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Third Quarter Report on Performance Measures

Fiscal Year 2007

Budget & Planning Division - Strategic Planning and Assessment

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



Kathleen Hartnett White, *Chairman*

Larry R. Soward, *Commissioner*

H.S. Buddy Garcia, *Commissioner*

Glenn Shankle, *Executive Director*

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TABLE OF CONTENTS

	<u>Page</u>
Strategic Planning Structure	
Fiscal Year 2007	1
Goal 01 Assessment, Permitting, and Prevention	
Strategy 01-01-01 Air Quality Assessment and Planning	3
Strategy 01-01-02 Water Resource Assessment and Planning.....	9
Strategy 01-01-03 Waste Management Assessment and Planning.....	11
Strategy 01-02-01 Air Quality Permitting.....	12
Strategy 01-02-02 Water Resource Permitting	14
Strategy 01-02-03 Waste Management and Permitting	16
Strategy 01-02-04 Occupational Licensing	18
Goal 02 Drinking Water and Water Utilities	
Strategy 02-01-01 Safe Drinking Water	20
Strategy 02-01-02 Water Utilities Oversight.....	21
Goal 03 Enforcement and Compliance Assistance	
Strategy 03-01-01 Field Inspections and Complaints	23
Strategy 03-01-02 Enforcement and Compliance Support	27
Strategy 03-01-03 Pollution Prevention and Recycling.....	29
Goal 04 Pollution Cleanup	
Strategy 04-01-01 Storage Tank Administration and Cleanup.....	31
Strategy 04-01-02 Hazardous Materials Cleanup	35
Goal 05 Texas River Compacts	40
Goal 06 Historically Underutilized Businesses	
Historically Underutilized Businesses	42

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 Planning

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

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	500	330	16.50%
2 nd Quarter	500	300	15.00%
3 rd Quarter	500	283	14.15%
4 th Quarter	500		0.00%
Total Performance	2,000	913	45.65%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Number of Point Source Air Quality Assessments was below projections for the third 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 third quarter, the assessments for the remaining point source emissions inventories for calendar year 2005 were completed and submitted to the US EPA National Emissions Inventory; therefore, the assessments for the calendar year 2006 point source emissions inventories are scheduled to begin in the fourth quarter. The fourth quarter is expected to be above the 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
1 st Quarter	625	654	26.16%
2 nd Quarter	625	655	26.20%
3 rd Quarter	625	667	26.68%
4 th Quarter	625		0.00%
Total Performance	2,500	1976	79.04%

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

Strategy 01-01-01: Air Quality Assessment 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	279	22.32%
4 th Quarter	312.50		0.00%
Total Performance	1,250	914	73.12%

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	593	100.51%
4 th Quarter	590		0.00%
Annual Target	590	593	100.51%

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

Strategy 01-01-01: Air Quality Assessment 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	4,607	17.34%
4 th Quarter	6,644		0.00%
Total Performance	26,576	6,426	24.18%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Tons of NOx Reduced through the Texas Emissions Reduction Plan (TERP) was below projections for the third 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 third quarter performance includes grants awarded through the Rebate Grants program and a third party grant with the Texas General Land Office. These awarded grants total \$25,153,734.75. The program is in the process of awarding grants and closing another application round. The majority of the fiscal year appropriations will be awarded in the fourth quarter. 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	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 third 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. The implementation of the NTRD program has been transferred by HB 2481, 79th Texas Legislature, Regular Session, to the Texas Environmental Research Consortium (TERC). TERC issued two rounds of grant proposals during the first quarter of FY 2007 and has opened three more rounds of grant proposals in the third quarter of FY 2007. The new request for grant applications will be closed and applications reviewed during the fourth quarter. As a result this number is expected to increase next quarter, but is expected to remain well below projections for the fiscal year.

Strategy 01-01-01: Air Quality Assessment 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%	94.7%	105.22%
4 th Quarter	90%		0.00%
Annual Target	90%	94.7%	105.22%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for The Percent of Data Collected by TCEQ Continuous and Non-Continuous Air Monitoring Networks was above projections for the third quarter FY 2007. This measure represents the percent of valid data collected by the TCEQ continuous and non-continuous air monitoring networks. The TCEQ has implemented standard operating procedures and improved technology which reduce the amount of instrument downtime and the length of time it takes to detect, troubleshoot, and correct instrument malfunctions. Being above projection reflects positively on the agency data collection efforts. The actual percentages can vary due to unanticipated instrument downtime, but it is anticipated that the actual percentages will remain at approximately the same level for the fourth quarter of FY 2007.

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	\$390	105.41%
4 th Quarter	\$370		0.00%
Annual Target	\$370	\$376	101.62%

Variance Explanation:

Performance met projections. No variance explanation required.

*Note: 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 Planning

Efficiency Measure 03:

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

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	\$480	\$490.15	102.11%
2nd Quarter	\$480	\$494.26	102.97%
3rd Quarter	\$480	\$500.50	104.27%
4th Quarter	\$480		0.00%
Annual Target	\$480	\$495.20	103.17%

*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 third quarter, \$2,545,835.24 has been expended for the program. There have been 5,141 vehicles repaired or retrofitted.

Variance Explanation:
MET PROJECTED LEVEL
 Performance for the Average Cost of LIRAP Vehicle Emissions Repairs/Retrofits was slightly above projections for the third quarter of FY 2007, but still within the range of performance for the fiscal year. This measure reports the average cost of repairs/retrofits to cars participating in the LIRAP program. The costs 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 1,086 vehicles repaired at a cost of \$570,860.11 in the HGB area program was \$525.65. The average LIRAP repair cost for 690 vehicles repaired at a cost of \$317,873.80 in the DFW area was \$460.69. The average LIRAP repair cost for 127 vehicles repaired at a cost of \$63,710.09 in Central Texas (Travis/Williamson County) was \$501.65. FY 07 Year-To-Date (YTD) performance is determined by dividing YTD total LIRAP repair cost (\$2,545,835.24) by YTD total number of LIRAP repairs (5,141), which results in a YTD average LIRAP repair cost of \$495.20.

Efficiency Measure 04:

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

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	\$5,000	\$0	0.00%
2nd Quarter	\$5,000	\$5,492.00	109.84%
3rd Quarter	\$5,000	\$5,459.00	109.18%
4th Quarter	\$5,000		0.00%
Annual Target	\$5,000	\$5,468.00	109.36%

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 third 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 the projection because the commission raised the limit of the cost per ton to \$10,000 for non-road projects. The decision was made to encourage greater participation from the non-road sector. As a result of this change, the average cost per ton for projects funded this year will be higher than the original performance projection.

Strategy 01-01-01: Air Quality Assessment Planning

Efficiency Measure 05:

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

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	14	1	7.14%
2nd Quarter	14	0	0.00%
3rd Quarter	14	0	0.00%
4th 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 third quarter FY 2007. This measure reports the number of days to review New Technology and Research Development (NTRD) grant proposals. The implementation of the NTRD program has been transferred by HB 2481, 79th Texas Legislature, Regular Session, to the Texas Environmental Research Consortium (TERC). TERC issued three rounds of grant proposals in the third quarter of FY 2007. The new request for grant applications will be closed and reviewed during the fourth quarter of FY 2007. As a result this number is expected to increase next quarter, but is still expected to remain well below projections for the fiscal year.

Strategy 01-01-02: Water Resource Assessment 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	19	44.19%
4th Quarter	10.75		0.00%
Total Performance	43	27	62.79%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Number of Surface Water Assessments was below projections for the third 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	10	20.00%
4th Quarter	12.5		0.00%
Total Performance	50	20	40.00%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Number of Groundwater Assessments was below projections for the third 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. As the fiscal year progresses, performance will improve when compared to projections, but will likely not meet the projection until the fourth quarter when all assessments should be completed.

Strategy 01-01-02: Water Resource Assessment Planning

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

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	107.5	105	24.42%
2 nd Quarter	107.5	123	28.60%
3 rd Quarter	107.5	123	28.60%
4 th Quarter	107.5		0.00%
Total Performance	430	351	81.63%

Variance Explanation:
ABOVE PROJECTED LEVEL
 Performance for The Number of Dam Safety Assessments is above projections for the third quarter of FY 2007. This measure includes on-site investigations as well as in-house review of plans and specifications for dams, spillway adequacies, breach analyses, emergency action plans, engineering reports and water use permit applications involving dams. The Dam Safety program received an increased number of emergency action plans, engineering inspection reports from consultants and Water District creation documents to review and approve. Due to the increase in assessments, the Dam Safety program projects performance to be above projections for FY 2007.

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

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	\$1,200	\$780.75	65.06%
2 nd Quarter	\$1,200	\$966.25	80.52%
3 rd Quarter	\$1,200	\$734.92	61.24%
4 th Quarter	\$1,200		0.00%
Annual Target	\$1,200	\$829.69	69.14%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Average Cost Per Dam Safety Assessment was below projections for the third 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 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 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	173	67.84%
4 th Quarter	63.75		0.00%
Total Performance	255	251	98.43%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Number of Municipal Solid Waste Facility (MSW) Capacity Assessments was above projections for the third quarter of FY 2007. This measure reports the number of annual capacity assessments for municipal solid waste landfills reviewed by the Waste Planning Team. Capacity information is gathered through The Annual Report for Permitted Solid Waste Facilities. Since all first and second quarter data entry is complete, the third and fourth quarter assessments can now be assessed and reported. It is anticipated that this measure will continue to increase throughout the fiscal 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	\$23.88	68.23%
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 third quarter of FY 2007. This measure reflects agency efforts to conduct municipal solid waste facility capacity assessments in an efficient manner. Capacity information is gathered through The Annual Report for Permitted Solid Waste Facilities submitted to the TCEQ by each MSW Landfill. The decrease in cost per assessment is attributed to the automation of the assessments which has improved efficiency and lowered the cost per assessment. It is anticipated that cost will continue to be below projection for the remainder of the fiscal year.

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	1,378	24.61%
4 th Quarter	1,400		0.00%
Total Performance	5,600	3,836	68.50%

Variance Explanation:

BELOW PROJECTED LEVEL

The Number of State and Federal New Source Review Air Quality Permit Applications Reviewed was below projections for the third 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 projections 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	394	49.25%
4 th Quarter	200		0.00%
Total Performance	800	837	104.63%

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. The annual target for this measure is expected to increase throughout the fiscal year.

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	263	26.30%
4 th Quarter	250		0.00%
Total Performance	1,000	821	82.10%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Number of Emissions Banking and Trading (EBT) Transaction Applications Reviewed was above projections for the third 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 an irregular workload stream. Performance for this measure is expected to exceed projections for the remainder of FY 07.

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	5,000	32.35%
4 th Quarter	3,864.50		0.00%
Total Performance	15,458	16,103	104.17%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Number of Applications to Address Water Quality Impacts Reviewed was above projections for the third 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 exceeded 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 2,700 notice of intents (NOI) during the third quarter of FY 07. The commission typically processes 300 MSGP NOI's per quarter. Performance for this measure has exceeded 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	210	35.29%
4 th Quarter	148.75		0.00%
Total Performance	595	517	86.89%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for The Number of Applications to Address Water Rights was above projections for the third quarter FY 2007. This measure tracks the number of water use applications, changes of ownership, and water supply contracts processed. Performance for this measure was above projections for the quarter, largely due to an increase in the number of ownership transfers processed. Applications for ownership transfers usually increase after annual water use reports are sent to water right holders with a response deadline of March. Performance for this measure is expected to meet or exceed projections for the fiscal year.

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	66	4.77%
4th Quarter	346.25		0.00%
Total Performance	1,385	175	12.64%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of Concentrated Animal Feeding Operation (CAFO) Authorizations Reviewed was below projections for the third 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 225 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	147	25.79%
4 th Quarter	142.50		0.00%
Total Performance	570	428	75.09%

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	110	46.61%
4 th Quarter	59		0.00%
Total Performance	236	228	96.61%

Variance Explanation:
 ABOVE PROJECTED LEVEL
 The Number of Non-Hazardous Waste Permit Applications Reviewed was above projections for the third quarter FY 2007. This measure reports the number of non-hazardous waste permit applications reviewed. For the Municipal Solid Waste (MSW) Permit Section, the measure includes 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. The increase in the number of applications submitted during the third quarter was due to the implementation of new agency rules for these facilities (TAC, Chapter 330). It is expected that this measure will meet or exceed the projection for the fiscal year.

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
1 st Quarter	40	48	30.00%
2 nd Quarter	40	37	23.13%
3 rd Quarter	40	44	27.50%
4 th Quarter	40		0.00%
Total Performance	160	129	80.63%

Variance Explanation:

ABOVE PROJECTED LEVEL

The Number of Hazardous Waste Permit Applications Reviewed was above projections for the third quarter of FY 2007. This measure reports the number of permits, orders, licenses, and authorizations reviewed, denied, or withdrawn. The third quarter number can be attributed to minor permit modifications requested by the regulated community in response to changing business needs. These types of requests are difficult to anticipate. It is anticipated this measure will remain on target for the fiscal year.

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	5,947	25.86%
4 th Quarter	5,750		0.00%
Total Performance	23,000	16,742	72.79%

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 * 2,618	24.93%
3 rd Quarter	2,625	2,660	25.33%
4 th Quarter	2,625		0.00%
Total Performance	10,500	7,774	74.04%

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

*Note: The second quarter number has been revised from 2,271 to 2,618
The revision was necessary to count exams administered during the second quarter, but received in the Central Office for processing very late or after the close of the second quarter.

Strategy 01-02-04: Occupational Licensing

**Output Measure 03:
Number of Licenses and Registrations Issued**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	5,500	5,178	23.54%
2nd Quarter	5,500	4,781	21.73%
3rd Quarter	5,500	4,988	22.67%
4th Quarter	5,500		0.00%
Total Performance	22,000	14,947	67.94%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for The Number of Licenses and Registrations Issued was below projections for the third quarter FY 2007. This measure reports the number of new and upgraded licenses and registrations issued during the reporting period. This is an on-demand activity in which the agency does not control the number of individuals seeking certification. The lower number may be related to economic conditions with less demand for licensed occupations during this quarter. The projected number of licenses issued and renewed had been increased for FY 2007 in anticipation of more on-site sewage facility maintenance providers seeking licensure. Performance is still expected to meet expectations for the fiscal year.

**Efficiency Measure 01:
Average Annualized Cost Per License and Registration**

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	\$18	\$18.18	101.00%
2nd Quarter	\$18	\$17.86	99.22%
3rd Quarter	\$18	\$17.70	98.33%
4th Quarter	\$18		0.00%
Annual Target	\$18	\$17.70	98.33%

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
1st Quarter	6,000	6,278	104.63%
2nd Quarter	6,000	6,327	105.45%
3rd Quarter	6,000	6,350	105.83%
4th Quarter	6,000		0.00%
Total Performance	6,000	6,350	105.83%

Variance Explanation:

ABOVE PROJECTIONS

The Number of Public Drinking Water Systems which Meet Primary Drinking Water Standards is slightly above projections for the third 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 6,711 Public Water Systems in Texas and the majority of these systems have had no health based violations. This number has and will continue to grow as the population increases.

Output Measure 02:

Number of Drinking Water Samples Collected (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	9,000	8,519	23.66%
2nd Quarter	9,000	8,676	24.09%
3rd Quarter	9,000	9,856	27.38%
4th Quarter	9,000		0.00%
Total Performance	36,000	27,051	75.14%

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	31	31.00%
4th Quarter	25		0.00%
Total Performance	100	58	58.00%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Number of Utility Rate Reviews Performed was below projections for the third 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 third quarter because we have received fewer rate applications than normal. This number directly impacts the number of applications processed. Although performance will continue to increase for the remainder of the fiscal year, performance for this measure is not expected to meet projections 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	209	38.00%
4th Quarter	137.5		0.00%
Total Performance	550	582	105.82%

Variance Explanation:
ABOVE PROJECTED LEVEL
 Performance for the Number of District Applications Processed was above projections for the third 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	59	26.22%
4th Quarter	56.25		0.00%
Total Performance	225	118	52.44%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of Certificates of Convenience and Necessity (CCN) Applications Processed was below projections for the third 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 third quarter of FY 2007. Performance will increase as the number of CCN related applications goes up and as the comment period on pending applications 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	4,002	30.78%
2 nd Quarter	3,250	2,634	20.26%
3 rd Quarter	3,250	2,542	19.55%
4 th Quarter	3,250		0.00%
Total Performance	13,000	9,178	70.60%

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. Third quarter performance for the number of emission event investigations, is 1,461 .

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	8,652	25.45%
4 th Quarter	8,500		0.00%
Total Performance	34,000	25,416	74.75%

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	2,193	25.80%
4 th Quarter	2,125		0.00%
Total Performance	8,500	6,420	75.53%

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	165	23.57%
4 th Quarter	175		0.00%
Total Performance	700	507	72.43%

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
1st Quarter	1,839.50	2,195	29.83%
2nd Quarter	1,839.50	2,296	31.20%
3rd Quarter	1,839.50	2,090	28.40%
4th Quarter	1,839.50		0.00%
Total Performance	7,358	6,581	89.44%

Variance Explanation:

ABOVE PROJECTED LEVEL

The Number of Inspections and Investigations of Waste Sites was above projections for the third 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. There is an expected increase of 500 over the performance measure projection; therefore, the commitment will be exceeded this year.

Output Measure 06:
Number of Spill Cleanup Inspections

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	100	99	24.75%
2nd Quarter	100	219	54.75%
3rd Quarter	100	217	54.25%
4th Quarter	100		0.00%
Total Performance	400	535	133.75%

Variance Explanation:

ABOVE PROJECTED LEVEL

The Number of Spill Cleanup Inspections was above projections for the third 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 continue to exceed projections for 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	\$535	69.48%
3 rd Quarter	\$770	\$520	67.53%
4 th Quarter	\$770		0.00%
Annual Target	\$770	\$600	77.92%

Variance Explanation:

BELOW PROJECTED LEVEL

The Average Inspection and Investigation Cost of Livestock and Poultry Operations was below projections for the third 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 lower cost is a result of a refined accounting of an investigator's time spent on investigations. The desired performance for this measure is to be below projections for the remainder of the fiscal year.

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	25.8	85.71%
2 nd Quarter	35	26	74.29%
3 rd Quarter	35	28	80.00%
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 third 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	71	88.75%
4th Quarter	80		0.00%
Total Performance	80	71	88.75%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Number of Environmental Laboratories Accredited was below projections for the third 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 85 applications for accreditation, and 14 of the 85 still remain in progress. Performance is expected to improve during the year as more 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	23,231	43.02%
4th Quarter	13,500		0.00%
Total Performance	54,000	77,543	143.60%

Variance Explanation:
ABOVE PROJECTED LEVEL
 Performance for the Number of Small Businesses and Local Governments Assisted was above average for the third 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. The number was due in part to improved reporting of attendance at workshops and presentations. This quarter also saw an aggressive recruitment campaign for compliance assistance visits to auto repair facilities. Performance for this measure will continue to exceed performance for 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	99	84.62%
4 th Quarter	117		0.00%
Total Performance	117	99	84.62%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Number of Drinking Water Laboratories Certified was below projections for the third 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	44	62.86%
4 th Quarter	70		0.00%
Annual Target	70	44	62.86%

Variance Explanation:
BELOW PROJECTED LEVEL
 Performance for the Average Number of Days to File an Initial Settlement Offer was below projections for the third quarter of FY 2007. This measure represents the average number of days from the date the case was assigned 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
1 st Quarter	60	60	25.00%
2 nd Quarter	60	33	13.75%
3 rd Quarter	60	39	16.25%
4 th Quarter	60		0.00%
Total Performance	240	132	55.00%

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 third quarter of FY 2007. This measure reports the number of outreach activities conducted by the Pollution Prevention and Environmental Management Staff. The lower level performance for the third quarter was due to; staff spending additional time putting on the Take Care of Texas Booth at this year's Environmental Trade Fair and Conference. Renewed efforts at public outreach and additional scheduled events will ensure fourth quarter performance will meet projections. Performance for this measure is not expected to meet fiscal year targets.

Output Measure 02:

Number of Entities Participating in Performance-Based Regulatory Programs

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	370	335	90.54%
2 nd Quarter	370	155	41.89%
3 rd Quarter	370	140	37.84%
4 th Quarter	370		0.00%
Total Performance	370	140	37.84%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of Entities Participating in Regulatory Programs was below projections for the third quarter of FY 2007. This measure reflects the number of entities participating in voluntary programs. Performance was below projections due in part to continuing modifications 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 fourth 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	15	45.5%
4 th Quarter	8.25		0.0%
Total Performance	33	20.2	61.3%

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 third 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. The performance is above the quarterly projection as all the data from the reports submitted (which were due in the second quarter) have been included in the calculation. However, it is below the yearly projection as a number of reports have not been submitted to the agency. It is expected that as more reports are submitted, the performance will approach the target.

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	\$326.60	54.43%
4 th Quarter	\$600		0.00%
Annual Target	\$600	\$238.77	39.80%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Average Cost Per On-Site Technical Assistance Visit was below projections for the third 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. The reported cost now tracks the actual time spent onsite instead of using an average that is no longer correct. In addition, 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	5,094	28.30%
4th Quarter	4,500		0.00%
Total Performance	18,000	11,965	66.47%

Variance Explanation:
 BELOW PROJECTED LEVEL
 Performance for the Number of Petroleum Storage Tank Self-Certifications Processed was below projections for the third 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 third quarter is consistent with past fiscal years. Self-certifications are renewed January through October. Performance for the fourth quarter is expected to be at projected targets at the end of the fiscal 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	3	18.75%
4th Quarter	4		0.00%
Total Performance	16	12	75.00%

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

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	1,090	19.82%
4 th Quarter	1,375		0.00%
Total Performance	5,500	3,171	57.65%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Number of Petroleum Storage Tank Reimbursement Fund Applications Processed was below projections for the third 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. 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. We expect this downward trend of number of reimbursement applications to continue throughout this fiscal year.

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	237	39.50%
4 th Quarter	150		0.00%
Total Performance	600	608	101.33%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Number of Petroleum Storage Tank Cleanups Completed was above projections for the third 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 number of requests for the second and third quarters have been above projections. The TCEQ has limited control over the number of requests for closure that are submitted within a given period of time. Performance will continue to exceed projections throughout the remainder of the fiscal year.

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	23.7	79.00%
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 third 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	25.3	84.33%
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 third 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	56	62.22%
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 third 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	1	20.00%
4 th Quarter	1.25		0.00%
Total Performance	5	2	40.00%

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 third 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	14	19.44%
4 th Quarter	18		0.00%
Total Performance	72	52	72.22%

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
1 st Quarter	17.5	26	37.14%
2 nd Quarter	17.5	19	27.14%
3 rd Quarter	17.5	27	38.57%
4 th Quarter	17.5		0.00%
Total Performance	70	72	102.86%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Number of Voluntary and Brownfield Cleanups Completed was above projections for the third 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
1 st Quarter	27	35	129.63%
2 nd Quarter	27	35	129.63%
3 rd Quarter	27	35	129.63%
4 th Quarter	27		0.00%
Total Performance	27	35	129.63%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Number of Superfund Evaluations Underway was above projections for the third 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 the evaluation phase.

Strategy 04-01-02: Hazardous Materials Cleanup

Old Measure

Number of Superfund Cleanups Underway (Key)

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	28	16	57.14%
2nd Quarter	28	16	57.14%
3rd Quarter	28	17	60.71%
4th Quarter	28		0.00%
Total Performance	28	17	60.71%

Variance Explanation:
 BELOW PROJECTED LEVEL
 Performance for the Number of Superfund Cleanups Underway was below projections for the third quarter of FY 2007. This measure reports the number of state and federal superfund sites that are undergoing the cleanup phase of the superfund process. This phase begins after the evaluation is completed and funding for cleanup becomes available. At this time, performance is expected to meet or be at projected levels by the end of the fiscal year.

Output Measure 04:

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

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	55	51	92.73%
2nd Quarter	55	51	92.73%
3rd Quarter	55	52	94.55%
4th Quarter	55		0.00%
Total Performance	55	52	94.55%

Variance Explanation:
 BELOW PROJECTED LEVEL
 Performance for the Number of Superfund Sites Undergoing Evaluation and Cleanup was below projections for the third 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 94% 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 third quarter, performance for the number of Superfund evaluation underway was 35 and performance for the number of Superfund cleanups underway was 17.

Strategy 04-01-02: Hazardous Materials Cleanup

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

	Projected	Actual	Percent of Annual Projection Attained
1 st Quarter	1.25	0	0.00%
2 nd Quarter	1.25	0	0.00%
3 rd Quarter	1.25	0	0.00%
4 th 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 third quarter of FY 2007. Cleanup completions are not expected to be evenly distributed over each reporting quarter. With five cleanups expected to be completed during the fourth quarter, projections are expected to be met for 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
1 st Quarter	137.5	198	36.00%
2 nd Quarter	137.5	147	26.73%
3 rd Quarter	137.5	229	41.64%
4 th Quarter	137.5		0.00%
Total Performance	550	574	104.36%

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 third 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. Performance for this measure has exceeded projections.

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
1 st Quarter	5	11	55.00%
2 nd Quarter	5	13	65.00%
3 rd Quarter	5	8	40.00%
4 th Quarter	5		0.00%
Total Performance	20	32	160.00%

Variance Explanation:

ABOVE PROJECTED LEVEL

Performance for the Number of Dry Cleaner Remediation Program Applications Received exceeded projections for the third 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, the relatively large numbers of applications now being received are applications that were delayed while external customers became familiar with the program. 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
1 st Quarter	90	53	58.89%
2 nd Quarter	90	39	43.33%
3 rd Quarter	90	35	38.89%
4 th 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 third 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
1st Quarter	18.1%	13.6%	75.14%
2nd Quarter	18.1%	13.64%	75.36%
3rd Quarter	18.1%	144.56%	80.44%
4th Quarter	18.1%		0.00%
Total Performance	18.1%	13.8%	76.24%

Variance Explanation:

BELOW PROJECTED LEVEL

Performance for the Percent of Professional Services Going to Historically Underutilized Businesses (HUBs) was below projections for the third quarter of FY 2007. The agency has taken the following actions to increase HUB performance: 1) All of the "Professional Services contracts are audited on a monthly basis to ensure HUB subcontracting performance; 2) Training will commence with program managers to enhance knowledge of their HUB reporting requirements and the HUB vendor performance evaluation criteria; 3) "Professional Services" contractors will continue to be notified of the merits of the mentor-protégé program; and 4) Contract negotiations will also include HUB Program participation to provide HUB information for contractors, with respect to their HUB subcontracting plan and any potential changes.

Output Measure 02:

Percentage of Other Services Awarded to Historically Underutilized Businesses

	Projected	Actual	Percent of Annual Projection Attained
1st Quarter	33%	38.7%	117.27%
2nd Quarter	33%	32.7%	99.09%
3rd Quarter	33%	25.4%	76.97%
4th Quarter	33%		0.00%
Total Performance	33%	31.9%	96.67%

Variance Explanation:

Performance met projections. No variance explanation required.

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%	31.50%	250.00%
4 th Quarter	12.6%		0.00%
Total Performance	12.6%	41.60%	330.16%

Variance Explanation:

ABOVE PROJECTED LEVEL.

Performance for the Percentage of Commodity Purchasing Awarded to Historically Underutilized Businesses (HUBs) was above projections for the third quarter of FY 2007. The TCEQ has successfully focused efforts on identifying HUB vendors in this area. The TCEQ continues to look for additional purchasing opportunities, especially with computer purchases.