



Arizona Department of Environmental Quality

EPAZ Conference

March 4, 2020





Amanda Stone, Director of Intergovernmental & Community Affairs



Legislative Update

Bills Directly Impacting ADEQ

| Bill # | Bill Title | Description |
|--------|--|---|
| H2452 | Underground Storage Tanks; Performance Standards | Conforms UST Tank performance standards to federal regulations related to piping repair and replacement (change applicability from 25% of the total piping to 50%) |
| H2455 | Air Quality Omnibus | <ul style="list-style-type: none"> • Extends deadline for EPA to approve certain modifications to the Vehicle Emissions Inspection (VEI) Testing Program as part of the SIP to July 1, 2022 • Allows VEI to study ALL vehicle related air pollutants • Expands Voluntary Vehicle Repair and Retrofit Program eligibility and reimbursement criteria |
| H2456 | Environmental Quality Programs; Terminations; Repeal | <p>Aligns remaining individual program sunset dates with agency sunset date including:</p> <ul style="list-style-type: none"> • Voluntary Remediation Program • Total Maximum Daily Loads (TMDL) for navigable waters • Monitoring Assistance Program (MAP) and Safe Drinking Water Fund • Vehicle Emissions Inspection Program • Oil and Gas Conservation Commission support function |

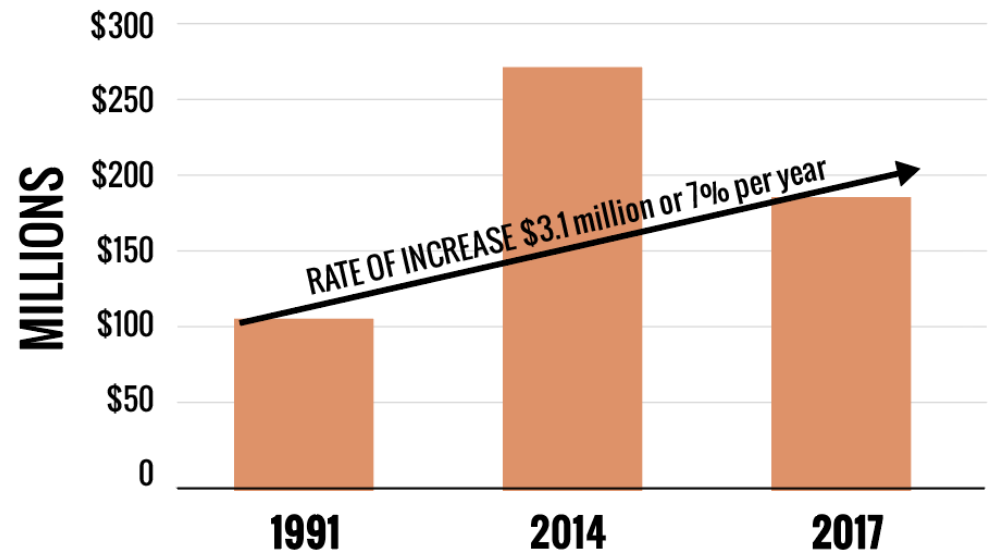
Governor’s budget seeks **NO NEW MONEY**:

- **APPROPRIATION ONLY - \$1.2M** over 3 years -Vehicle Emissions Inspection (VEI) Program Remote Inspections Pilot
 - To implement 2019 HB2452
- **APPROPRIATION ONLY - \$1.7M** Permanent Appropriation authority for VEI contractor
- **APPROPRIATION ONLY - \$700,000** for Travel Reduction Public Outreach Campaign
- **APPROPRIATION ONLY - Restoration of \$993,000** AQ Fee Fund to restore one-time FY20 Volkswagen settlement funding sweep (no new money)

■ Challenges:

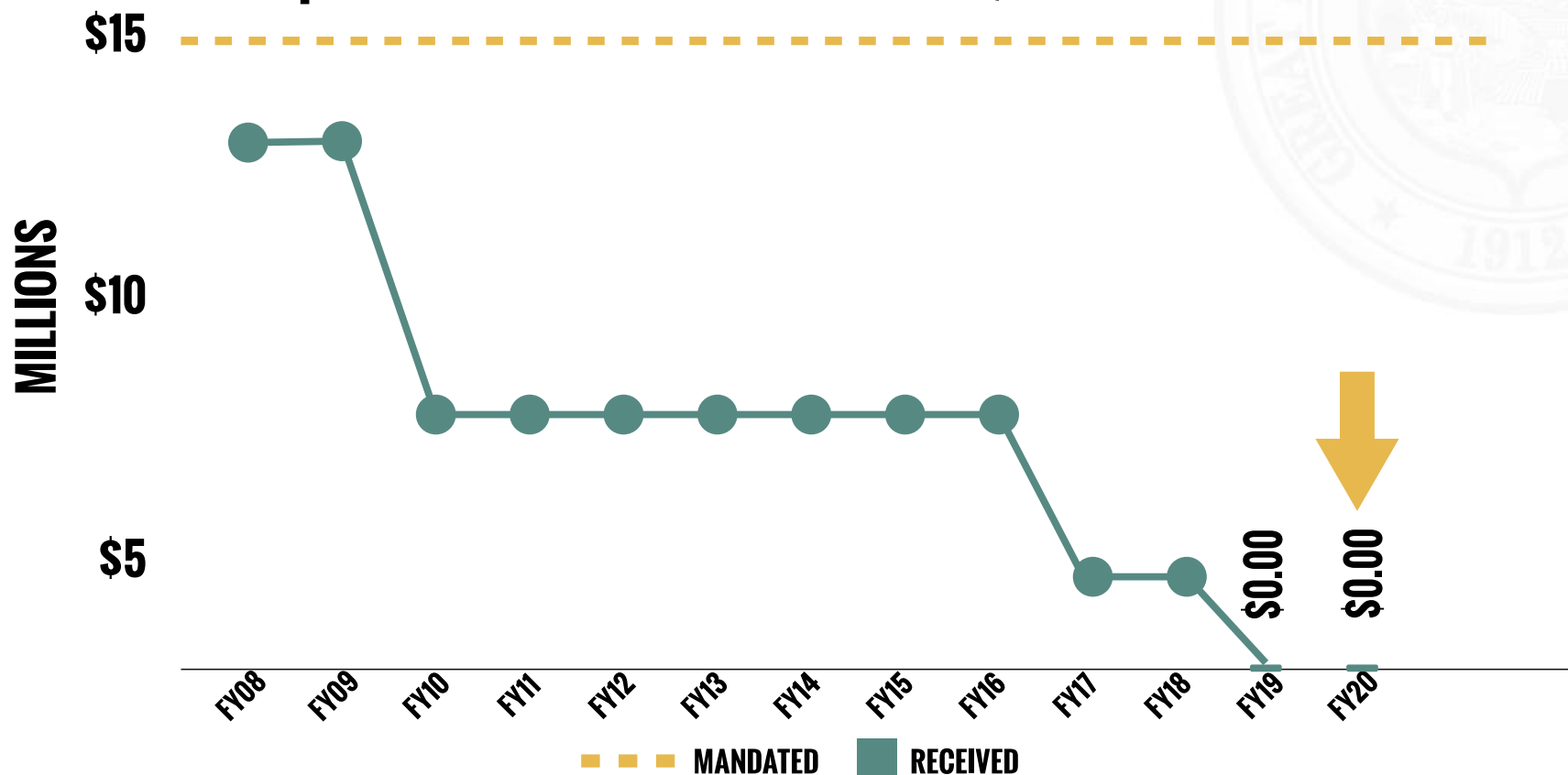
- PFAS in Tucson
- Orphan Share much higher than 1998 projections: Already over 63% and increasing
- New Sites
- Other emerging contaminants

Orphan Share Estimate based on modeled total WQARF Liability



ARS §49-282(B) directs \$15 million from Corporate Income Tax (CIT) to WQARF annually.

Corporate Income Tax Revenue for WQARF 2008 - 2020



Governor's budget seeks \$15M general fund for WQARF

Federal deregulation leaves some surface waters unprotected.

Governor's Budget seeks: \$1M one-time general fund appropriation to conduct stakeholder process and program development



Governor's Budget seeks: One-time Deposit of **\$4.2M** from UST fund to the Automated Projects fund, to automate additional services into the myDEQ portal.



Daniel Czecholinski, ADEQ Air Quality Division Director



Ozone

50,000

premature deaths in North America





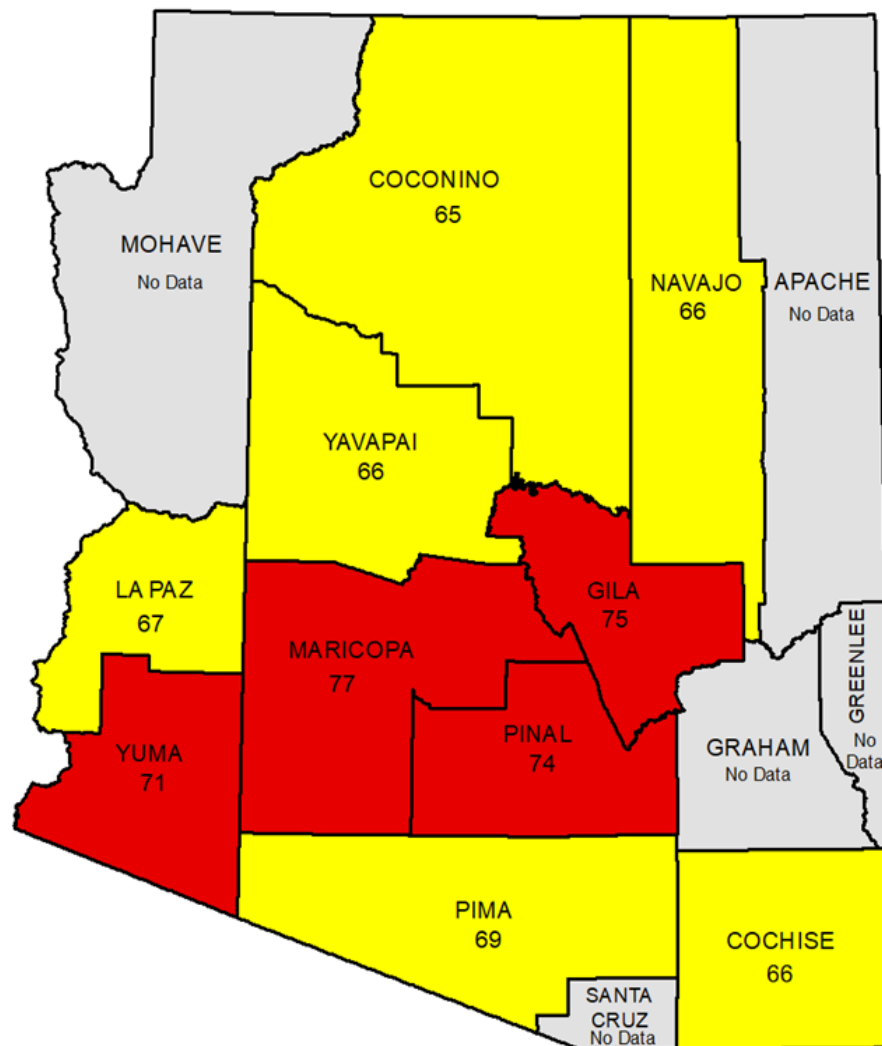
**Multi-billion dollar
investment
& 1,000s of new jobs**

AT RISK

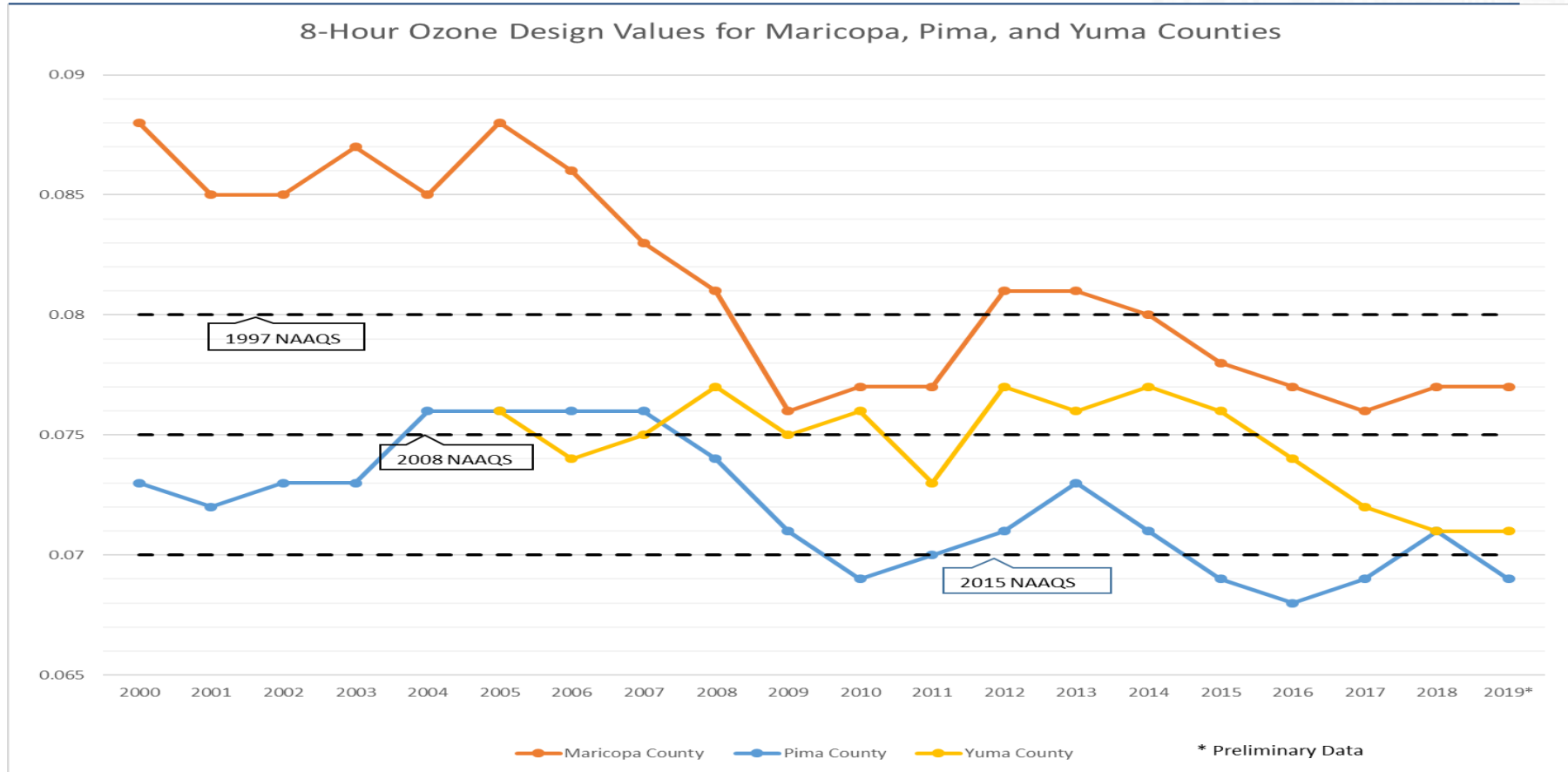
CAA Regulation Escalates Over Time

| | | | | | |
|---|-----------------------------------|------------------------------------|--|------------------------------------|-------------------------------------|
| | Econ Burden \$0.55 M/yr | Econ Burden \$107.9 M/yr | Econ Burden \$263.4 M/yr | Econ Burden \$484.4 M/yr | Econ Burden \$848.1 M/yr |
| | | Control Measures | More Control Measures including 3% RFP | Even More Control Measures | Might as well be California |
| Designation (years to attain) | Marginal (1-3 yrs) | Moderate (3-6 yrs) | Serious (6-9 yrs) | Severe (9-15/17 yrs) | Extreme (15/17-18/22 yrs) |
| NSR Threshold | 100 tons | 100 tons | 50 tons | 25 tons | 10 tons |
| Mod Threshold | 40 tons | 40 tons | 25 tons | 25 tons | Any |
| Offset Ratio | 1.1 : 1 | 1.15 : 1 | 1.2 : 1 | 1.3 : 1 | 1.5 : 1 |

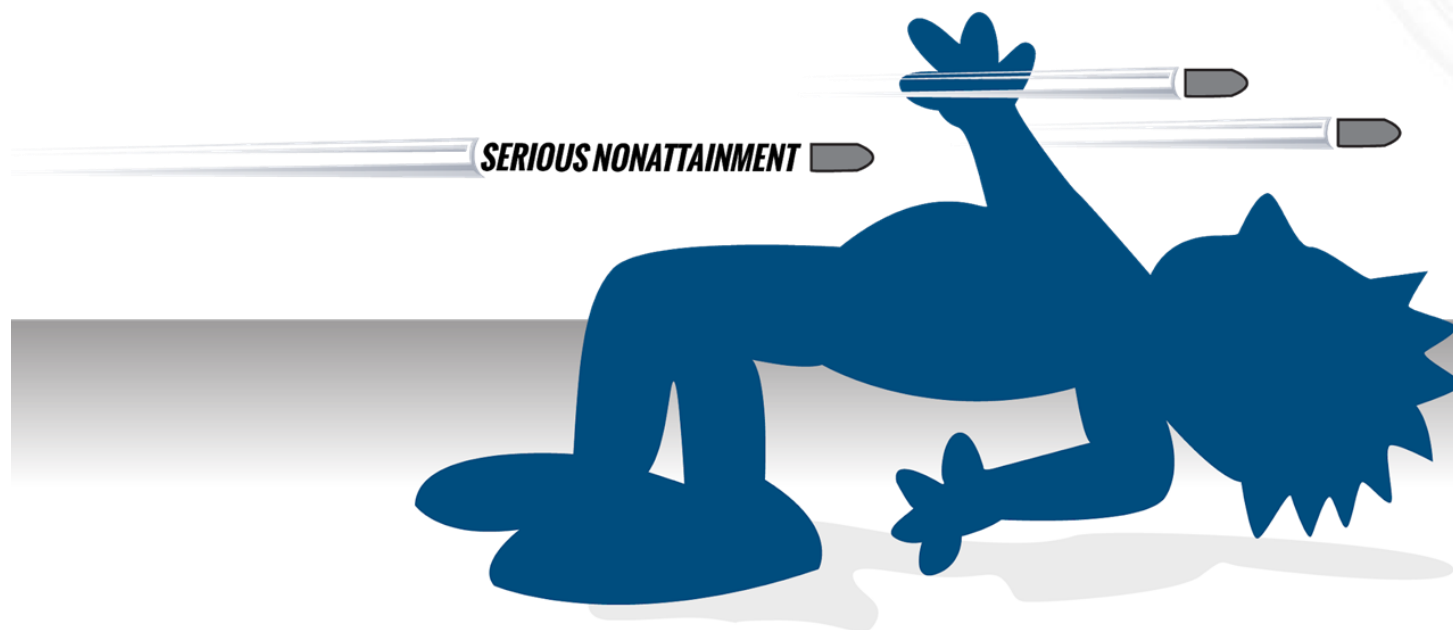
Ozone Design Values (2017-2019)



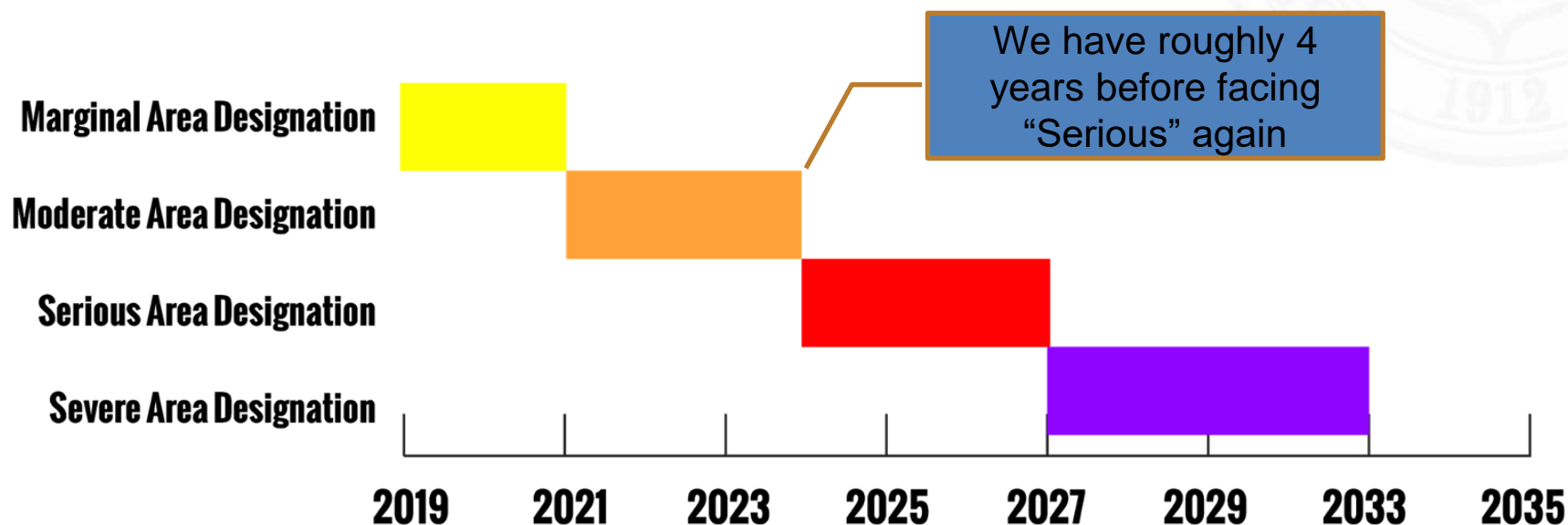
Design Values



We Dodged a Bullet ? (2008 Standard)

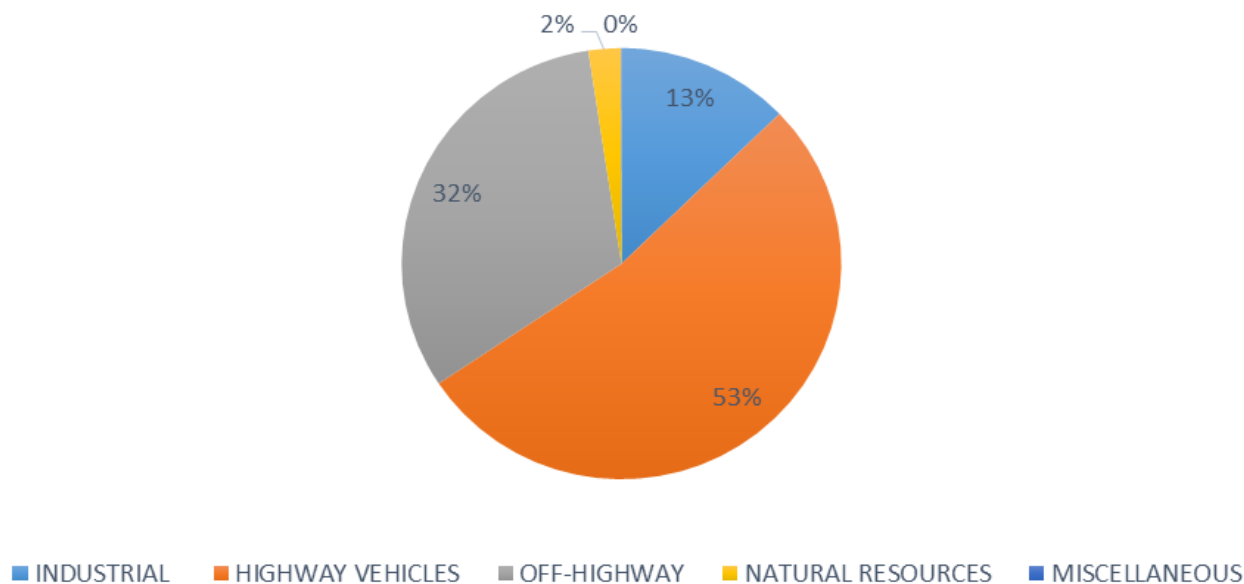


Ozone Regulatory Timeline (2015 Standard)



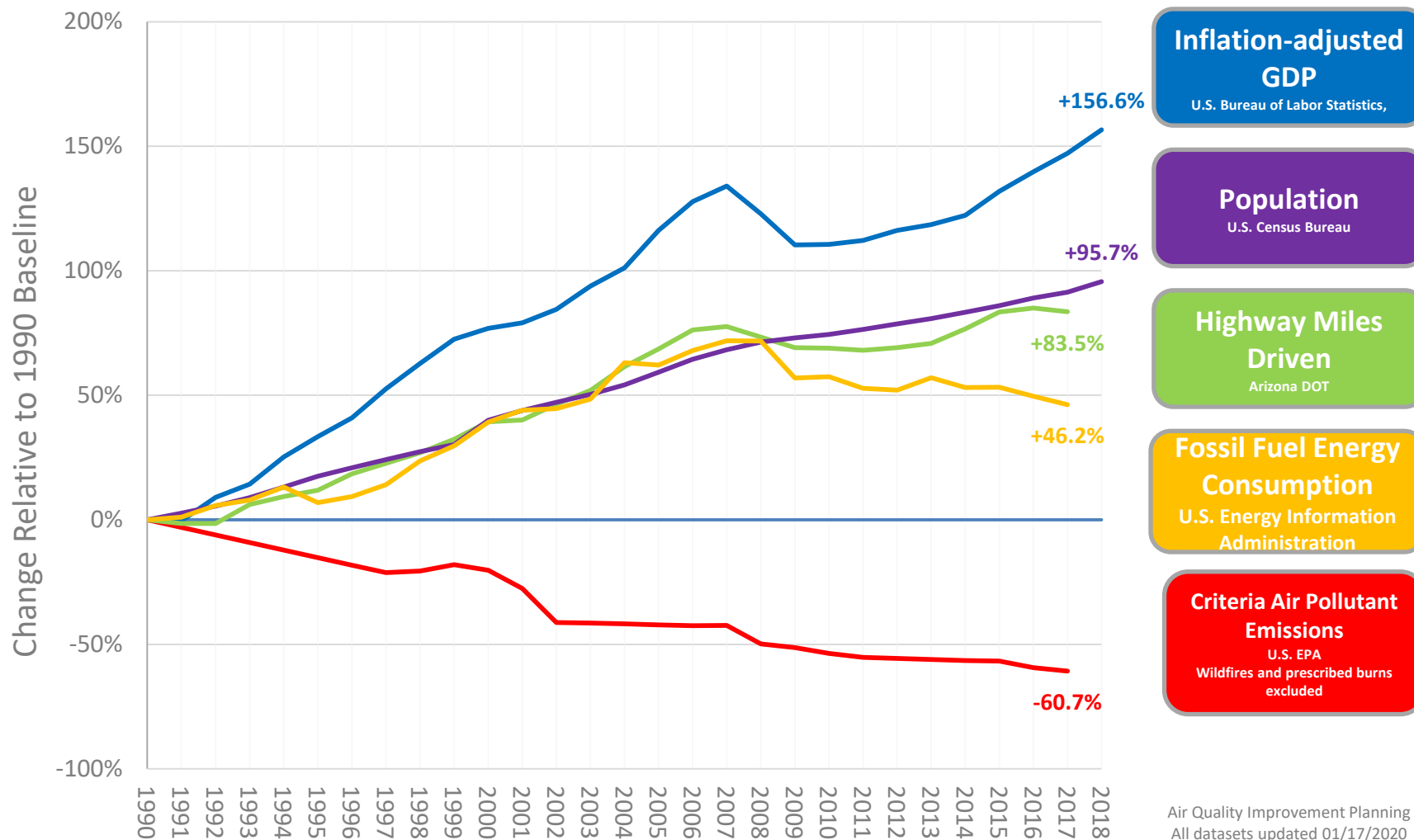
Ozone Sources

Maricopa County - 2014 NOx National Emission Inventory

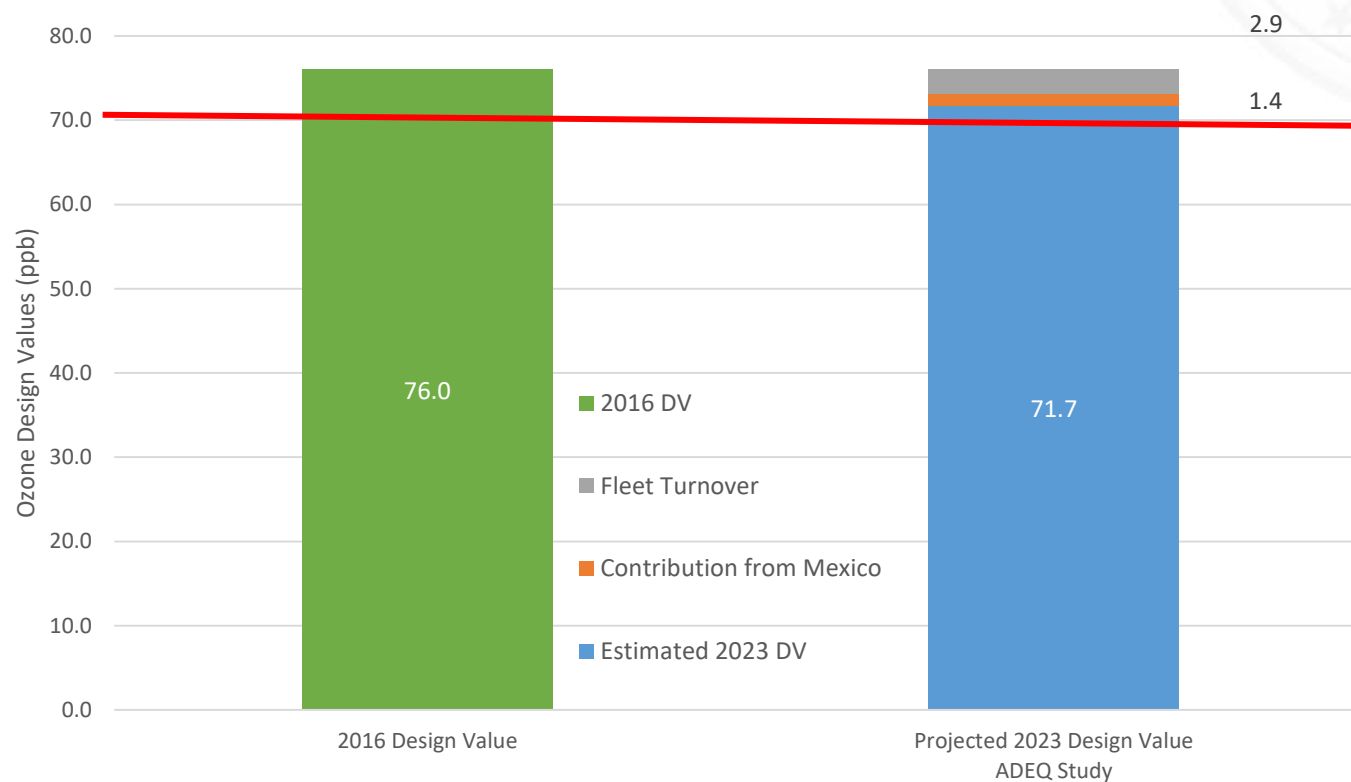


Source: 2014 EPA National Emissions Inventory - <https://www.epa.gov/air-emissions-inventories/2014-national-emissions-inventory-nei-data>

Economic & Air Quality Trends in AZ since 1990



Ozone Modeling Study



Scale of Problem

| Rough Magnitude | Ozone Reduction (Parts Per Billion) |
|---|-------------------------------------|
| Reduce vehicles miles traveled or increase electric vehicles by 20% | ~1 |
| Replace all 2004 and older vehicles with 2005 and newer in PHX | ~3 |
| Expand Vehicle Emission Testing in Phoenix (Area A) to all of Maricopa and Pinal County | ~0.1 |
| Vehicle turnover | ~ 3 |

Arizona vs. Competitor States

| Ozone reducing program | CO | UT | TX | AZ | NV | NM |
|--------------------------------|----|----|----|----|----|----|
| Electric car incentive | | | | | | |
| Trip Reduction Program | | | | | | |
| Lawn garden replacement | | | | | | |
| Voluntary Repair Program | | | | | | |
| Industry control measures | | | | | | |
| CA Vehicle Emission Standards | | | | | | |
| Alt. Fueling Stations | | | | | | |
| Idle Reduction Program | | | | | | |
| Diesel I/M Program | | | | | | |
| Local Fuel Blend | | | | | | |
| Free Parking for Alt. Vehicles | | | | | | |

 Program currently exists

Voluntary programs

| Program | Pollutant Impact | Description |
|--------------------------|--------------------------|---|
| Lawn and Garden Program | Decrease Ozone & PM10 | Vouchers for commercial and residential users to purchase lower emitting lawn and garden equipment. |
| Idle Reduction Program | Decrease Ozone & PM2.5 | A statewide program for school districts to build and sustain an idle reduction program (first phase). |
| Electric Vehicle Project | Decrease Ozone | Partnered with car manufacturers to provide rebates for the purchase of new electric vehicles. |
| ADEQ Telework Project | Decrease Ozone | Reducing the number of work commutes by ADEQ employees and reduce the number of ozone exceedance days over time. |
| DERA | Decrease Ozone and PM2.5 | Provide funding for vehicles to replace, repower, or retrofit older higher emitting diesel engines with newer diesels or newer vehicles that use alternative fuels. |
| Targeted Public Outreach | Decrease Ozone & PM10 | Increase public information on air quality through programs and projects and make it easier for public to make better choices that improve air quality. |

Air Quality Coalition



City of Phoenix





Trevor Baggione, ADEQ Water Quality Division Director

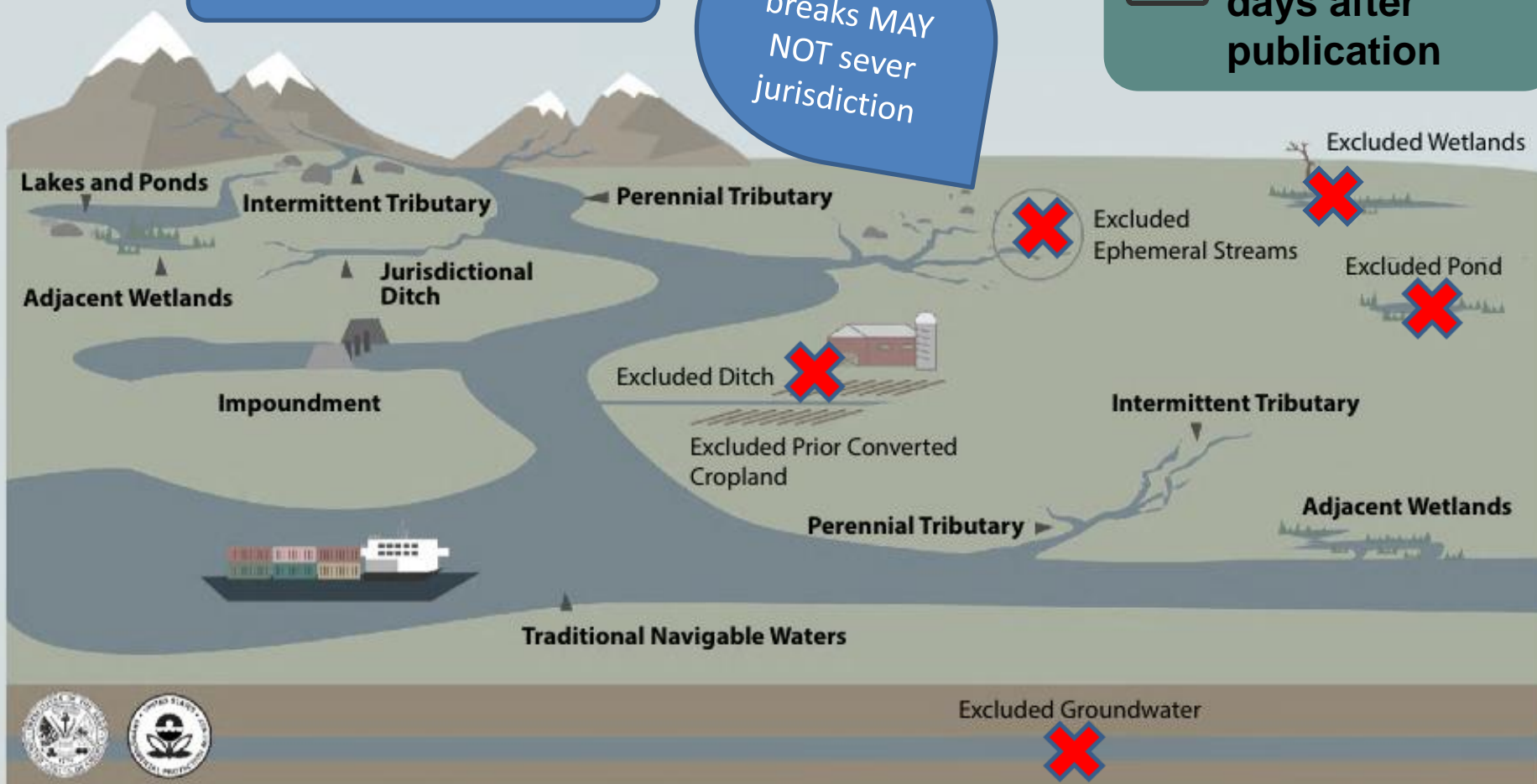
NAVIGABLE WATERS PROTECTION RULE

Analysis of Typical Year

Ephemeral
breaks MAY
NOT sever
jurisdiction

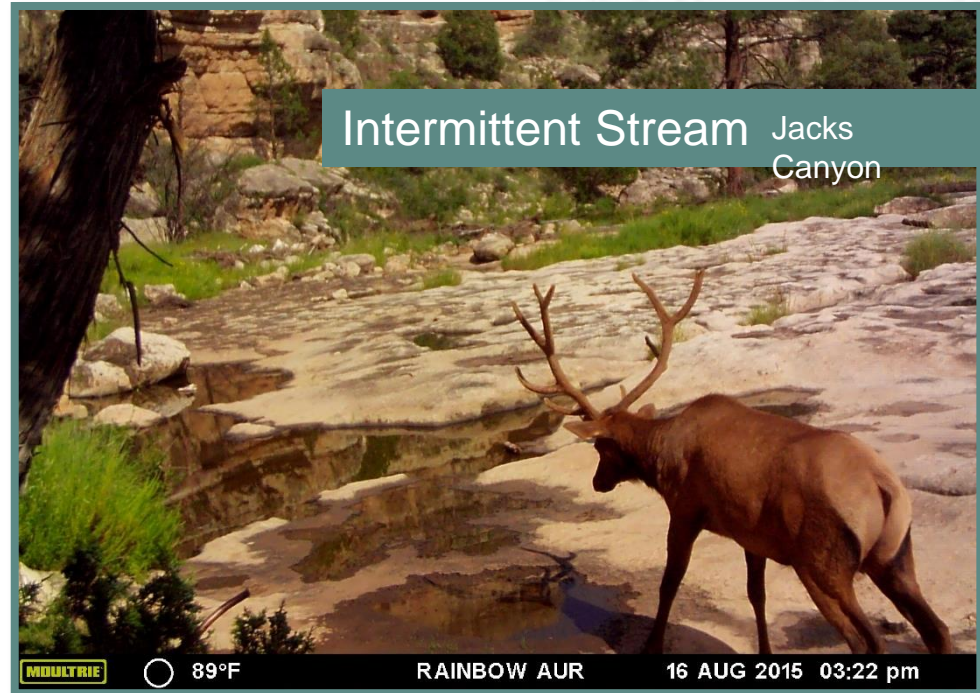
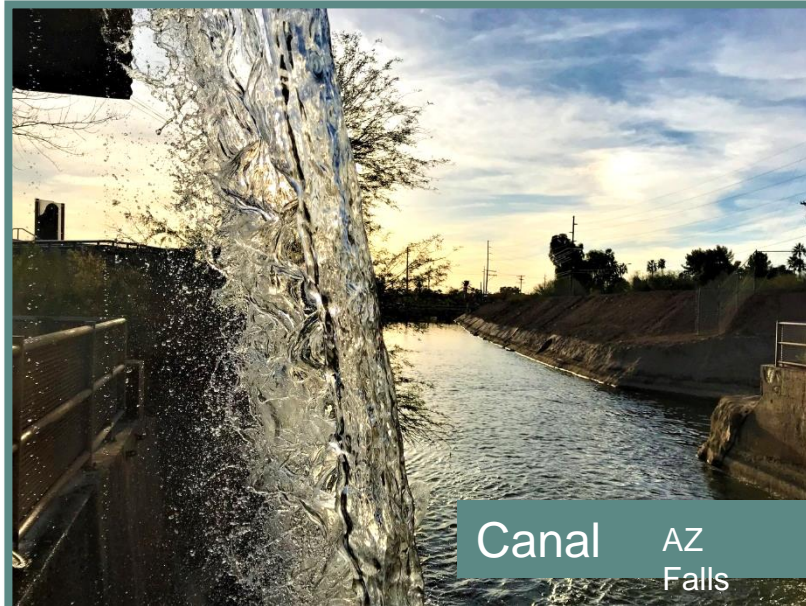


**Effective: 60
days after
publication**



* For illustrative purposes only. Proposed jurisdictional waters in **bold**.

Arizona Examples





Permit Holder Information Meeting

Monday, March 23rd

1:00 – 4:00

ADEQ-Phoenix



SURFACE WATER PROTECTION PROGRAM FOR ARIZONA

PROGRAM TIMELINE





Laura Malone, ADEQ Waste Programs Division Director

Division Overview



WQARF – FY19

Focused on implementing Early Response Actions (ERAs), particularly at newly listed sites, as early as possible – the sooner source control measures are started, the shorter the time needed to complete the remedy, which protects our communities and environment, and saves money.

FY 19 Milestones

- 6 Remedial Investigations Completed
- 3 Feasibility Studies Completed
- 2 Proposed Remedial Action Plans Completed
- 4 Remedial Actions at Mining Sites Completed through a partnership between WQARF and the Water Quality Division

Challenges

- Permanent funding needed
- Orphan share continues to grow
- KOUI sites to be addressed
- Emergency Response Actions

Gallons of
groundwater treated
1,147,010,574

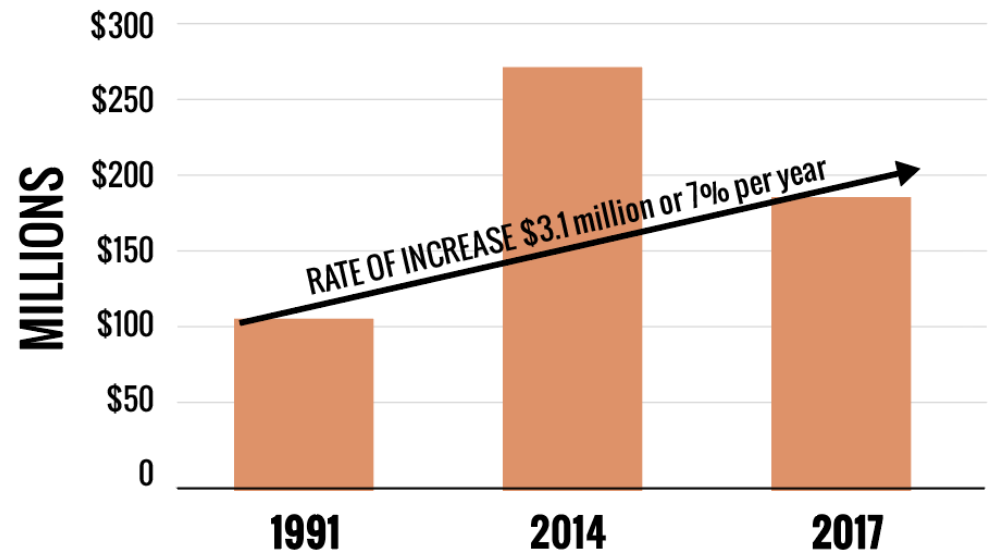
Pounds of VOCs
removed
4,722

Pounds of metals
and other hazardous
waste
1,065,436

■ Challenges:

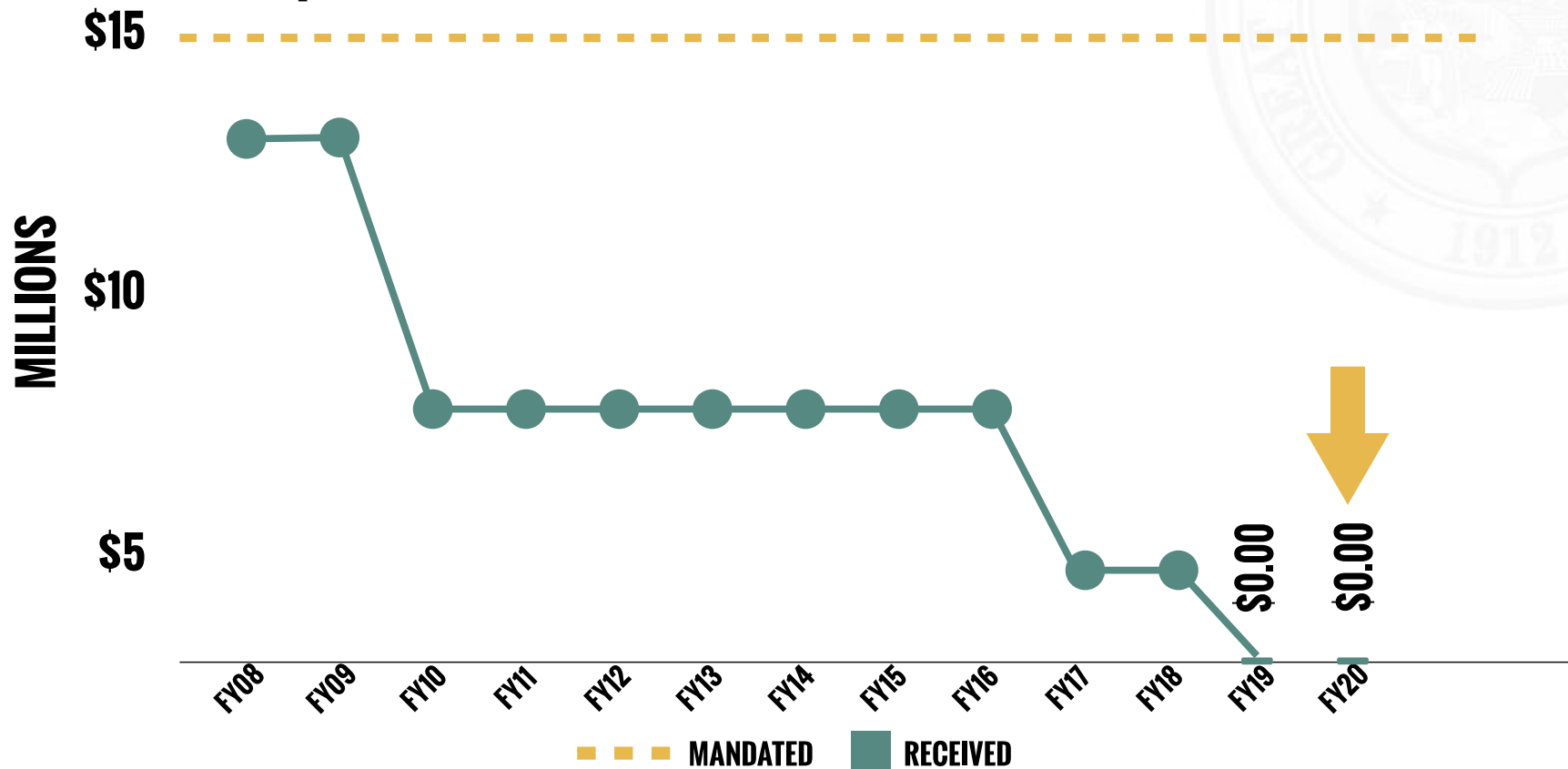
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Corporate Income Tax Revenue for WQARF 2008 - 2020



Need your support for this critical Program

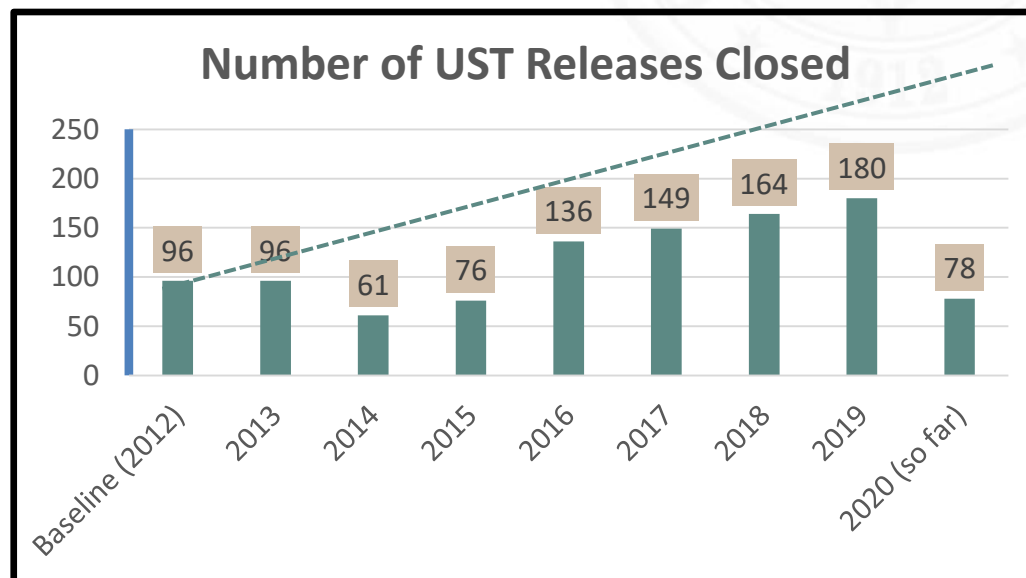
Underground Storage Tank Program

UST-Leaking UST – FY19

Focused on initiating remediation within **1 year** of release confirmation and closing new releases within **3 years** of release confirmation. Implementing new program elements to accelerate cleanups and close sites

Successes

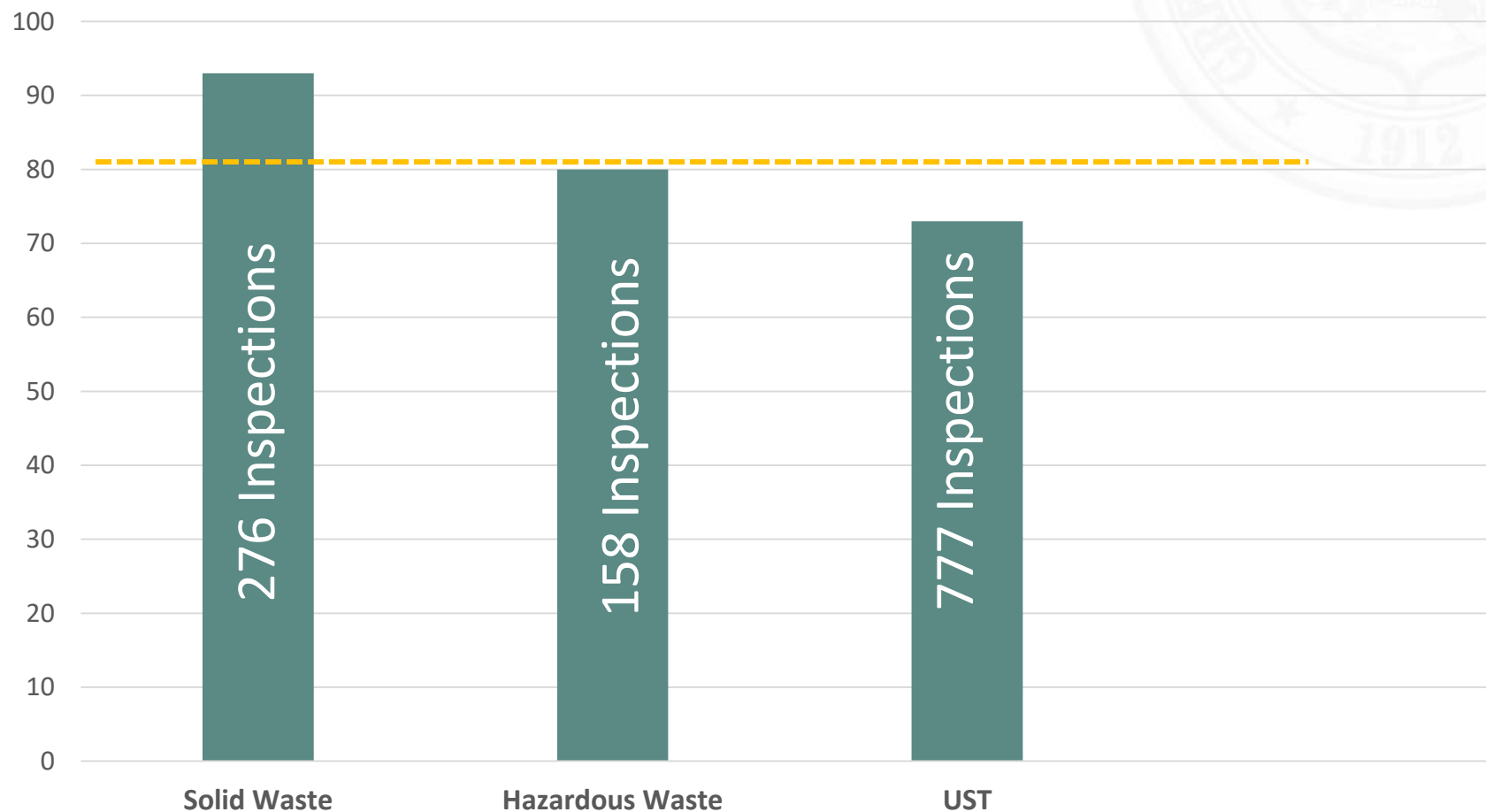
- Reduced # of stalled cases
- Increased use of contractors
- Reduced # of facilities without FR
- Implemented new legislation
- We need people in the program!!



- 464 open releases at 292 sites
- 2115 active sites with 5913 USTs – 104 active sites with open releases
- 44 stalled open release sites; these are not in normal flow or making progress
- 655 operating sites with tanks >30 years old (32.5%)
- Insurance may be difficult for small owners – ineligible for new assistance programs

Compliance – How Are WE Doing?

Average Compliance Rate Per Program



**Data based on SFY20 to date

Stakeholder meetings to discuss aspects of the following EPA rules:

EPA Proposes RCRA
Rules Easing Standards
for Pharmaceutical
Wastes



Introduction to the
Definition of Solid Waste
Final Rule

Office of Solid Waste, EPA



Safe
Management
of Airbags

Increasing Recycling: Adding
Aerosol Cans to the Universal
Waste Regulations

ADEQ is required under state and federal law to update Arizona's Hazardous Waste rules to match federal hazardous waste regulations.

- 5 Year Review highlighted need to update
- Ability to provide clarification for customers and ADEQ staff
- Evaluating next steps and stakeholder meetings will be held



Prospective
Purchaser
Agreement (PPA)

Voluntary
Remediation
Program (VRP)

Brownfields
Program



What Environmental Issues Are in My Community?

Air Quality

Water Quality

Sites of Concern and Cleanups