfills and Processed (in millions) was below projections for the second quarter of FY 2007. This measure reports the amount of used oil which, if not received by the registered collection centers, would otherwise be delivered to landfills or improperly disposed of. Annual reports regarding this activity are due January 25th. As a result, the second quarter and year-to-date numbers represent information received and processed during a one month interval. The number is expected to increase in the third quarter as a majority of the reports have been received and are ready for processing. Performance is expected to meet expectations by the end of the third quarter.

Efficiency Measure 01:

Average Cost Per On-Site Technical Assistance Visit

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	\$600	\$295.17	49.20%
2 nd Quarter	\$600	\$183.24	30.54%
3 rd Quarter	\$600		0.00%
4 th Quarter	\$600		0.00%
Annual Target	\$600	\$216.82	36.14%

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 2007. This measure reports the average cost of each technical site assistance visit performed by Pollution Prevention Staff. The performance is a result of modifications made to the calculation method. Changes were made to track the actual time spent onsite instead of using an average that is no longer correct. Additionally, due to the local nature of these visits few travel costs were incurred. Future performance is expected to remain below \$600.00

Strategy 04-01-01: Storage Tank Administration and Cleanup

**Output Measure 01:
Number of Petroleum Storage Tank Self-Certifications Processed**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	4,500	2,680	14.89%
2nd Quarter	4,500	4,191	23.28%
3rd Quarter	4,500		0.00%
4th Quarter	4,500		0.00%
Total Performance	18,000	6,871	38.17%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Number of Petroleum Storage Tank Self-Certifications Processed was below projections for the second quarter of FY 2007. This measure reflects agency workload for the processing of petroleum storage tank self-certifications. Self-certification is an annual requirement of owners or operators to certify that facilities are in compliance with certain technical and administrative requirements. Performance for the second quarter is consistent with past fiscal years. Self-certifications are renewed January through October. Performance is expected to increase during the third and fourth quarter pushing the measure to meet its expected target for the year.

**Output Measure 02:
Number of Emergency Response Actions at Petroleum Storage Tank Sites**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	4	6	37.50%
2nd Quarter	4	3	18.75%
3rd Quarter	4		0.00%
4th Quarter	4		0.00%
Total Performance	16	9	56.25%

Variance Explanation:
ABOVE PROJECTED LEVEL
 Performance for the Number of Emergency Response Actions at Petroleum Storage Tank Sites was above projections for the second quarter of FY 2007. This measure reports the number of sites to which a state lead contractor is dispatched to address an immediate threat to human health or safety. This is an on-demand activity. Fluctuations in performance are likely to occur due to the unpredictable number of sites requiring emergency responses.

Strategy 04-01-01: Storage Tank Administration and Cleanup

Output Measure 03:

Number of Petroleum Storage Tank Reimbursement Fund Applications Processed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	1,375	947	17.22%
2 nd Quarter	1,375	1,134	20.62%
3 rd Quarter	1,375		0.00%
4 th Quarter	1,375		0.00%
Total Performance	5,500	2,081	37.84%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of Petroleum Storage Tank Reimbursement Fund Applications Processed was below projections for the second quarter of FY 2007. This measure reflects agency workload in processing applications for reimbursements for petroleum storage tank remediation. Program performance is dependent upon the number of claims received. The reduced number of applications received and processed is a direct result of the reduction of sites undergoing remediation. At the close of fiscal 2006, 86% of the known leaking petroleum storage tanks (LPST) sites have been closed. With the fewer number of sites remaining open and the larger number of sites requiring annual groundwater monitoring, the corresponding number of reimbursement applications submitted has also decreased. The petroleum storage tank reimbursement program is scheduled to sunset at the end of FY 2008.

Output Measure 04:

Number of Petroleum Storage Tank Cleanups Completed

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	150	120	20.00%
2 nd Quarter	150	251	41.83%
3 rd Quarter	150		0.00%
4 th Quarter	150		0.00%
Total Performance	600	371	61.83%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Number of Petroleum Storage Tank Cleanups Completed was above projections for the second quarter. Cleanup completions are not expected to be evenly distributed over each reporting quarter. Most cleanups are finalized after responsible parties complete all field work and formally request closure review. The TCEQ has limited control over the number of requests for closure that are submitted within a given period of time. Performance is expected to remain near the quarterly projection in the future reporting periods.

Strategy 04-01-01: 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
1 st Quarter	30	24.7	82.33%
2 nd Quarter	30	25.3	84.33%
3 rd Quarter	30		0.00%
4 th Quarter	30		0.00%
Annual Target	30	25	83.33%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Average Time (days) to Review and Respond to Remedial Action Plans was below projections for the second quarter of FY 2007. This measure reports the average number of days for the agency to review and respond to remedial action plans over the reporting period. The TCEQ has implemented procedures for reviewing remedial action plans to ensure average review times remain below the legislatively mandated time frame of 30 days. Performance is expected to be at this level for the remainder of the year.

Efficiency Measure 02:

Average Time (days) to Review and Respond to Risk-Based Site Assessments

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	30	23.3	77.67%
2 nd Quarter	30	26.7	89.00%
3 rd Quarter	30		0.00%
4 th Quarter	30		0.00%
Annual Target	30	25	83.33%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Average Time (days) to Review and Respond to Risk-Based Site Assessments was below projections for the second quarter of FY 2007. This measure reports the average number of days for the agency to review and respond to risk-based site assessments over the reporting period. The TCEQ has implemented procedures for reviewing these assessments to ensure average review times remain below the legislatively mandated time frame of 30 days. Projections for this measure are expected to remain at this level for future reporting periods.

Strategy 04-01-01: 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	53	58.89%
2nd Quarter	90	55	61.11%
3rd Quarter	90		0.00%
4th Quarter	90		0.00%
Annual Target	90	54	60.00%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Average Time (Days) to Process Petroleum Storage Tank (PST) Remediation Fund Reimbursement Claims was below projections for the second quarter of FY 2007. This measure reflects how efficiently the agency processes claims for reimbursements from the PST remediation fund. The program is required by rule to process new claims from the date of receipt to date that a payment is mailed out to be no more than 90 days. Due to efficiencies in processing new claims, the program has consistently operated within established timelines.

Strategy 04-01-02: Hazardous Materials Cleanup

Output Measure 01:

Number of Immediate Response Actions Completed to Protect Human Health and the Environment

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	1.25	0	0.00%
2 nd Quarter	1.25	1	20.00%
3 rd Quarter	1.25		0.00%
4 th Quarter	1.25		0.00%
Total Performance	5	1	20.00%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of Immediate Response Actions Completed to Protect Human Health and the Environment was below projections for the second quarter of FY 2007. This measure reports the total number of removal actions completed to protect human health and the environment. Currently, there are ten removal actions in progress. It is projected the annual target will be achieved by the fourth quarter.

Output Measure 02:

Number of Superfund Site Assessments

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	18	34	47.22%
2 nd Quarter	18	4	5.56%
3 rd Quarter	18		0.00%
4 th Quarter	18		0.00%
Total Performance	72	38	52.78%

Variance Explanation:

Performance met projections. No variance explanation required.

Strategy 04-01-02: Hazardous Materials Cleanup

Output Measure 03:

Number of Voluntary and Brownfield Cleanups Completed (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	17.5	26	37.14%
2nd Quarter	17.5	19	27.14%
3rd Quarter	17.5		0.00%
4th Quarter	17.5		0.00%
Total Performance	70	45	64.29%

Variance Explanation:
ABOVE PROJECTED LEVEL
 Performance for the Number of Voluntary and Brownfield Cleanups Completed was above projections for the second quarter of FY 2007. This measure reports the number of voluntary cleanup and brownfield sites which have completed necessary response action through the removal or control of contamination levels which are protective of human health and the environment. Performance was above projections due to applicants submitting technical documents and other program related documents in a timely manner. The program expects to meet the FY 2007 projected performance.

OLD MEASURE

Number of Superfund Evaluations Underway (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	25	35	140.00%
2nd Quarter	25	35	140.00%
3rd Quarter	25		0.00%
4th Quarter	55		0.00%
Total Performance	25	35	140.00%

Variance Explanation:
ABOVE PROJECTED LEVEL
 Performance for the Number of Superfund Evaluations Underway was above projections for the second quarter of FY 2007. This measure reports the number of state and federal superfund sites that are under the evaluation phase of the superfund process. This number will increase as new sites are added to the state and federal registry during this fiscal year. When sites move to the cleanup phase, they are reported under the cleanups underway measure. Performance for this measure is expected to continue to exceed projected levels due to the iterative nature of groundwater investigations being undertaken at many of the sites. Also, decreases in federal funding have led to delays in initiating cleanups, resulting in sites remaining in this evaluation phase.

Strategy 04-01-02: Hazardous Materials Cleanup

Old Measure

Number of Superfund Cleanups Underway (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	28	16	57.14%
2 nd Quarter	28	16	57.14%
3 rd Quarter	28		0.00%
4 th Quarter	28		0.00%
Total Performance	28	16	57.14%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of Superfund Cleanups Underway was below projections for the second quarter of FY 2007. This measure reports the number of state and federal superfund sites that are undergoing the evaluation or cleanup phase of the superfund process. This phase begins after the evaluation process and funding for cleanup becomes available. At this time, performance is expected to meet or be near current levels during the fiscal year.

Output Measure 04:

Number of Superfund sites in Texas Undergoing Evaluation and Cleanup (Key)

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	55	51	92.73%
2 nd Quarter	55	51	92.73%
3 rd Quarter	55		0.00%
4 th Quarter	55		0.00%
Total Performance	55	51	92.73%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of Superfund Sites Undergoing Evaluation and Cleanup was below projections for the second quarter of FY 2007. This measure reports the number of state and federal Superfund sites that are undergoing the evaluation or cleanup phase of the superfund process. This new measure combines the previous evaluations underway (EU) and cleanups underway (CU). Currently, this measure is 93% of the target. Performance is expected to meet the target by the end of the fiscal year, due to the addition of sites into the program.

*Note: This measure is a new measure which combines two key measures. For the first quarter, performance for the number of Superfund evaluation underway was 35 and performance for the number of Superfund cleanups underway was 16.

Strategy 04-01-02: Hazardous Materials Cleanup

**Output Measure 05:
Number of Superfund Cleanups Completed (Key)**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	1.25	0	0.00%
2nd Quarter	1.25	0	0.00%
3rd Quarter	1.25		0.00%
4th Quarter	1.25		0.00%
Total Performance	5	0	0.00%

Variance Explanation:
 BELOW PROJECTED LEVEL
 Performance for the Number of Superfund Cleanups Completed was below projections for the second quarter of FY 2007. Superfund cleanup completions are not expected to be evenly distributed over each reporting quarter. The number of cleanups completed is expected to meet projections by the end of the fiscal year.

**Output Measure 06:
Number of Corrective Action Documents Approved for Industrial Solid and Municipal Hazardous Waste Sites**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	137.5	198	36.00%
2nd Quarter	137.5	147	26.73%
3rd Quarter	137.5		0.00%
4th Quarter	137.5		0.00%
Total Performance	550	345	62.73%

Variance Explanation:
 ABOVE PROJECTED LEVEL
 Performance for the Number of Corrective Action Documents Approved for Industrial Solid and Municipal Hazardous Waste Sites was above projections for the second quarter of FY 2007. This measure reports the number of corrective action document approvals demonstrating progress towards final cleanup of sites contaminated by industrial solid or municipal hazardous waste. The number of documents reviewed in the first and third quarters are generally greater because most of the semiannual remediation progress reports are received during the second and fourth quarters and are due for review during the first and third quarters. It is projected the annual target will be reached.

Strategy 04-01-02: Hazardous Materials Cleanup

Output Measure 07:

Number of Dry Cleaner Remediation Program Applications Received (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	5	11	55.00%
2nd Quarter	5	13	65.00%
3rd Quarter	5		0.00%
4th Quarter	5		0.00%
Total Performance	20	24	120.00%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Number of Dry Cleaner Remediation Program Applications Received exceeded projections for the second quarter FY 2007. This measure reports the number of dry cleaner remediation program applications received. The program anticipated that the number of applications received in FY 2005 (the first year of the program) would be higher than the number actually received in that fiscal year. This was likely due to the relative newness of the program. Also, rule changes were adopted during FY 2006. It is believed that the relatively large numbers of applications now being received are applications that were delayed while external customers became familiar with the program. However, the agency has limited control over the number of applications submitted.

Efficiency Measure 01:

Average time (days) to Process Dry Cleaner Remediation Program Applications

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	90	53	58.89%
2nd Quarter	90	39	43.33%
3rd Quarter	90		0.00%
4th Quarter	90		0.00%
Annual Target	90	46	51.11%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Average Time (days) to Process Dry Cleaner Remediation Program Applications was below projections for the second quarter of FY 2007. This measure reports the average number of days required by agency staff to process the dry cleaner remediation program applications. The program area has implemented procedures for screening and reviewing the applications to ensure the average processing time is less than the legislatively mandated time frame of 90 days.

Goal 05-01: Texas River Compacts

Pursuant to Rider 38 for the Texas Commission on Environmental Quality as specified in the General Appropriations Act of the 79th Legislature, the five River Compact Commissions have been incorporated into the budget structure of the TCEQ. Because the River Compact Commissions hold their official meetings in the third and fourth quarters of each fiscal year, there is no performance measure data available until the fourth quarter. Reporting for all performance measures for the River Compacts will be included in the fourth quarter performance measure report.

Historically Underutilized Business Program

Output Measure 01:

Percentage of Professional Services Going to Historically Underutilized Businesses

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	18.1%	13.6%	75.14%
2 nd Quarter	18.1%	11.5%	63.54%
3 rd Quarter	18.1%		0.00%
4 th Quarter	18.1%		0.00%
Total Performance	18.1%	12.8%	70.72%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Percent of Professional Services Going to Historically Underutilized Businesses (HUBs) was below projections for the second quarter of FY 2007. The agency has taken the following actions to increase HUB performance: 1) All of the professional services contracts have been audited to verify HUB performance; 2) HUB improvement letters were mailed to the professional services contractors instructing them to improve their HUB good faith efforts; 3) professional services mentor-protégé agreements were increased and contractors and subcontractors within this category were notified of the merits of the mentor-protégé program; and 4) all contractors and sub contractors for the two upcoming engineering contracts were notified to ensure greater participation. Also, bonding requirements for these two contracts were eliminated.

Output Measure 02:

Percentage of Other Services Awarded to Historically Underutilized Businesses

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	33%	38.7%	117.27%
2 nd Quarter	33%	32.7%	99.09%
3 rd Quarter	33%		0.00%
4 th Quarter	33%		0.00%
Total Performance	33%	36.4%	110.30%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Percentage of Other Services Awarded to Historically Underutilized Businesses (HUBs) exceeded projections. The TCEQ has successfully focused efforts on identifying HUB vendors in this area.

Historically Underutilized Business Program

Output Measure 03:

Percentage of Commodity Purchasing Awarded to Historically Underutilized Businesses

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	12.6%	42.30%	335.71%
2 nd Quarter	12.6%	54.10%	429.37%
3 rd Quarter	12.6%		0.00%
4 th Quarter	12.6%		0.00%
Total Performance	12.6%	48.10%	381.75%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the Percentage of Commodity Purchasing Awarded to Historically Underutilized Businesses (HUBs) was above projections for the second quarter of FY 2007. The TCEQ has successfully focused efforts on identifying HUB vendors in this area.