Wisconsin Brownfields Study Group 1998 - 2019

FRIDAY, JANUARY 25, 2019 GEF 2 OFFICE BUILDING (DNR) – ROOM G-09

WIFI NETWORK: DNR-GUEST PASSWORD: GOODAYR&H20

Wisconsin Brownfields Study Group

Welcome
Introductions
Agenda Repair

Grant Proposal for Brownfields Sites

Scott Wilson and Mark Thimke

Act 70 Pilot: Brownfields/Air Permitting/Green Tier

Mark Thimke and Art Harrington



Act 70 – Promoting Manufacturing Reuse of Brownfields Property

Mark A. Thimke Brownfields Study Group January 25, 2019





Background

- Pilot program part of Brownfields Study Group 2015 list of priority initiatives
- Goal develop incentives that provide "certainty" to promote manufacturing reuse of sites
- Pilot combined 3 WDNR programs
 - Air permitting
 - Cleanup
 - Green Tier
- Act 70 Advisory Group in WDNR led by Bart Sponseller, with participation – Kristin Hart, Laurel Sukup and Michael Prager
- BSG participants Art Harrington, Jennifer Buzecky and Mark Thimke



Air Permitting

- Focus on medium sized businesses
- Avoid complex federal overlay of Clean Air Act applicable to larger facilities
- Developed new permit with Air Bureau/Green Tier
 - 80% major source threshold registration permit (most cases 80 tpy)
 - Permanent permit
 - Creates "bubble" over facility, allowing changes to occur without delayed air permitting
 - Tied to Green Tier EMS/audits to assure compliance, promote superior environmental performance
- Permit about to be issued U.S. EPA approved; no adverse public comment
- Permit allows up to 3 years to move to Green Tier status, receive benefits immediately



Green Tier

- Developing "pro forma" Green Tier approvals for both standalone redevelopment (contract) or for industrial park redevelopment (charter)
- Costs for meeting Green Tier requirements EMS can be part of ETID development costs



Voluntary Party Liability Exemption

- Existing program
- No changes through Act 70



Next Steps

- Refinement of the Green Tier charter approach for industrial parks
- Marketing of program through WEDC, League of Municipalities and one-on-one contacts with local redevelopment authorities
- Explore additional benefits to encourage sustainable manufacturing redevelopment projects



Dots	Manufacturer or Agent Identify Site	Developer or Agent Identify Site	Municipality (Proactive) • Identify site and vision	Partners WEDC/WCA/LWM/Others?
Connecting the Dots	Contact municipality for information	Contact municipality for more information	Find interested Manufacturer or Developer Discuss local interests to be incorporated into GT Charter/EMS • TIF/TID for EMS? ERTID	 Knowledge of program & benefits, when to apply program
C	Discuss local interests to be incorpo	rated into GT Charter/EMS	Eligibility Criteria • VPLE? • ROP Eligible?	 Market program to Municipalities, Developer, Manufacturers
Municipality (Responsive)	TIF/TID for EMS? ERTID?		 Green Tier? <u>OR</u> Look to partners for help 	 Market eligible sites Match making
Partners WEDC WCA LWM Others?	???		 Market eligible sites Facilitate initial discussions Set up screening meeting with potential applicant and DNR 	 Set up screening meeting with potential applicant and DNR
 DNR PRE APPLICATION SCREENING MEETING Determine eligibility Meet to determine interests of municipality & stakeholders Facilitate development of the property under pilot 				



Updates to NR 700 Rules – Scope, Timeline and Public Input

Updates to NR 700 to 754
Creation of:
NR 756
NR 758

RR Rule Updates

Why?

- Emergency rules meet Act 204 mandate
- Permanent rules update to:
 - Be consistent with statutory revisions
 - Clarify portions of code due to changes in law
 - Simplify portions of code and provide further direction

RR Rule Updates

What?

- Sites with contaminated sediment
- Financial responsibility
- Voluntary parties and insurance
- Voluntary parties and property boundaries
- Updates and clarifications to rules for all types of sites

RR Rule Update Anticipated Completion:

 Rule development – May 2020
 Economic impact analysis – July 2020
 2 public hearings – October 2020 in Madison and Wausau or Eau Claire
 Request NRB adoption – Spring 2021

RR Rule Update

Public Input:

Broad range of topics

Town hall-style meetings will allow many people to provide input on the topics that interest them

Also plan to use topical focus groups

RR Rule Update

Public Input:

 Kick off meeting – February 5, 10-1
 DNR Madison Office, G09
 Monthly public input meetings scheduled throughout 2019

RR Rule Update

Website: https://dnr.wi.gov/topic/Brownfields/ RuleChanges.html#meetings

For More Information:
Molly Schmidt
MollyE.Schmidt@wisconsin.gov
608-267-7500

VPLE Topics

DNR Update

Study Group Update



Voluntary Party Liability Exemption (VPLE)

Mark A. Thimke Brownfields Study Group January 25, 2019





VPLE Update

- May 2018 Brownfields Study Group approved review of VPLE (what works/what does not)
- Initial meeting July 28, 2018
- Focus turned to "emerging chemicals," especially after WDNR's "interim decision"
- Brownfields Study Group direction preserve existing program but understand state concerns
- Options for changes that may occur
 - Insurance as a tool Kenn Anderson, AON
 - Potential tie in with Green Tier for future commercial/industrial uses
 - Off-ramps from VPLE coverage
 - More limited scope of VPLE coverage
 - Previous COCs retain/change status



MPCA Visit (Foss, Haag, Fassbender, Stocks)

- DNR Emerging Contaminant Strategy (Sponseller, Foss, Stocks, Savagian)
 - PFAS in drinking water SOP
 - Communication plan and webpage
 - Multistate collaborative workgroups
 - Inter-agency coordination cross-media issues
 - Inter-division GIS team
 - Technical and policy staff
 - Program-specific plans

 RR Emerging Contaminant Task Force – Technical and Policy (Foss)
 BOTW Update (Soyer)

DHS Update (Yang and Thiboldeaux)

State Resources/Actions (Thimke)



PFOS Update – Other States/U.S. EPA

Mark A. Thimke Brownfields Study Group January 25, 2019





PFOS Update

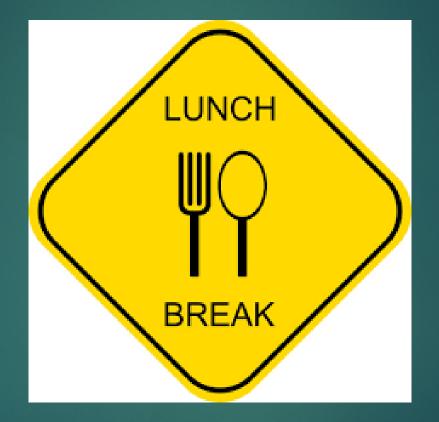
- Michigan
 - Very active in addressing PFOS
 - Municipal wastewater treatment plant's required to investigate industrial dischargers to treatment plants
 - Number of industrial facilities with PFOS in discharge
 - Reduction/elimination program required



PFOS Update

- Standards adoption New Hampshire/New York
- Petitions for standards Michigan (NRDC)
- Enforcement settlements North Carolina
- U.S. EPA
 - No movement on drinking water standard
 - Potential "hazardous substance" listing





RR Year in Review (Foss)

- 1,282 Acres Ready for Reuse
- 336 Case Closures
- 3 WPRI Letters Issued
- 205 RP Letters Issued
- 101 Redevelopment Assistance Tools
- 13 New VPLE COCs
- 55 Green Team Meetings
- 4 New VPLE Program Applications
- 66 Audits of Institutional Controls
- 15 Workshops/Training Meetings Held
- \$399,753 Bankruptcy (Trust) Funds Spent (KEP)

RR Strategic Plan Update (Foss)

Recent Accomplishments

- NR 718 Materials Management
- RR 800 Vapor Intrusion Guidance
- Records Management/Digitization
- Hydro College
- Resource Modules

RR Strategic Plan Update (Foss)

Short-Term Future Goals

- Rule Drafting
- PFAS
- New Hires
- PECXit Strategy

Dry Cleaner Environmental Repair Fund (DERF) (Fassbender)

- ▶ \$1.5 million in reimbursements requested
- ► 38 claims

Anticipate paying these claims by February 2024

Exempt Soil Guidance (Fassbender)
 NR 712 Implementation (Foss)
 RR Staffing / Funding (Soyer)



Wisconsin Act 369 – Guiding "Guidance" and Other Administrative Law Changes

Mark A. Thimke Brownfields Study Group January 25, 2019





New State Legislation

- "Lame Duck" session law Wisconsin Act 369
- Significant changes to the development and use of guidance documents/rulemaking and agency legal interpretations



Guidance Documents

- All guidance documents must go through notice/comment
- Continuing public comment after guidance document issued
- No force of law/provides no authority, unless it is explicitly referencing law
- If guidance document relied on, person may challenge "legality"/"wisdom" of guidance document
- If agency varies from guidance document and person relied on it, then agency justify need for variance outweighing reliance
- Petitions may be made to convert guidance to rule



Guidance

- Certification that guidance document
 - No standard, requirement or threshold "not explicitly required or explicitly permitted" by law in guidance document
 - No standard, requirement or threshold "more restrictive"
- Must identify each federal law, state law or rule that supports "any statement or interpretation of law" in the guidance document
- Effective July 1, 2019
- <u>But</u> any prior guidance document not adopted through public comment and not certified (as above), void



What is a "Guidance Document"?

- New definitions
- Any document of "communication"
 - Includes manual, handbook, "directive" or informational bulletin
 - Explains implementation of law or rule or current/ proposed operating procedure of agency
 - Gives advice on application of law or statute/rule
 - Legislative Council to assist in determining what is and what is not "guidance"
- Also specifies what a guidance document is not
- Query if agency relies on federal guidance, is that a state guidance?



Rulemaking

- Advisory committees members' names must be provided to Legislature
- Rulemaking process can be suspended any number of times by Legislature



Department Legal Interpretations

- Agency legal interpretation is given <u>no</u> deference in a "proceeding"
 - Net effect courts decide and only published court decisions are given weight
- Myers v. DNR, 2019 WI 5 (Jan. 18, 2019)
 - Wisconsin Supreme Court no deference to DNR legal position/interpretation
 - Literal interpretation of regulatory authority



Act 21 Update

- Kinnard CAFO case before District II Court of Appeals
- No decision on Act 21 court certified case to Wisconsin Supreme Court



EPA Brownfields Update and Realignment

BSG 2015 Report Accomplishments and New Initiatives

Standing Items

- WMC Update
- WEDC Update
- BSG membership and structure update
- Next regular meeting
- Confirmation of assignments