

Wyoming Department of Environmental Quality

Annual Report

FY2016

Agency Information

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Statutory References:

- The Environmental Quality Act, and the Industrial Development Information and Siting Act.

Basic Information:

- Number of Employees: 266
- Clients Served: The people of Wyoming, Wyoming businesses, Federal, State, local government, non-government organizations and others

Budget Information:

- The FY2015/2016 operating budget for the Wyoming Department of Environmental Quality was \$146M

Primary Functions:

The Department of Environmental Quality (DEQ) was established by the Wyoming Environmental Quality Act and Industrial Development Information and Siting Act pursuant to W.S. §§ 35-11-101 through 2001 and W.S. § 35-12-101 through 119 respectively. As Wyoming's environmental regulatory agency, DEQ is responsible for the implementation and enforcement of delegated federal programs under the Clean Air Act, Clean Water Act, Safe Drinking Water Act, Resource Conservation and Recovery Act, and Surface Mining Control and Reclamation Act, as well as other state environmental regulatory programs.

DEQ consists of seven divisions; Air Quality, Water Quality, Solid and Hazardous Waste, Land Quality, Industrial Siting, Abandoned Mine Lands, and Administration. DEQ has 266 employees located in Sheridan, Lander, Casper, Rock Springs, Pinedale, and headquartered in Cheyenne. Together we ensure that Wyoming's natural resources are managed to maximize the economic, environmental and social prosperity of current and future generations. DEQ does this through a combination of monitoring, permitting, enforcement, remediation, and restoration activities which protect conserve and enhance the environment while supporting responsible stewardship of Wyoming's resources. Other important DEQ functions include human resources, accounting, and emergency response. Together DEQ's programs serve over 5,000 businesses operating thousands of facilities across the state.

Over the past decade, the workload of DEQ has grown. To effectively deal with that growth and the on-going environmental management requirements associated with expanding regulatory oversight from federal agencies, DEQ continually works to identify efficiency opportunities in programs. DEQ has implemented a paperless office initiative and worked with outside consultants to improve performance in targeted areas. DEQ continually looks for opportunities to re-structure programs in a manner to bring added focus to priority areas and make concerted efforts to collaborate with stakeholder groups to make the agency more efficient.

- **DEQ's Mission:** To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.
- **DEQ's Values:** The success of this mission requires our shared commitment to values that define and guide who we are, what we do and how we do it. These values are:
 - We are proactive by anticipating future impacts on Wyoming's environment and taking actions to minimize those impacts.
 - We are innovative by encouraging people from both inside and outside the agency to consider new approaches to protecting, preserving and enhancing a healthy environment.
 - We are consistent by fairly applying and implementing regulatory requirements.
 - We are responsive through timely and open communications with the public, the regulated community and other stakeholders who are affected by our work.
 - We are committed to a culture and work environment where everyone is treated respectfully, professionally developed and continuously challenged.
 - We are decisive and make decisions in a rigorous and timely manner supported by thorough analysis, quality data and sound rationale.
- **DEQ's Vision Statement:** The Wyoming Department of Environmental Quality envisions a future where vibrant economic development and prosperity is achieved while providing sound and sensible environmental protection for the benefit of Wyoming and its citizens.

Performance Highlights: DEQ developed goals that describe the broad environmental responsibilities with which the various Divisions are tasked. Below, these goals have been incorporated into the department performance highlights for FY2016.

Goal 1 – To investigate, remediate and restore contaminated and disturbed sites.

DEQ investigates, remediates and restores contaminated and disturbed sites in order to protect the health, welfare and safety of Wyoming's citizens and to preserve, reclaim and enhance air, land and water resources of the state.

- Four hundred fifteen (415) spills were reported during FY2016. Of those, 381 spills have been addressed and closed. Thirty-four (34) spills have been referred to the appropriate program and remain open.
- In 2016 the Abandoned Mine Land Division (AML) reclaimed multiple coal and non-coal sites throughout the state, including reclaiming approximately 1,664 acres of unproductive abandoned mine lands, the closure of 16 mine openings, reduced 1,426 linear feet of dangerous highwalls, restored 124.8 acres of impaired stream channels and remediated 68.5 acres of land affected by coal mine fires. Of the FY2016 reclamation completed, 66.3 acres within Sage Grouse Core area were returned for wildlife use. The program continued subsidence mitigation efforts in Rock Springs and Sweetwater County with five large drilling and grouting projects.

- The immediate response initiated in FY2016 at a subdivision in Gillette where structures were experiencing severe damage due to ground movement was completed. The results of the subsurface investigation determined the structural damage was not caused by abandoned underground mines.
 - The AML program completed five mine subsidence grouting projects in the Rock Springs area which stabilized roads, essential infrastructure, and residential/commercial areas.
 - In the space of a few weeks in the spring of 2016, eighteen new subsidence occurrences were reported to AML in the vicinity of Rock Springs, Kemmerer, Hanna, Sheridan, Reliance, Superior, and Glenrock. Some of these features were in and immediately adjacent to roadways, utilities, and residences. Some features were open shafts and holes into the mine workings. These subsidence features were mitigated by surface reclamation and/or through drilling and grouting.
 - The AML program completed the reduction of a significant highwall located in a subdivision south of Gillette in FY2016. There are other features in and around Gillette that are currently being addressed by statewide contractors.
 - The AML program is continuing efforts to reduce severe highwalls in two uranium districts in Fremont County. Both reclamation projects are multiple phases and utilize natural regrade technologies to return the areas to pre-mining land uses.
 - The AML program continues the reclamation of numerous small non-coal sites around the state utilizing statewide contractors.
 - AML continues to improve the geomorphic reclamation practices to reclaim surface disturbance. In FY2016, AML entered into an agreement with the University of Wyoming to fund a two-year study of the geomorphic reclamation completed to date.
- The AML program continues to administer the Subsidence Insurance Program statewide. There are currently 171 active insurance policies, most of which are in the Rock Springs area. The balance in the subsidence insurance reserve and the insurance premium level were reviewed in FY2016. It was determined that an actuarial study should be performed in FY2017 to determine if the insurance rates can be lowered.
 - The Industrial Siting Division (ISD) accepted its first bond for a wind energy project on January 13, 2016. This action required developing forms and workflow processes to verify and enforce the integrity of the bond instruments received. ISD currently holds over \$9.5 million in reclamation bonds. Reclamation bonds held for ISC permits are anticipated to increase to over \$150 million by next year based on projected wind energy construction.

The economic and financial expertise within ISD provided an opportunity to restructure duties to include an agency wide reclamation bonding program. This will enhance the integrity of reclamation bonds across the agency. The ISD is currently building a bonding repository that documents and tracks the active reclamation bonds across the agency.

- Significant progress was made in the Hazardous Waste Program including activities under the Orphan Site Program. DEQ conducted activities at a Casper PCE plume site to identify the source and extent of the plume. Additionally, the Brownfield Program supported and worked with Laramie Conservation District on the Former Yttrium Plant and provided assistance to the City of Green River for the Union Pacific Railroad Depot to obtain federal Brownfield cleanup grants. The Brownfield Program also supported and worked with the City of Sheridan to obtain a federal assessment grant and the City of Cheyenne to obtain a federal area-wide planning grant. Also, 13 new sites were entered into the Voluntary Remediation Program during the fiscal year.
- The Storage Tank Program (STP) continued its work cleaning up contamination from petroleum storage

tank leaks around the state. There have been a total of 1620 known contaminated sites in Wyoming and 1,231 have been remediated to date. The remaining sites are either in the process of being cleaned up or scheduled for remediation.

- In FY2016, the SHWD Landfill Remediation Program has made significant progress. Three entities have signed written agreements to enter five landfills into the program. Four of the landfills in the program have begun Nature and Extent Studies (NES), while the fifth landfill has nearly completed their Assessment of Corrective Measures (ACM) report. Investigative work is expected to progress throughout the summer of 2016 with remedial measures beginning at one of the sites. The Department continues to evaluate the remaining landfills on the Remediation priority list for entry into the program.
- The Water Quality Division (WQD) contracted with outside consultants to assist with the review of workplans associated with the investigation and cleanup of Formerly Used Defense Sites (FUDS), namely former Atlas Missile Sites 3 and 4 in Laramie County. Outside consultants assisted and confirmed many of the issues identified by WQD regarding source area investigation and plume delineation at Missile Site 4 (MS4) west of Cheyenne, and site characterization and remediation at Missile Site 3 near Carpenter, WY. WQD reviewed these issues and concerns at meetings with the US Army Corps of Engineers (USACE) and the US Environmental Protection Agency (EPA). WQD worked closely with the MS4 Restoration Advisory Board (RAB), Laramie County Commissioners, Laramie County Legislators, and Wyoming's Congressional delegation to update them on current and planned activities. Of note, working closely with all parties helped lead to the identification of significant contaminant mass within the source area at MS4, and agreement with USACE on a Decision Document for further site characterization and remedy implementation at MS3.
- WQD, with assistance from its contractor, Acton Mickelson Environmental (AME) completed its draft report regarding the sampling and investigation of potential palatability issues associated with thirteen water wells supplying water to private landowners within the Pavillion, WY natural gas field east of the Town of Pavillion. WQD's draft report on its findings regarding sample results from those wells was made available to the public on December 18, 2016 for review and comment. Formal written comments were received from 36 separate commenters, including private citizens, corporations, and environmental organizations. WQD staff are developing responses to those comments, modifying the draft report accordingly, and plan to have the final report released in October 2016.

Goal 2 - To collect, manage and monitor the environmental data needed to accomplish agency responsibilities.

DEQ continues to strive for excellence in developing and maintaining scientifically based and quality controlled data to support the DEQ's diverse programs, activities and regulatory responsibilities.

- AML continued to monitor groundwater in areas where abandoned uranium mine reclamation has been, or is being, done. This data allows for the evaluation of the long-term changes in water quality as a result of the mine reclamation. The data is also entered into the DEQ database and is available for the use of other programs.
- Throughout FY2016, the Air Quality Division (AQD) Monitoring Section focused on operating and maintaining an effective and efficient network of ambient air quality monitors. To do so the Monitoring Section continually employed efficient use of available staff and fiscal resources in conjunction with identifying monitoring priorities. Network changes during FY2016 include: movement of three mobile monitoring trailers (Converse County to Newcastle, Lovell to Torrington, Town of Sinclair to Cheyenne); movement of the mobile Beta Attenuation Monitor trailer (Afton to Worland); Sheridan Police Department monitor site changes; decommissioning the Farson meteorological site; and planning for movement of the Jackson site. Ambient monitoring data for 124 AQD ambient monitors was quality assured and submitted

to the United States Environmental Protection Agency (EPA) in a timely fashion by the Monitoring Section in accordance with the Code of Federal Regulations and the DEQ-EPA Performance Partnership Agreement. The 2015 AQD Network Assessment was also completed in October 2015. In addition, the 2015 AQD Data Certification and the 2016 AQD Network Plan were completed. The ambient monitoring reflects compliance with all ambient air quality standards. Ozone monitoring within the Upper Green River Basin Ozone Nonattainment area shows attainment with the national ambient air quality ozone standard for the 2013-2015 calendar year period.

- For FY2016, the AQD Emissions Inventory Section completed quality assurance and emissions inventory entry into the respective databases to meet EPA and State reporting requirements as well as the DEQ-EPA Performance Partnership Agreement.
- Due to the extension to the production tax credit for renewable energy resources, there was an increased interest in the Industrial Siting process from several developers and from permit holders that were entering the construction phase. Staff explained its statutes and rules, held information and jurisdictional meetings, and conducted Compliance Officer Training for permit condition requirements.
- The Industrial Siting Division (ISD) scheduled and held three Renewable Energy Coordination Committee meetings: January 12, 2016, April 5, 2016, and July 14, 2016. RECC meetings were helpful in identifying complexities of the NEPA process.

ISD presented statutory and regulatory updates to the Albany and Converse County Commissioners and to the Council of Governments. The Division provided information on the new law, Enrolled Act 71 that changed the way impact assistance is determined and distributed and the importance of participation in the Industrial Siting process. The division also announced a proposed rule change to the ISC Chapter 1 and encouraged participation in that process as well. The Division attended public meetings throughout the year regarding Medicine Bow Fuel and Power and the Power Company of Wyoming projects in Carbon County and participated as a cooperating agency with the US Fish and Wildlife Service on the Eagle Take Permitting process. The Division presented information on the Industrial Siting process to the Wyoming County Commissioners Association at their annual meeting in Laramie.

ISD was also in close contact with the Commissioners and County Clerks in Carbon, Campbell, Sweetwater and Converse counties; as well as several municipalities within areas primarily affected by permitted projects; the media; and members of the public as permit amendments were being noticed, permit compliance was being monitored, impact assistance was being distributed, and ISC meetings were scheduled and held throughout the state.

- The Land Quality Divisions (LQD) IT initiatives were deployed in June 2014 and moved forward with testing of electronic permits in FY2016. These initiatives include the Mining Information Database System (MIDAS) database, electronic records center, inspection application and an electronic permitting system. The database, inspection, and correspondence applications have been completed and are operational. The development of the electronic records center is complete and moving into populating the system, and the electronic permitting system is currently in various phases of testing and beginning to upload simple permits.
- The Water Quality Division (WQD) is in the process of evaluating and implementing changes to the Quality Assurance/Quality Control (QA/QC) Program to ensure credible data is used for regulatory decisions. This effort has resulted in updates to standard operating procedures, changes to the process of evaluating collected data, new check lists for expected quality of data, and changes to internal policies.
- WQD continued to develop a groundwater data management system (RBDMS – Risk Based Data Management System) to provide easier, inter-agency access to groundwater quality data collected by the various divisions within DEQ. The first phase of development focused on mapping existing DEQ electronic databases to a newly constructed groundwater data interface accessible to all DEQ users, and

was completed in 2015. The second phase of development, focusing on development of an electronic data deliverable (EDD) to facilitate electronic reporting of groundwater data to DEQ was completed in 2016. Plans are underway to expose other State agencies to the capabilities of the data management system, to encourage reporting data to DEQ using the new system, . DEQ is currently investigating options to utilize the RBDMS system to allow in-situ uranium mine operators to report data to DEQ electronically.

Goal 3 - To apply environmental standards and requirements that protect the environment while allowing for responsible economic development.

It is the philosophy of DEQ to most effectively utilize the human resources available to both the applicant and the regulatory authority to achieve more efficient, more effective permitting.

- In FY2016, the Pollution Prevention (P2) Program worked with the regulated community and small businesses to reduce environmental impacts through technical assistance and trainings. The program contracted with Laramie County Conservation District and National Resource Conservation Service to work directly with the agricultural sector. Since 2012, the P2 Program has conducted over 20 technical assistance audits, mainly with small business that employ less than 50 people.
- The P2 Program has also initiated the Environmental Stewardship Program and Award. This program and award recognize voluntary efforts that businesses have taken to reduce environmental impacts while improving business efficiency. The P2 Program awarded three (3) Environmental Stewardship Awards in FY2016.
- The Diesel Emissions Reduction Act Program worked directly with the Town of Jackson to replace a commuter bus for the town and county in January 2016. The DERA grant assisted the Town of Jackson in replacing this bus with a newer and lower emitting model.
- The Small Business Environmental Assistance Program assisted small businesses through the processes and procedures associated with environmental regulations. Outreach efforts that commenced in FY2016, include concrete and ready-mix, oil & gas, dry cleaners, laboratory chemical, and manufacturing businesses throughout the state.
- AML continues to work with other state agencies and federal land managers to ensure that the appropriate environmental standards are being applied to abandoned mine land reclamation. AML coordinated with the State Engineer's Office on the McIntosh uranium mine reclamation project to establish design standards that will result in re-establishment of the pre-mining stream system and protect water rights. In FY2016, AML completed work to install an exfiltration barrier to protect the waters of the Western Nuclear Pond. This has resulted in a significant enhancement of the fish habitat and population and enabled the Wyoming Game & Fish Department to formalize a walk-in fishing agreement with the landowner.
- AML reclamation in Sage Grouse Core area resulted in an additional 66.3 acres of grouse habitat being restored.
- The *Upper Green River Basin (UGRB) Ozone Strategy* initiated in 2013 was updated twice in FY2016. The Ozone Strategy has built the foundation to bring the UGRB back into ozone attainment for the 2008 Ozone National Ambient Air Quality Standard of 75 parts per billion (ppb). Ozone monitoring within the Upper Green River Basin Ozone Nonattainment area shows five consecutive winters (2012, 2013, 2014, 2015, and 2016) without an ozone exceedance. In FY2016, the EPA determined that the UGRB had attained the 2008

Ozone standard. In FY2016, the Division also determined that all Wyoming ozone monitors are compliant with the level of the 2015 Ozone National Ambient Air Quality Standard of 70 ppb.

- The Air Quality Division (AQD) electronic IMPACT development continued on schedule and within budget during FY2016. Development tasks in the fiscal year included the following new features: Enforcement Action Tracking, Facility Creation Request on the Portal, Modeling Data Migration, Continuous Emission Monitor Tracking, Ambient Monitor Tracking and Data Collection, Billing for New Source Review (NSR) Permit Fees, Offset Tracking with Spatial Data Viewer, and Employee Timesheets. Implementation of these features allowed AQD to sunset two legacy systems, AQDS and WiseView and eliminate duplicate data entry.

During the FY2016, portal accounts increased by 46 percent and the total number of portal submissions increased 241 percent. Electronic submissions allowed the Division to receive higher quality data, which reduced processing times. The most notable efficiency gain was in the New Source Review (NSR) program. Electronic submission of NSR permit applications increased 177 percent, resulting in final issuance of permits 44 days faster on average than the previous year.

- A total of 1,243 AQD permit actions were completed in FY2016, including 1,232 NSR and 11 Title V.
- The Industrial Siting Division (ISD) has performed 100% of the amendments received and hearings held within the statutory standards.
- The Land Quality Division (LQD) Uranium Recovery Program is on schedule and within budget. Statutory language changes have been made, rule development is nearing completion and guidance document development is in progress. A final commission paper is expected to be submitted to the Nuclear Regulatory Commission in October of 2016.
- LQD continues development of the electronic permitting process, which includes components for electronic inspection reports, electronic permitting, workflow, electronic records management, batch uploading of permit documents and a database management system. Electronic permitting will enable applicants to submit online permits, permit revisions, and other permit actions that will facilitate faster submittals, and more efficient and effective reviews by LQD and other agencies.
- The Solid and Hazardous Waste Division's (SHWD) Cease and Transfer Program, in conjunction with Office of State Lands and Investment, evaluated and recommended funding for 9 Transfer Stations and 7 Landfill Closures. The estimated construction cost for these 16 projects exceeds \$27 million dollars. DEQ continues to work with local communities to assist them in evaluating options for waste disposal.
- The Solid Waste Permitting Program reviewed, evaluated and completed 33 significant permit actions.
- The Water Quality Division (WQD) Water and Wastewater (WWW) Section Construction Permitting program reviewed 504 permits during fiscal year 2016, and issued 477. The Construction Permitting program completed 94.6% of the in-house reviews within 60 days or less, 44 exceeded 60-days. Permits took an average of 60 days total to process and issue, with each in-house action taking an average of 24 days. The Construction Permitting program also reviewed 10 subdivision plans, and issued 7 non-adverse recommendations and 3 adverse recommendations.
- The Wyoming Clean and Drinking Water State Revolving Fund programs provided assistance to communities to help them finance sewage systems, landfills and drinking water systems. The programs regularly partner with other Wyoming and federal programs to round out funding packages. These programs and agencies include Wyoming Mineral Royalty Grants, Wyoming Joint Powers Act Loans,

Wyoming Water Development Commission, Wyoming Business Council and USDA Rural Development.

The Clean Water State Revolving Fund program has made 154 loans for more than \$478M in awards and currently has more than \$105M available. The Drinking Water State Revolving Fund program has made 176 loans for more \$256M in awards and currently has more than \$97M available. . Currently Wyoming communities' estimated needs include \$213M for wastewater treatment/point source projects, \$291M for drinking water projects and \$275M for nonpoint source-projects that the State Revolving Fund programs could assist with.

Both programs continued to receive federal capitalization grants with an approximate five percent (5%) decrease from both of last year's drinking water and clean water grants. Both capitalization grants continue to require an additional subsidization set aside. A green project set aside is required for clean water projects. The State Revolving Fund programs interest rates continue to be among the lowest in Wyoming.

- The Wyoming Pollutant Discharge Elimination System (WYPDES) Section permits the discharge of wastewater effluents via point sources into surface waters of the state. These permits contain limits on the quality of the discharge based on in-stream conditions and standards, and establish self-monitoring and reporting requirements for the permittees. The WYPDES section also has an independent compliance and monitoring unit, which insures compliance with permit conditions. There are currently 785 active individual WYPDES permits and 1,533 active authorizations to discharge under "general" WYPDES permits. These numbers represent a five percent (5%) decrease in individual permits due to a decline in coal bed methane and a 21% decrease in general permit authorizations over 2015.

The WYPDES Permitting and Enforcement Groups participated in frequent meetings with Confined Animal Feeding Operation permittees and other agencies such as the Natural Resources Conservation Service regarding the development of nutrient management plans.

- During FY2016, 29 projects were supported by Clean Water Act Section 319 or 205(j) grant funds administered by the Water Quality Division, Watershed Protection Program. These locally-led projects represent voluntary and incentive-based efforts to restore or protect surface and ground water resources within the state. Projects worked to reduce nonpoint source pollution from urban, agricultural, and forested areas, as well as unstable stream and river systems. Several projects were on private lands and provided cost-share opportunities to landowners to implement conservation practices. In addition, projects conducted monitoring and assessment, watershed planning, and education and outreach activities. 22 of the 29 projects became active prior to FY2016. In FY2016, grant funding was awarded to seven new projects, totaling \$883,000 in financial assistance.
- WQD developed new, revised permit applications for Underground Injection Control (UIC) wells regulated by DEQ that are currently under final review for approval. The intent of the revision is to provide clarity to permit applicants in developing applications that are complete and technically adequate. By doing so, WQD believes that its review of applications will become more efficient and provide permits within a shorter timeframe than currently. Once approved, staff will develop an education/outreach plan to inform potential applicants of the new application form, and tips for completing a timely permit submittal to WQD.

Goal 4 - To ensure adherence with environmental standards and other requirements.

In administering compliance programs, DEQ staff will strive to develop an atmosphere and culture where the regulated community and general public work together to achieve a mutually beneficial result where all environmental standards and laws are attained.

- Throughout FY2016, the Air Quality Division (AQD) Planning Section participated monthly in State agency pre-meetings and cooperator National Environmental Policy Act (NEPA) meetings. In addition, the Planning Section participated in individual NEPA project and resource management plan meetings and teleconferences and prepared timely comments on NEPA documents.
- During FY2016, the AQD compliance program performed 442 site inspections, including 114 asbestos inspections, and 100 well-site inspections. The purpose of the inspections is to observe facility operation and maintenance, air pollution control devices, emissions records, and pertinent environmental documentation for the facility, to ensure compliance with permit and regulatory requirements. Compliance staff also provided assistance to facilities to improve adherence with environmental standards and other requirements. For example, 87 engines were tested in FY2016 as part of the Division's engine emission testing project. This project has resulted in improvements to engine operator maintenance practices as shown by a decrease in the percent of failed tests from 34% in 2011 to 7% in FY2016. Inspections regularly include meeting with facility staff on site, a written report to the facility staff and ownership, and post-inspection discussions to help the facility attain or retain compliance.
- The AQD compliance program utilizes informal and formal enforcement to ensure adherence with environmental standards and other requirements. Informal enforcement (e.g., Letters of Violation) alert companies to potential areas of noncompliance. The Letters of Violation encourage dialogue between AQD Compliance staff and the regulated community to expedite a return to compliance. Formal enforcement (i.e., Notices of Violation) includes settlement meeting(s), civil penalties, and supplemental environmental projects. Formal enforcement encourages companies to return to compliance as quickly as possible and encourages a more proactive approach among companies to remain in compliance (e.g., self-audits, leak detection and repair, dust control action plans). AQD Compliance issued 29 and settled 51 NOV's during FY2016.
- The Industrial Siting Division (ISD) reviewed the quarterly and annual reports for six construction permits four of which are active and two which are scheduled to start constructing within the next year. Thus, staff reviewed 16 quarterly reports and four annual reports, communicated with each Permittee, and took necessary compliance measures. The Division documented its compliance actions for these permits in the Division's Quarterly Construction Status Report and presented its reports to the Industrial Siting Council.

ISD received and processed five permit changes. The Division also received one appeal request of a Industrial Siting Council decision.

ISD ensures that the distribution and termination of impact assistance is communicated to the Department of Revenue. Impact assistance was initiated for one project (Pioneer Wind Park) and impact assistance continued for the Simplot Phosphates project. In addition, the Division communicates monthly with the Department of Revenue to track the payment distribution and amounts for its Quarterly Construction Status Report.

One permit (Medicine Bow Fuel and Power) terminated due to construction not recommencing as required by the permit conditions.

- The Land Quality Division (LQD) inspects mines across Wyoming. LQD inspected all active coal mines monthly. Active coal mines are inspected twelve times per year, with eight monthly/partial inspections and four quarterly/complete inspections. Inactive coal mines are inspected quarterly. LQD conducted 330 coal mine inspections for FY2016, and met OSM's requirements for mine and records inspection.
- During FY2016, Solid and Hazardous Waste Division (SHWD) Inspection & Compliance (I&C) group, performed 187 inspections. These inspections evaluated compliance with the hazardous waste generator,

hazardous waste treatment, storage and disposal facility, and used oil management standards and the state solid waste landfill and transfer, treatment and storage requirements. The following business sectors were inspected during this time period: vehicle service, oilfield service, petroleum refineries, contractors, mines, dry cleaners, power plants, oil & gas pipelines, type 1 and 2 landfills and various other oil & gas and business facility sectors. The program responded to 61 complaints related to open waste dumping, illegal hazardous waste disposal, abandoned tire dumps, etc. In FY2016, I&C issued one Notice of Violation (NOV) to a petroleum refinery.

- The Storage Tank Program (STP) ensures that tank owners and operators properly operate regulated tanks throughout the State. There are 717 active facilities within Wyoming. The STP issued 13 enforcement actions during the fiscal year. The STP compliance rate was 98%.
- The Water Quality Division (WQD) with the general public and stakeholder involvement worked on the following Total Maximum Daily Load (TMDL) projects:
 - WQD staff and the consultant for the Salt River/Stump Creek TMDL project worked closely with the Star Valley Conservation District on public and stakeholder involvement. The Salt River E. coli TMDL was submitted to the EPA on August 31, 2015. That criterion was recently approved, and it is anticipated that the TMDL will be approved in the near future.
 - WQD staff continue to work on e. coli TMDLs for Bitter and Killpecker Creeks in Sweetwater County and evaluate whether Bitter Creek should have site specific criteria for chloride. During the winter of 2016, data collected by Sweetwater County Consultants and WDEQ from 2004 to 2015 went through a full quality assessment by WQD staff to build a standardized dataset that can be used for TMDL and site specific criteria analysis. In the Spring of 2016, WQD staff from the Standards, Monitoring, and TMDL programs began spatial and temporal analysis of this dataset, and that work is ongoing. WQD staff attended of the Bitter Killpecker Watershed Advisory Group meetings in April of 2016.
 - The Middle Fork Crow Creek E. coli TMDL project is nearing completion. Draft TMDL and Implementation Plan documents have been completed. A public involvement plan has been completed, and has been incorporated into the public comment section of the TMDL. One public meeting and several stakeholder meetings have been held. The TMDL was advertised on June 1, 2016, with a 45-day public comment period.
 - The Tongue River Watershed E. coli TMDL project is approximately 80% complete. \$123,302.51 of the \$143,776.00 budget has been spent, which is about 86% of the total budget. The project will develop E. coli TMDLs for the Tongue River, Little Tongue River, North Tongue River, Columbus Creek, Five mile Creek, Smtih Creek, and Wolf Creek. Two technical memorandums have been delivered for the watershed characterization and TMDL development methodology. Two public meetings have been held with excellent attendance, and multiple Technical Advisory Committee meetings have been well attended.
 - Data collection has been started for the Wheatland/Rock Creek E. coli TMDL project. Continuous stream level loggers have been deployed at three locations on Rock Creek and one location on Wheatland Creek. WQD staff are working with Platte County Resource District staff to measure streamflow to develop stage discharge relationships and flow duration curves for the streams, and to sample E. coli concentrations. A QA/QC field audit of field techniques was done in May of 2016.
 - The TMDL program has also been involved in discussions concerning TMDLs for the North Platte, Belle Fourche, and Little Sandy Rivers. A meeting held by the Natrona County Conservation District highlighted selenium impairments within the watershed.

- The WQD Watershed Protection Program, WYPDES Permitting Program, and the Water and Waste Water Program have contracted with a third party to work with a broad group of stakeholders to develop and implement nutrient reduction in the state surface waters. The stakeholder group is composed of a broad group of individuals from cities, counties, agriculture, industry, environmental interests and other state agencies to prioritize the development of water quality standards while evaluating pollution minimization practices.
- The WQD Regulatory/Enforcement program has responsibilities for drinking water, sewage, and Commercial Oilfield Wastewater Disposal Facilities . The program's responsibilities include inspecting sites, meeting with responsible parties, negotiating actions, directing corrective measures, pursuing formal enforcement, and calculating and collecting penalties.

During the past year, the Regulatory and Enforcement program has resolved and closed one enforcement action with six enforcement cases still open. Of those six open cases, three are currently working towards a resolution while a fourth has a long-term resolution in place.

- The WQD Operator Certification program is responsible for licensing Wyoming's water and sewage operators. The program continues to successfully implement a paperless program featuring an internet accessible database. All active Wyoming water and wastewater operators are making use of this database. 779 licenses (595 operators) were up for renewal at the end of 2015, and 74% of them renewed successfully. The 2015 Audit resulted in the loss of three certifications out of 221 operators audited.
- For FY2016, Wyoming Pollution Discharge Elimination System (WYPDES) completed 626 inspections. 83% of the facilities inspected in FY2016 were in compliance.

The WYPDES Program is working to comply with EPA's Electronic Rule, which requires WYPDES regulated entities to electronically submit permit and compliance monitoring information instead of using paper reports. This initiative will require the development of new and modification of existing data collection systems. The WYPDES Program is currently working to educate regulated entities on existing systems and will provide information and training on new systems or requirements as they become available.

- To better develop consistency within WQD programs regarding the performance of inspections and development of enforcement documents (e.g. Letters of Violation, Notices of Violation, etc.) the WQD established two internal committees (Inspection/Compliance and Enforcement) comprised of WQD Section Managers and their staff, the Attorney General's Office, and the WQD Administrator. The Inspection/Compliance committee meets monthly to ensure the development and implementation of appropriate and defensible inspection procedures that are consistently applied, and the education and training of staff to ensure procedures are understood and carried out as appropriate. The Enforcement committee meets monthly to discuss appropriate responses to violations of WQD rules and regulations. Committee efforts have resulted in development of inspection reports that better provide evidence to enforce violations, and more effective and efficient development of enforcement documents related to those violations. Committee member also participated in Evidence Collection and Enforcement training offered by the Attorney Generals' Office.

Goal 5 - To develop a clear, concise and consistent regulatory framework.

The development of a regulatory framework that regulated entities and the public can understand is key to efficient regulation.

- The Air Quality Division (AQD) State Implementation Plan (SIP) and Rule Development Section continues to review air quality regulations for reduction and/or streamlining opportunities. A total of four state plans were submitted to EPA. These plans addressed non-attainment New Source Review regulations, PM_{2.5}

Infrastructure, PM_{2.5} Ambient Standards, and Clean Air Act Section 128 requirements applicable to boards. AQD initiated two unique rule packages. The Revision 25 rule package consisted of Nonattainment New Source Review Regulations and updated PM_{2.5} Ambient Standards. Rule package 25 became state effective on October 13, 2015. The Revision 26 rule package consisted of changes to address Clean Air Act Section 128 requirements applicable to Boards. Rule package 26 became state effective on April 21, 2016.

- The Industrial Siting Division (ISD) received Council approval at the second quarter ISC meeting to move forward with rulemaking to incorporate changes that occurred to the Department of Revenue statutes in Enrolled Act 71. Following Council approval, the Division formatted the rules, created a Statement of Principal Reasons Document and will be submitting the request to proceed with formal rule making.
- As part of Governor Matt Mead's Streamlining Rules Initiative, the Solid Waste Permitting and Corrective Action Program completed outreach on revisions to Chapters 1 (General Provisions) and 2 (Municipal Solid Waste Landfill Regulations) and the elimination of Chapters 9 (Suspension of New Commercial Solid Waste Management Facilities) and 15 (Solid Waste Management) of the Solid Waste Rules and Regulations. The Program anticipates presenting a final rule package to the Environmental Quality Council (EQC) in Fiscal Year 2017.
- The Water Quality Division (WQD) revised WWQRR Chapters 15 and 25, which were presented and passed by the Water Waste Advisory Board (WWAB) on December 11, 2015. The division presented the proposed changes to the EQC on June 15, 2016 and received approval. Governor Mead signed the rules into effect on July 27, 2016.
- WQD also updated the WWQRR Chapter 24, which were presented and passed by the WWAB on September 11, 2015. The division presented the proposed changes to the EQC on June 15, 2016 and received approval. Governor Mead signed the rules into effect on July 25, 2016.
- WQD continues working toward completing its objective of updating and streamlining regulatory agreements with state and federal agencies. This past year WQD continued discussions with US EPA regarding revision of our joint Memorandum of Agreement with respect to implementation of Wyoming's Underground Injection Control (UIC) and Point Source Discharge Elimination (WYPDES) programs. WQD also worked with the US Forest Service to update the Memorandum of Understanding regarding coordination of activities between our two agencies.

Goal 6 – To develop and maintain an outcome oriented workforce and culture.

DEQ is committed to developing and maintaining an outcome oriented workforce and culture.

- In FY2016, AML provided opportunities for staff to attend regional training workshops and conferences that addressed developments in reclamation practices.
- DEQ maintains a 99% average for Defensive Driving Course completion. DEQ continues to strive for a 100% completion rate.
- DEQ completed 100% of Performance Management Initiative by the established deadlines.
- The agency provided leadership development opportunities and offered professional development in various facets of program implementation.

- DEQ worked with the regulated community and other stakeholder groups to explore the most economically beneficial implementation pathways that achieved desired environmental outcomes.
- WQD continues to support and assist with staff professional development by creating opportunities to work within programs other than those to which they are assigned. Doing so enhances WQD's abilities to improve employee satisfaction with their job and retain well qualified employees. WQD encourages all staff members to seek professional training that aligns not only with their job duties, but those that also provide opportunity for professional advancement and expands their skills sets while also benefitting the agency.

Goal 7 - To administer and manage the resources of the agency in a responsible manner.

DEQ is committed to managing its resources in the most efficient and effective manner.

- Administration has reviewed the Statewide Single Audit and other financial reviews conducted since publication of the last annual report. The Single Audit identified one control deficiency which has been addressed in accordance with our response to the finding.
- DEQ has completed the development efforts for its public web page to provide the public with current and accurate information. This includes informative videos, permits, public notices and other data.
- DEQ has completed a public comment system. The solution allows DEQ to receive comments electronically which improves both efficiency and timeliness.
- DEQ has completed and is using an online request form for public records requests. DEQ's Public Records Task Force developed the "Public Records Guidance Document." The purpose of the guidance document is to help DEQ employees provide consistent and efficient responses to public records request, while ensuring that DEQ remains in compliance with the Wyoming Public Records Act. DEQ received 522 records requests in FY2016.
- The LQD MIDAS application went to production December 2015.
- The WQD GEM application currently has a maintenance contract to refine/enhance current business processes within the application.
- AML coordinated closely with other divisions to identify areas in which mine reclamation activities may also provide value to their programs. One example of this is the close coordination with the watershed non-point source program. The reclamation of the Lionkol and Winton Draw watersheds to restore the stream channels reduced sedimentation and reduced peak run-off from those watersheds. This in turn helped aid in restoring the water quality and hydrologic balance in downstream channels that are monitored and addressed through the non-point source program. Mine reclamation close out reports available to the non-point source program aid in the demonstration to EPA of progress in those watersheds.
- The AQD IMPACT development continued on schedule and within budget during FY2016. Development tasks included the following new features: Enforcement Action Tracking, Facility Creation Request on the Portal, Modeling Data Migration, Continuous Emission Monitor Tracking, Ambient Monitor Tracking and Data Collection, Billing for NSR Permit Fees, Offset Tracking with Spatial Data Viewer and Employee Timesheets. Implementation of these features allows AQD to sunset two legacy systems, AQDS and WiseView.

- DEQ has developed a comprehensive priority list for the paperless office initiative. The priority list for 2017-2018 includes:
 - Solid and Hazard Waste Division's WyWaste Phase II (inspection and compliance of WyWaste)
 - Water Quality Division's Risk Based Data Management System (RBDMS) Phase II
 - Finalize development of Air Quality Division's IMPACT software
- The Water Quality Division (WQD) Laboratory conducted an internal review of operations that included laboratory staff work assignments, purchasing procedures, and equipment service contracts. This review lead to changes in staff work assignments in an effort to equalize the workload of the laboratory staff and streamline the purchasing of laboratory supplies. Instrument service agreements have been consolidated for multiple instruments when possible. In addition, the WQD laboratory is working on a laboratory information management system (LIMS) improvement project which will eliminate an older results database. The LIMS improvement project will also improve quality assurance and control checks, produce reports, transfer data to other departmental databases and help in scheduling samples for analysis resulting in greater efficiency in the laboratory. Some outdated instruments have been replaced resulting in quicker analysis turnaround times and lowered detection levels.

