



MEMORANDUM

TO: Governor Bill Haslam
Governor of the State of Tennessee

Lieutenant Governor Randy McNally
Speaker of the Senate

Speaker Beth Harwell
Speaker of the House of Representatives

FROM: Robert J. Martineau, Jr., Commissioner
Department of Environment and Conservation

DATE: January 12, 2018

RE: Department of Environment and Conservation
February 2017 Semiannual Environmental Permitting Efficiency Report

RJM

Tennessee Code Annotated (T.C.A.) 4-3-506 et. seq. requires the commissioner of the Department of Environment and Conservation (TDEC) to submit electronically a semi-annual report to the Governor and the General Assembly each year. Our FY 16/17 Semiannual Environmental Permitting Report is attached to this memorandum.

The statute requires the Department to report on all permit applications submitted to the Department during each reporting period. There are two reporting categories:

1. Permit Completeness Decisions – Upon receipt of an environmental permit application, TDEC has a specific number of days to determine if the environmental permit application provides all the information required to approve or deny make a final permit decisions. Tennessee statute and rules specify the number of days TDEC has to make a permit completeness decision. The number of days specified to make a permit completeness decision varies based on the complexity of the permit application.
2. Final Permit Decisions – Once TDEC has determined an environmental permit application is complete; TDEC has a specific number of days to approve or deny an applicant's request for an environmental permit. TDEC reviews the permit application and makes a decision to either approve or deny the applicant's permit request. TDEC has a specific number of days to approve/deny an applicant's request for an environmental permit. Tennessee statute and rules specify the number of days TDEC has approve or deny an applicant's request for an

environmental permit. The number of days specified to make a permit decision varies based on the complexity of the permit application.

This Environmental Permitting report includes all permit applications that were on hand but not processed on July 1, 2016 and all permit applications submitted between July 1, 2016 thru December 31, 2016 that are subject to this statute and pursuant regulations. For this report, the Department defined "permit" as any permit, license, certification, accreditation or registration with a specific statutory and/or regulatory time limit (specified time limit) for permit application completeness determinations review and/or final permit decisions.

The statute requires the Department to report:

1. The number of permit application completeness reviews performed within the established regulatory time limit;
2. The number of permit completeness reviews that exceeded the established regulatory time limit;
3. The reasons permit application completeness reviews were not completed within the established regulatory time limit;
4. Actions the Department will take to improve application completeness review time;
5. The number of permit application decisions the Department made within the established regulatory time limit;
6. The reason permit decisions were not made within the established regulatory time limit;
7. The reasons that permit decisions were not made within the established regulatory time limit; and
8. Actions the Department will take to improve the permit decision-making process.

The Department shall post this report on its website, <https://www.tn.gov/environment/permits/permitting-efficiency-reports.html>. Please feel free to contact my staff or me if you have any questions.



Tennessee Department of Environment and Conservation
FY 16/17 Semiannual Environmental Permitting Report
February 2017

Robert J. Martineau, Jr., Commissioner

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Tennessee Department of Environment and Conservation FY 16/17 Annual Environmental Permitting Report

EXECUTIVE SUMMARY

The Tennessee Department of Environment & Conservation (the Department) is committed to protecting and improving the quality of Tennessee's air, land and water. Our environmental programs and initiatives protect human health and the environment, support economic development, promote job creation, enhance quality of life through education of citizens and the regulated community and conservation of our natural resources, and ensure effective implementation of state and federally delegated environmental laws.

Environmental permitting is an important component of the Department's charge to protect Tennessee's natural resources and preserve the quality of life, making Tennessee an attractive place to work, live and play. Timely and effective issuance of regulatory permits is critical to protecting our environment and the success of our state's business and industry sectors and Tennessee's efforts to be the best state in the southeast for high quality jobs. Because there are specific specified time limits established in statute and rule to determine if applications are complete and specific specified time limits for final permitting decisions, the Department defines a permit as any permit, license, registration, certification and/or accreditation application subject to the requirements for permitting in Tennessee Code Annotated (T.C.A.) 4-3-501 et. seq.

In 2012 the General Assembly amended T.C.A. 4-3-506, requiring the Department to provide the General Assembly with two reports each fiscal year that demonstrate the Department's progress in making Permit Application Completeness decisions and Final Permit decisions within specified statutory and regulatory time limits (specified time limits). This report provides a summary of our permitting activities for the July 1, 2016 and December 31, 2016 time period, the first six months of Fiscal Year 2016 – 2017 (FY 16/17). For Permit Completeness Decisions, the Department made completeness decisions for 99.7% of all permit applications. The Department increased its rate of permit application completeness decisions by 1.3% from the FY 15/16 Semiannual Permitting Report period; 6,413 of 6,433 permit applications. The Department made final permit decisions for 99.4% (16,531 of 16,632) of all permit applications within the specified time limit for this reporting period. This is an increase of 0.2% from FY 15/16. Just as important as making permit decisions within specified time limits, the Department makes final permit decisions based on science and fact. Combining efficiency with science and fact ensures protection of public health and the environment and respects the time value of money and business schedules.

The Department is committed to meeting the specified time limits for permit completeness review and making final permit decisions. Each division reviews its permitting processes regularly to determine if there are more effective business processes for permit review and develop more user-friendly permit applications. This report compares the Department's permitting efficiency for:

1. the July 1, 2012 through December 31, 2012 time period;
2. the July 1, 2013 through December 31, 2013 time period;
3. the July 1, 2014 through December 31, 2014 time period;
4. the July 1, 2015 through December 31, 2015 time period; and
5. the July 1, 2016 through December 31, 2016 time period.

This comparison allows the Department to identify areas for improvement and measures the improvements we have made in making timely permit completeness and final permit decisions.

We hope the information in this report is of assistance to the General Assembly and look forward to receiving comments from its members and the citizenry at large about its content. We appreciate any ideas that will improve the quality of this report and our service to our customers.

INTRODUCTION

The Tennessee General Assembly adopted legislation in 2012 that amended Tennessee Code Annotated (T.C.A.) 4-3-501 et. seq. This Act provides for the creation of the Department of Environment and Conservation (the Department). The 2012 amendment, included as Appendix 1, requires the Department to submit to the General Assembly a report providing how effectively the Department is permit completeness decisions and final permit decisions and how our performance compares with specified time limits. The Department is required to submit permitting status reports twice per fiscal year; the Semi-Annual Permit Report in February reporting progress for the July 1 through December 31 period of each fiscal year and the Annual Permit Report in August for the entire fiscal year (July 1 previous year through June 30 succeeding year). There are 13 different rules with specific language requiring the Department to make permit completeness decisions and final permit decisions. Please find below the regulations the Department is required to follow for permit completeness review and final permit application decisions.

Regulatory Citations for Permit Completeness Review and Permit Decisions	
Rule	Rule Number
Solid Waste Regulations	Rules 0400-11-01 .01 thru .13
Hazardous Waste Regulations	Rules 0400-12-01-.01 thru .12
Hazardous Waste Regulations	Rules 0400-12-02 -.01 thru .3
Regulation of X-ray and Radioactive Materials	Rules 0400-20-05 -.01 thru .146
Certification of Hydrologic Professionals	Rules 0400-40-7 -.01 thru .04
Water Supply	Rules 0400-45-01 - .01 thru .40
Underground Injection Control	Rules 0400-45-06 -.01 thru .19

Regulatory Citations for Permit Completeness Review and Permit Decisions continued	
Rule	Rule Number
Safe Dams	Rules 0400-45-07 -.01 thru .10
Subsurface Sewage Disposal	Rules 1200-01-06 - .01 thru .34
Asbestos Accreditation	Rules 1200-1-20-.01 thru .08
Lead Based Paint Abatement	Rules 1200-1-18-.01 thru .06
Air Pollution Control	Rules 1200-3-01 thru 37
Water Pollution Control	Rules 1200-4-01 thru 14

The Department has created tables in this report for each Environmental Division with permitting responsibilities. The tables provide the status for permit completeness determinations and final permit decisions within the specified time limits for each type of permit. In addition, the Department compared permitting data from fiscal years 12/13 through 16/17 to determine our progress making permitting decisions over time.

The Department reduced the number of tables in this report from 16 to four. All tables are presented at the end of the report:

- Table 1. Measuring Permit Completeness Review efficiency – FY 16/17 Semiannual Permitting Report period;
- Table 2. Measuring Final Permit Decision efficiency - FY 16/17 Semiannual Permitting Report Period;
- Table 3. Comparing Permit Completeness Decision efficiency – the FY 12/13 through FY 16/17 Semiannual Permitting Report period; and
- Table 4. Comparing Final Permit Decision efficiency - the FY 12/13 through FY 16/17 Semiannual Permitting Report period.

We believe the information presented in the Tables 1 and 2 provide a comprehensive view of the Department's effectiveness in meeting specified time limits for permit completeness determinations and final permit decisions. The results in Tables 3 and 4 illustrate the Department's continued improvement in meeting the specified time limits for permitting decisions. Appendix 2 provides detailed permitting information for the Environmental Divisions within TDEC during the July 1, through December 31, 2016 time period.

DIVISION OF SOLID WASTE MANAGEMENT

The Division of Solid Waste Management (SWM) is responsible for four different and distinct regulatory programs that are implemented under the authority of different environmental statutes and regulations:

1. The TN Solid Waste Disposal Act, T.C.A. 68-211-101 et. seq. and the pursuant regulations 0400-11-01 .01 thru .13;

2. The TN Hazardous Waste Management Act, T.C.A. 68-212- 101 et. seq. and the pursuant regulations 0400-12-01-.01 thru .12 and 0400-12-02 -.01 thru .3 ;
3. The Tennessee Lead-Based Paint Abatement Certification Act of 1997 (T.C.A. 68-131-101 et. seq.) and the pursuant regulations 1200-1-18-.01 thru .06 ; and
4. The Tennessee Asbestos Contractor Accreditation and Regulation Act (T.C.A. 62-41-101 et. seq.) and the pursuant regulations 1200-1-20-.01 thru .08.

For the purposes of this report, all metrics for permit completeness decisions and final permit decisions have been combined.

SOLID WASTE PROGRAM

The Solid Waste Program issues permits for processing, storing, and disposing solid waste in Tennessee. EPA Region 4 has approved SWM's Solid Waste Program for solid waste disposal. The Department issues Solid Waste permits for Solid Waste Processing facilities, Convenience Centers, Composting Operations and Demolition, Industrial and Municipal Solid Waste Landfills. SWM also reviews and approves/denies requests to dispose of "special waste" in the landfills it regulates. The permits and special waste approvals issued by SWM for solid waste management are an integral part of preventing the illegal disposal of solid wastes in Tennessee. Permitting solid waste facilities helps ensure that the facilities where solid waste is stored, processed or disposed are properly designed, constructed according to engineering design, operated according to the Solid Waste regulations, closed properly and then monitored after closure. Proper disposal of solid waste ensures protection of public health and the environment. Members of the regulated community either pursuing a new permit or modifying a permit for an existing facility are required to submit permit applications and permit modifications and then receive approval from SWM before beginning construction or expansion activities. Under the Solid Waste regulations, SWM has specific specified time limits to review permit applications and modifications for completeness and specified time limits to approve or deny permit applications and modifications.

HAZARDOUS WASTE PROGRAM

The Hazardous Waste Program issues permits for hazardous waste processing, storage, transport, treatment and disposal. SWM has received delegation from EPA Region 4 to serve as the primary regulatory authority for implementation of the federal hazardous waste regulations in Tennessee. Hazardous Waste Management permits are an integral part of preventing the illegal disposal of hazardous wastes in our state. Transport, treatment and disposal of hazardous waste under specified permit conditions helps ensure that hazardous wastes are transported, stored, treated and/or disposed of properly; protecting public health and the environment.

Members of the regulated community who submit a new Hazardous Waste permit or modification of an existing permit are required to submit an application for a permit or permit modification. Construction activities should not begin until the applicant has received approval from SWM for the new facility or modifications of the existing facilities.

TOXIC SUBSTANCES PROGRAM

The Lead Based Paint and Asbestos Programs are responsible for ensuring that companies and individual workers who repair, renovate and/or remove Lead Based Paint and Asbestos from buildings are properly trained. Department staff members review the education, training, experience and qualifications of the employees of companies who train Asbestos and Lead Based Paint workers.

Accreditation of training programs ensures the curriculum and the training provided by instructors meets the need of the persons attending the training and helps protect worker health and safety by reducing worker exposure to asbestos and lead. SWM has agreements with EPA Region 4 to implement these programs in Tennessee. The purpose of the Lead Based Paint and Asbestos accreditation and certification programs is to ensure that:

1. The companies and especially company workers are capable of managing the removal of asbestos and/or lead based paint;
2. The renovation or repair of buildings with asbestos and/or lead based paint is performed using techniques to protect worker health and safety;
3. Lead based paint debris and asbestos removed from buildings is properly disposed; and
4. Once work is completed, the building is safe for human occupation.

For accreditations and certifications in the Toxics Program, the permit completeness decision and the final permit decision are made concurrently, per regulation. This is the reason there is such a large difference between the number of permit completeness determinations reported in Table 1 and the number of final permit decisions reported in Table 2.

Table 1. reports SWM's success in meeting specified time limits for the review of solid waste and hazardous waste permit applications for completeness. SWM made permit application completeness determinations for 100% of the permit applications (26 of 26) within specified time limits for this reporting period.

Table 2. reports SWM's success in making final permit decisions for complete solid waste, hazardous waste, asbestos and lead based paint permit applications and permit modifications within specified time limits. SWM made final permit decisions for 99.99% of the permit applications (2,871 of 2,782) within specified time limits for this reporting period.

Table 3. compares permit completeness decisions for the FY 12/13 thru FY 16/17 Semiannual Permitting Report periods. For the Division of Solid Waste Management, the number of permit applications submitted for completeness review and subject to the specified time limits for permit completeness determinations has ranged from 26 to 380 per reporting period. For all five reporting periods, the Division of Solid Waste Management has made Permit Completeness Determinations for 100% of the permit applications within specified time limits.

Table 4. compares final permit decisions for the FY 12/13 thru FY 16/17 Semiannual Permitting reporting period. For the Division of Solid Waste Management, the number of complete permit applications submitted and subject to the specified time limits for final permit decisions has varied between 2,400 and 3,000 per reporting period. SWM believes this variation does not represent a trend for permit applications increasing or decreasing, just variability from year to year. For all five reporting periods, the Division of Solid Waste Management has made Final Permit decisions for 99.99% of complete permit applications within specified time limits.

DIVISION OF RADIOLOGICAL HEALTH

The Division of Radiological Health (DRH) is responsible for the X-Ray Registration and Radioactive Materials Licensing Programs. Authority for implementation of the programs is granted via:

1. The TN Radiological Health Service Act, T.C.A. 68-202- 201 et. seq.; and
2. Tennessee Rule 0400-20-05 -.01 thru .146

For the purposes of this report, all metrics for permit completeness decisions and final permit decisions have been combined.

X-RAY EQUIPMENT and RADIOACTIVE MATERIALS

The Division of Radiological Health (DRH) issues licenses for equipment and devices that contain radioactive materials and to businesses that process low-level radioactive waste. DRH requires registration of equipment and machines that generate X-rays. The Nuclear Regulatory Commission (NRC) has granted the Department authority for radioactive materials licensing for facilities in Tennessee. This transfer of authority by the NRC to DRH for Radioactive Materials licensing applies to all facilities in Tennessee except the Department of Energy facility in Oak Ridge, Nuclear Fuel Services in Erwin and TVA Nuclear Power Plants. The Department issues radioactive material licenses and X-ray registrations to a wide variety of facilities/locations; i.e. hospitals, doctor's offices, dentists, veterinarians, industries, businesses, and building contractors. The licenses and registrations issued by the Department contain provisions that prevent the citizens of Tennessee from over exposure to ionizing radiation. The licenses and registrations require the recipients to monitor and repair equipment and devices. Licenses for radioactive material processing ensure that the companies performing this work ship the final waste to facilities designed to accept this waste for disposal.

The regulation of X-ray equipment and equipment containing radioactive materials and the regulation of radioactive materials protects the citizens of Tennessee from exposure to radiation that may affect their personal health. Ensuring that radioactive materials are managed properly also ensures that this material is not released into the environment.

Members of the regulated community pursuing a new radioactive material license, modification of an existing radioactive material license or registration of equipment and devices that produce X-rays are required to submit applications to the Department for review. The Department determines if the equipment to be operated and the plans for its use meet specific regulatory health and safety standards. Under the Radiological Health regulations, the Department has set specified time limits

to review license and registration applications and modifications for completeness. The Department has specific specified time limits to make final licensing and registration decisions for complete applications.

Table 1. reports the Department's success in meeting specified time limits to determine if Radioactive Materials licenses and license modifications as well as X-ray registrations and registration modifications are complete. DRH made license and registration completeness determinations for 99.99% of the license and registration applications (2,061 of 2,062) within the specified time limits for this reporting period.

Table 2. reports the Department's success in meeting specified time limits to make final decisions to issue or deny complete Radioactive Materials license applications and license modifications as well as X-ray registration applications and registration modifications. DRH made decisions to approve or deny license and registration applications for 99.99% of the license and registration applications (2,061 of 2,062) within the specified time limits for this reporting period.

Table 3. compares radioactive materials licensing and registration completeness decisions for the FY 12/13 thru FY 16/17 Semiannual Environmental Permitting Reporting periods. For DRH, the number of license and registration applications subject to the specified time limits for permit completeness determinations has fluctuated between 1,400 and 2,200 per reporting period. For all five reporting periods, DRH has made Permit Completeness Determinations for 99.99% of the license and registration applications within specified time limits.

Table 4. compares final license and registration decisions for the FY 12/13 thru FY 16/17 Semiannual Environmental Permitting Reporting periods. For DRH, the number of complete license and registration applications submitted and subject to the specified time limits for final permit decisions has varied between 1,400 and 2,200 per reporting period. The Department believes this variation does not represent a trend for license and registration applications increasing or decreasing, just variability from year to year. For all five reporting periods, DRH has made Final License and Registration decisions for 99.99% of complete applications within specified time limits.

AIR POLLUTION CONTROL

The Division of Air Pollution Control (APC) is responsible for issuing permits to facilities with emissions from their operations to the air. Authority for implementation of the APC permitting programs is granted via:

1. The Tennessee Air Quality Act; T.C.A. 68-201- 101 et.seq; and
2. Tennessee Rule 1200-03-01 through 37

For the purposes of this report, all metrics for permit completeness decisions and final permit decisions have been combined.

AIR POLLUTION CONTROL PERMITTING PROGRAM

APC is responsible for maintaining the air quality across the state to protect public health and environment. As a part of the Air Pollution Control regulatory program, APC works with business, industry, local governments and local citizens to improve air quality in those parts of the state where air quality does not meet state and federal standards. One strategy to maintain and improve air quality is the regulation of equipment that produces air emissions. APC issues permits for sources that generate air pollution. Given the complexity of air quality analysis and the need to protect our natural resources, APC issues air pollution control permits that ensure air emissions from business and industry are at levels that are protective of public health and the environment. The U.S. Environmental Protection Agency (EPA) Region IV office has granted the Department the authority to implement federal air pollution control regulations promulgated under the Clean Air Act in lieu of EPA. APC is responsible for implementation of the federal air pollution regulations authorized via the delegation. APC issues or denies permit applications to release air contaminants into the atmosphere.

During the air permitting process, APC reviews permit applications and modifications for completeness. Given that clean air is important to Tennesseans, EPA and the Department have developed air emission standards that limit the amount of emissions released into the atmosphere, which helps protect public health and the environment. APC is required to evaluate permit applications and modifications for completeness. Once APC determines a permit application is complete, APC is required to approve or deny the permit request within specific specified time limits. For some permit types, APC is required to exchange permit applications/modifications with EPA. Making permit decisions within specified time limits helps Tennessee be competitive in recruiting new business and industry to the state as well as retaining current businesses and industries.

Table 1. reports APC's success in meeting the time limit to determine if APC Construction and Operating Permit Applications are complete. During this reporting period, APC made 206 permit completeness decisions. All permit applications were determined to be complete. The permit applications were reviewed within the regulatory time limit or the permit applications are classified as complete by regulation because the regulatory time limit for completeness review had passed.

Table 2. reports APC's success in approving/denying complete APC Construction and Operating permit applications. For this reporting period, 92.1% (569 of 617) complete permit applications) were approved or denied within the specified time limits for this reporting period.

Table 3. compares permit application completeness decisions for the FY 12/13 thru FY 16/17 Semiannual Environmental Permitting Reporting periods. For APC, the number of license and registration applications subject to the specified time limits for permit completeness determinations has fluctuated between 250 and 860 per reporting period. At this time, the Department does not see a trend up or down in the number of permit applications; we believe this represents random differences. For all five reporting periods, APC has made Permit Completeness Determinations for 99.9% of the permit applications within specified time limits.

Table 4. compares final permit decisions for the FY 12/13 thru FY 16/17 Semiannual Environmental Permitting Reporting periods. For APC, the number of complete permit applications submitted and subject to the specified time limits for final permit decisions has varied between 490 and 860 per reporting period. The Department believes this variation does not represent a trend for permit applications increasing or decreasing, just variability from year to year. APC has improved its efficiency in making timely permit decisions since the FY 12/13 Semiannual Environmental Permitting Reporting period from 43.9% to 92.1% during the FY 16/17 Semiannual Environmental Permitting Reporting period.

APC has made significant improvements in meeting the permit decision specified time limits set in regulation. This increase is attributed to business process improvement using LEAN, better use of the APC database SMOGLOG that tracks permit application receipt and progress and an emphasis on employee accountability. APC increased its overall final permit decision efficiency by 50.3% over the last three years. APC continues to implement ideas and business process improvements to meet the regulatory specified time limits for permit decisions including:

1. Additional LEAN events to improve permit business processes;
2. Development of general permits that require less time for the regulated community and APC to review, but provide the same level of public health and environmental protection;
3. Re-organizing the Division's Permitting Program, increasing the number of permit writers and decreasing the number of managers; and
4. Changing the TN APC regulations to allow the adoption by reference changes in the EPA Air Pollution Control regulations; specifically changes that allow registration of certain industries that have very low air emissions rather than requiring both construction and operating permits of those industries.

DIVISION OF WATER RESOURCES

The Division of Water Resources (DWR) is responsible for issuing permits for wastewater treatment, drinking water distribution, alteration of streams, installing water wells, construction of small dams, treating wastewater from individual homes or businesses and disposal of water underground. In each of the program areas mentioned above DWR is authorized to review the planned activity and either approve or deny the activity via a permit decision. Authority for implementation of the DWR permitting programs is granted via:

1. The TN Subsurface Sewage Act, T.C.A. 68-221-401 et. seq. and TN Rules 1200-01-06 - .01 thru .34
2. The TN Safe Drinking Water Act, T.C.A. 68-221-701 et.seq; and TN Rule 0400-45-01 - .01 thru .40;
3. The TN Water Quality Control Act, T.C.A. 69-3-101 et. seq.; and TN Rules 1200-4-01 thru 14, TN Rules 0400-45-06 -.01 thru .19
4. The TN Water Well Driller's Act, T.C.A. 69-10-101 et. seq.;
5. The TN Safe Dams Act; T.C.A. 69-11-101 et. seq.; and TN Rules 0400-45-07 -.01 thru .10; and
6. The TN Oil and Gas Production Act, T.C.A. 60-1-101 et. seq. and TN Rules 0400-51 through 0400-58.

For the purposes of this report, all metrics for permit completeness decisions and final permit decisions are combined.

The Department of Environment and Conservation, through its Division of Water Resources (DWR), is responsible for issuing permits that protect the quality and quantity of two of Tennessee's most valuable natural resources; surface water (springs, creeks, rivers and lakes) and ground water. As more businesses and industries come to Tennessee and our state population grows; our state has the challenge to continue provide the amount of water needed and ensuring the quality of the water provided. Providing drinking water to our citizens, ensuring business and industry has the water resources needed to operate, ensuring that our citizens and visitors have safe and enjoyable water recreational opportunities and protecting the diverse fish and aquatic life in Tennessee waters is a complex natural resource issue. Wise management of our water resources becomes more important every year. Business and industry finds Tennessee a great place to operate because of its bountiful supply of water.

For the purposes of this report, all metrics for permit completeness and final permit decisions have been combined. Should anyone wish to have a breakdown of permit completeness or final permit decisions by category, the Department can provide the information as requested.

NATIONAL POLLUTION DISCHARGE ELIMINATION SYSTEM PERMITTING

This is a national EPA water pollution prevention program that regulates the direct discharge of wastewater into rivers and streams. EPA granted DWR the authority to implement the federal water pollution control regulations in Tennessee. DWR receives permit applications from business, industry, city, county, state and federal governments and other entities who wish to discharge wastewater into rivers and streams. The permitting process evaluates the quality and quantity of the receiving stream, the quantity and quality of wastewater discharged into rivers and streams to determine if wastewater may be discharged into a stream. The Department, via the permit, sets the quantity and quality of wastewater discharged by a permittee directly into a river or stream. This ensures the receiving stream continues to meet all its classified uses; domestic water supply, fish and aquatic life, recreational use, etc.

SAFE DRINKING WATER PROGRAM

DWR is responsible for ensuring that Tennesseans have a safe and plentiful source of drinking water. More than 5,000,000 citizens depend upon public water supply systems for their drinking water. Implementation of the Safe Drinking Water regulations ensures that public water systems provide their customers (businesses, industry and local citizens) with water that is safe to drink, has adequate pressure and that water from the public water systems is available in quantities to meet the needs of local citizens and industries.

SUBSURFACE SEWAGE DISPOSAL PROGRAM

DWR implements the Subsurface Sewage Disposal (SSD) regulations including the review of permit applications for the disposal of domestic sewage via septic tank and field lines. The SSD Program provides for the proper collection and treatment of domestic wastewater in areas without wastewater treatment plants and wastewater collection systems (sewer lines). The SSD Program ensures SSD systems are installed that treat domestic wastewater properly. When SSD systems fail in areas without public sewer service, then realistically, the home or business is no longer habitable because wastewater from the home or business cannot be treated. This also greatly reduces the value of the home or business due to lack of wastewater treatment. When SSD systems fail, untreated wastewater comes to the ground surface creating a public health hazard.

AQUATIC RESOURCES ALTERATION PERMITTING PROGRAM

DWR oversees any actions that alter the physical, chemical, biological or radiological characteristics of stream or the withdrawal of water from streams. DWR regulates these activities by reviewing permit applications from persons who wish to alter streams. Examples of activities that require ARAP permits are changes in stream course, construction in streams (road projects, building projects) and altering a stream's channel. The Department approves permit applications for the activity only when the permit limits protects the quality and the quantity of the river or stream.

STATE OPERATING PERMIT PROGRAM

DWR oversees the treatment of wastewater that is treated and the disposal of the treated wastewater by spray irrigation, drip irrigation or dispersal below the surface of the ground. This form of wastewater treatment is only used in areas where there is not a local stream nearby or the stream cannot accept the volume of wastewater that would be discharged into the stream without affecting the health of the stream. DWR ensures that the soil in the area of wastewater dispersal can effectively absorb the wastewater and that public health and the environment are protected. A common example of wastewater treatment via a State Operating Permit is the collection of wastewater from subdivisions, transport of the wastewater to an on-site wastewater treatment system and then using the treated wastewater to irrigate fields.

NON-POINT SOURCE POLLUTION PREVENTION

In this program, DWR requires persons to obtain a permit to ensure that when rainfall events occur proper controls are in place to prevent surface water from running into local streams and causing pollution. Non-point source pollution occurs when heavy rainfall occurs and pollutants are carried by the runoff from parking lots, construction sites, Concentrated Animal Feeding Operations (CAFOs), etc. Construction stormwater runoff causes siltation of streams that affects plant and animal life at the bottom of the stream. Surface water runoff also transports nutrients such as nitrates and phosphates into streams. The nutrients promote increased algae growth that lowers the water quality of the stream. When the nutrient levels in the stream decrease, the algae dies causing taste and odor problems in the stream as well as the death of aquatic organisms due to the decreased availability of oxygen available as algae decomposes.

OIL AND GAS PRODUCTION

Oil and Gas Production - In eastern Tennessee, there are deposits of oil and natural gas below the ground surface. Companies pursue the production of oil and gas by installing wells into these hydrocarbon reservoirs. To ensure that wells are installed that protect public health and the environment, particularly ground water, any person installing a well for oil and/or gas production must apply for and receive a permit from the Department.

SURFACE MINING

DWR does not directly regulate mining activities. However, surface mining often results in surface water runoff that flows directly into streams. When this occurs, the mining operator must obtain a permit from the Department. The permit requires surface water runoff from mining be controlled and treated to prevent stream damage. If the mine has a direct discharge (open pipe) to a stream, then an NPDES permit is required.

UNDERGROUND INJECTION CONTROL

The Underground Injection Control (UIC) Program ensures that liquids or gases injected into ground water do not cause ground water contamination and that ground water becomes unusable as a source of drinking water. Regulation of underground injection prevents the injection of fluids in a manner that may adversely affect public health or the environment.

SAFE DAMS

DWR is responsible for permitting dams, under the Dam Safety Act. The Department regulates small dams that do not fall within the purview of the Federal Emergency Management Act. DWR does not regulate dams that are considered to part of a “farm pond”.

Members of the regulated community pursuing a permit or modification of a permit for any of the permitting programs listed are required to submit applications to the Department for review. The Department determines if the proposed activity or change in the currently permitted activity meet specific regulatory requirements to protect surface water and ground water as well as protecting public health and the environment. The statutes and regulations DWR is charged with implementing have set specified time limits that require DWR to review license and registration applications and modifications for completeness. DWR also has specific specified time limits to make final licensing and registration decisions for complete permit applications.

Table 1. reports DWR’s success in meeting specified time limits to determine if permit applications submitted to DWR are complete. In the completeness review process, DWR reviews the permit application or permit modification to ensure that all information needed to make a permit decision are included. Once DWR staff members have completed their review, they will notify the applicant and let the applicant know if the application is complete or if additional information is needed. DWR made timely permit completeness decisions for 99.5% (4,120 of 4139) of the permit applications submitted during this reporting period.

Table 2. reports DWR's success in meeting specified time limits to make final decisions to issue or deny complete permit applications and permit modifications. When DWR makes final permit decisions it reviews the permit application to ensure the activity to be permitted or the activity to be modified protects water quality for the receiving stream or ground water quality when wastewater is disposed below the surface of the ground. DWR made timely final decisions to approve or deny 99.5% (11,031 of 11,081) of the permit requests and permit modifications during this reporting period.

Table 3. compares permit application completeness decisions made by DWR for the FY 12/13 thru FY 16/17 Semiannual Environmental Permitting Reporting periods. For DWR, the number of permit applications and modifications subject to the specified time limits for permit completeness determinations has ranged from 3,000 to over 6,000 during the five reporting periods.

Table 4. compares timely final permit decisions made by DWR for the DWR for the FY 12/13 thru FY 16/17 Semiannual Environmental Permitting Reporting periods. For DWR, the number of complete permit applications and modifications subject to the specified time limits for final permit decisions has increased from approximately 7,000 decisions in FY 12/13 to as many as 21,000 in FY 14/15 Semiannual Environmental Permitting Reporting periods. The number of permit applications varies due to changes in the economy and weather and the inclusion of permitted activities that were not originally counted in FY 12/13. We also added a new General Permit for management of bio-solids from wastewater treatment plants. DWR has increased its timeliness in making timely permit decisions from 90.5% in FY 12/13 to 99.6% in FY 16/17.

FY 16/17 Semiannual Environmental Permitting Report Summary

The Department continues to work diligently to meet specified time limits for permit completeness review and final permit decisions. We recognize that making timely permitting decisions is required by statute and regulation but also important to the people applying for permits. While it is important for the Department to make permit decisions based on science and fact, we also recognize the time value of money for those persons seeking a permit or permit modification that allows their business to operate efficiently. The Department will continue its efforts to make timely permit decisions by reviewing internal business processes for improvement opportunities.

Table 1. provides the Department's metrics for permit completeness decisions. For the FY 16/17 Semiannual Environmental Permitting Reporting period, the Department made 6,432 permit completeness decisions; 6,413 of the permit completeness decisions were made within specified time limits. The Department successfully met the specified time limits for permit completeness review for 99.6% of all permit applications received.

Table 2. provides the Department's metrics for final permit decisions. For the FY 16/17 Semiannual Environmental Permitting Reporting period the Department made 17,011 final permit decisions. Of the 17,011 final permit decisions, 16,012 final permit decisions were made within the specified time limits set by regulation. The Department successfully made final permit decisions for 99.4% of all complete permit applications within specified time limits.

Table 3. compares the FY 12/13 thru FY 16/17 Semiannual Environmental Permitting reporting periods for permit completeness decisions. The Department received 5,451 permit applications for completeness review in FY 12/13 Semiannual Environmental Permitting Reporting period as compared to 6,432 permit applications in the FY 16/17 Semiannual Environmental Permitting period. In FY 12/13, 98.5% of all permit completeness determinations were made within the regulatory time limit. In FY 16/17, 99.7% of all permit completeness decisions were made within the regulatory time limit. This is an increase of 1.2%

The Department attributes this increase in permit applications for completeness review to (1) including some permit types that were not originally included in the FY 12/13 Semiannual Environmental Permitting Reporting period, (2) modifying the permit process from some activities from a General Permit to an Individual Permit and (3) an increase in business activities that require environmental permits.

Table 4. compares the FY 12/13 thru FY 16/17 Semiannual Environmental Permitting reporting periods for making final permit decisions (approve or deny the permit request). The Department received 11,841 permit applications for completeness review in FY 12/13 Semiannual Environmental Permitting Reporting period as compared to 18,408 permit applications in the FY 16/17 Semiannual Environmental Permitting period. In FY 12/13, 91.9% of all permit completeness determinations were made within the regulatory time limit. In FY 16/17, 99.4% of all permit completeness decisions were made within the regulatory time limit. This is an increase of 7.7%. in permit decision making.

The Department believes this increase in efficiency illustrates the success of changes made to improve efficiency in making final permit decisions (as an example LEAN Business Process changes), actively measuring the progress of permit applications towards final decisions and encouraging employee accountability. We are especially pleased with this good news given the increase in the number of permit applications and permit modifications from FY 12/13 to FY 16/17 Semiannual Environmental Permitting Reporting period

The Department continues to review its business processes and evaluates methods to equally distribute workload among staff and provide training opportunities for staff. Another avenue the Department is pursuing to increase the number of permit application reviews within specified time limits is the evaluation of the requirements for different types of permits. Where state and federal statutes and rules provide flexibility, the Department will consider transitioning from individual permits to general permits and in some cases possibly moving from a general permit to notification of activity with specific reporting and inspection requirements to ensure protection of public health and the environment.

While the Department has worked to decrease the time required to make permit decisions, we have not lost sight of the need to focus on the quality of permits and improving our public participation process. The same LEAN analyses that were conducted to improve the timeliness of permit decisions have also led to the improved environmental permits the permittee can more easily read, understand and implement. We have worked to improve a public participation process to incorporate the assistance of our Regional Directors of External Affairs. The External Affairs Directors have developed a standard protocol for alerting any interested parties of public meetings

and hearings about specific permit applications and modified the meeting structure to ensure maximum attendee participation. As a part of this effort, we have trained more staff members to help with public meetings, which in turn make more staff members available to conduct public meetings and hearings as well as talk informally meeting attendees.

The changes in environmental permitting processes made by the Department help ensure that environmental permit decisions:

1. Are made in a timely manner, respecting the time value of money and construction and operational schedules;
2. Are based on science and fact, providing environmental and public health protections
3. Follow standard procedures to ensure consistency in permit requirements;
4. Made transparently, maximizing the opportunity for public participation; and
5. The permit applicant is treated professionally by our staff.

Should anyone have questions, comments or concerns about this report, please feel free to contact Chuck Head with the Department's Bureau of Environment. You may contact Chuck at:

Chuck Head, Senior Advisor
Bureau of Environment
TN Department of Environment and Conservation
2nd Floor Tennessee Tower
312 Rosa Parks Blvd.
Nashville, TN 37243
Phone: 615 532-0998
E-mail: Chuck.Head@tn.gov

**Table 1. FY 16/17 Semiannual Environmental Permitting Report
Permit Completeness Decisions**

PERMIT APPLICATIONS & MODIFICATIONS - PERMIT APPLICATION COMPLETENESS DETERMINATION	Permit Applications for Completeness Review on hand as of June 30, 2016	Permit Applications for Completeness Review Received between 7/1/16 and 12/31/16	Total Number of Permit Applications in House for Permit Completeness Review through 12/31/16	Number of Permit Applications received for Completeness Review and the Statutory and/or Regulatory Time Limit has not expired during this Reporting Period	Number of Permit Application Completeness Decisions made within the Statutory and/or Regulatory Time Limit for 7/1/16 thru 12/31/16	Number of Permit Applications Completeness Decisions exceeding the Statutory and/or Regulatory Time Limit for the 7/1/16 thru 12/31/16	% Permit Application Completeness Decisions made within the Statutory and/or Regulatory Time Limit for the 7/1/16 thru 12/31/16	Total Number of Permit Applications in House for Permit Completeness Review through 12/31/16
APC	45	206	251	45	206	0	100.0%	206
DRH	0	2,062	2,062	1	2,061	0	100.0%	2,062
DWR	450	3,946	4,396	257	4,120	19	99.5%	4,139
SWM	5	33	38	12	26	0	100.0%	38
Totals	500	6,247	6,744	314	6,413	19	99.6%	6,433

**Table 2. FY 16/17 Semiannual Environmental Permitting Report
Final Permit Decisions**

PERMIT APPLICATIONS & MODIFICATIONS - FINAL PERMIT DECISIONS	Permit Applications on hand for Final Permit Decisions on or before July 1, 2016	Complete Permit Applications for Final Permit Decisions Received between 7/1/16 and 12/31/16	Total Complete Permit Applications in House for Final Permit Decisions through 12/31/16	Number of Complete Permit Applications received for Final Permit Decisions and the Statutory and/or Regulatory Time Limit did not expire by 12/31/16	Number of Complete Permit Application Final Decisions made within the Statutory and/or Regulatory Time Limit for the 7/1/16 to 12/31/16 time period	Number of Complete Permit Application Final Decisions not completed within the Statutory and/or Regulatory Time Limit for the 7/1/16 to 12/31/16 time period	% Complete Permit Application Final Decisions completed within the Statutory and/or Regulatory Time Limit for the 7/1/16 thru 12/31/16 time period
APC	641	742	1,383	766	568	48	92.1%
DRH	0	2,062	2,062	1	2,061	0	100%
DWR	640	10,873	11,513	432	11,031	50	99.6%
SWM	718	2,732	3,450	578	2,871	1	99.99%
Totals	1,999	16,049	18,408	1,579	16,012	99	99.4%

**Table 3. Comparison of Semiannual Environmental Permitting Performance
FY 12/13 through FY 16/17 - Permit Completeness Decisions**

	Permit Applications Received	Permits Applications Completeness Review not Completed - Time Limit has not expired	Number of Timely Completeness Decisions Made	Number of Permit Completeness Decisions that Exceeded Time Limits	% Timely Completeness Decisions	Change in Productivity	Change in Number of Permit Applications between Reporting Periods
FY 12/13 Semiannual Report	5451	195	5175	81	98.5%		
FY 13/14 Semiannual Report	5848	178	5456	213	96.2%	-2.2%	397
FY 14/15 Semiannual Report	9218	145	8979	94	99.0%	2.7%	3370
FY 15/16 Semiannual Report	8064	408	7533	123	98.4%	-0.6%	-1154
FY 16/17 Semiannual Report	6747	314	6413	19	99.7%	1.3%	-1316

Table 4. Comparison of Semiannual Environmental Permitting Performance
FY 12/13 through FY 16/17 - Final Permit Decisions

	Permit Applications Received between July 1st and December 31st	Final Permit Applications under review but Permit Decision Time Limit has not Occurred	Number of Final Permit Decisions Made within Time Limits	Number of Final Permit Decisions that Exceeded Time Limits	% Timely Final Permit Decisions Made	Change in Productivity between Reporting Periods	Change in Number of Permit Applications between Reporting Periods
FY 12/13 Semiannual Report	11,841	524	10,396	921	91.9%		
FY 13/14 Semiannual Report	19,193	528	18,205	458	97.5%	5.7%	7,352
FY 14/15 Semiannual Report	22,744	708	21,734	302	98.6%	1.1%	3,551
FY 15/16 Semiannual Report	21,925	1,230	20,538	157	99.2%	0.6%	-819
FY 16/17 Semiannual Report	18,408	1,776	16,531	101	99.4%	0.2%	-3,517

Appendix 1

2012 Amendment to the Department of Environment and Conservation Statute - Review of Permits for Completeness and Permit Decisions

Title 4 State Government
Chapter 3 Creation, Organization and Powers of Administrative Departments and Divisions
Part 5 Department of Environment and Conservation

Tenn. Code Ann. § 4-3-506 (2012)

4-3-506. Making completeness determinations and issuing or denying permits within periods specified in department's rules and regulations.

- (a) It is the intent of the general assembly that the department of environment and conservation seek to accomplish making a completeness determination and issuing or denying any permit within the periods specified by the department's rules and regulations.
- (b)(1) The commissioner shall prepare semiannual permitting efficiency reports that include statistics on whether the department has timely acted on permit applications pursuant to the appropriate rule. The reports are due February 1 and August 1 of each year beginning in 2013.
 - (2) For permit applications that have not met the period required by rule, the report must state the reasons for not meeting the period. In stating the reasons for not meeting the period, the commissioner shall separately identify delays caused by the responsiveness of the applicant, lack of staff, scientific or technical disagreements, or the level of public engagement.
 - (3) The report shall specify the number of days from initial submission of the application to the day of determination that the application is complete. The report due August 1 of each year must aggregate the data for the year and assess whether the program or system changes are necessary to achieve the period as specified by rule.
 - (4) The report shall be posted on the department's web site and electronically submitted to the governor and members of the general assembly.

HISTORY: Acts 2012, ch. 980, § 1