

EEC FY21 Budget & COVID – 19 Regulatory Flexibility Policy Update

Budget Review Subcommittee on Economic Development, Tourism and
Environmental Protection

August 19, 2020



KENTUCKY ENERGY &
ENVIRONMENT CABINET

Rebecca Goodman, Secretary
Tony Hatton, Commissioner DEP
John Lyons, Deputy Commissioner DEP
Cori Troutman, Assistant Director OAS

COVID-19 Implications for EPA's Enforcement and Compliance Assurance Program

EPA Memorandum Overview:

- Issued March 26, 2020 - Retroactive to March 13 - expires August 31, 2020
- Temporary policy regarding enforcement of environmental obligations where noncompliance occurs due to the COVID-19 pandemic.
- Allows authorized states (Kentucky is a designated authority) to take different approach.
- General conditions for entities seeking temporary relief of environmental compliance obligations.



Regulatory Obligation Examples:

1. Settlement & consent decree milestones;
2. Facility management & staffing levels;
3. Air, drinking water & wastewater limits;
4. Reporting & testing obligations; and
5. Hazardous waste management.

EEC COVID-19 Regulatory Flexibility Response & Process

- May 15, 2020, memo issued by Secretary Goodman outlines process for regulated entities impacted by pandemic to request enforcement discretion for environmental obligations.
- Used EPA's March 26 memo as guidance for policy development.
- EEC policy has been extended to August 31, 2020.

Conditions:

1. Regulated entities remain obligated to ensure compliance with requirements;
2. When compliance is not possible, notification should be made to the appropriate regulatory program; and
3. Documentation of noncompliance and actions to return to compliance must be submitted to agency and maintained onsite.



**APPLICATION FOR TEMPORARY COVID-19 REGULATORY FLEXIBILITY**

Kentucky Energy & Environment Cabinet
Department for Environmental Protection

FOR AGENCY USE ONLY**Date Received****FACILITY INFORMATION**

Facility Name		Permit/Authorization No.		Agency Interest No.	
Facility Address		City	State	Zip	
Facility Contact First Name	Facility Contact Last Name	Telephone Number		Email Address	
Contact Mailing Address (if different from above)		City	State	Zip	

REASON FOR REQUEST

In the space provided below (or on additional sheets attached to and submitted with this form), explain the reason(s) for your request for temporary COVID-19 regulatory flexibility. Include at least the following information: (1) the statute, regulation, permit condition, or other regulatory requirement not complied with; (2) the specific nature of the noncompliance; (3) the start and end dates of the relief period requested; (4) how COVID-19 was the cause of the noncompliance, including any actions taken to avoid noncompliance and to return to compliance by earliest date practicable; and (5) actions taken (or that will be taken) during the relief period to minimize any negative impacts on public health and the environment from any noncompliance. **Attach all available documentation supporting the statements made in your responses to items (1) through (5) above.**

SIGNATURE**RETURN COMPLETED APPLICATION TO:**

Email:
EECCovidRequest@ky.gov

Mail:
Kentucky Department for
Environmental Protection
Attn: John Lyons
300 Sower Blvd.
Frankfort, KY 40601

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Printed Name	Title
Signature	Date

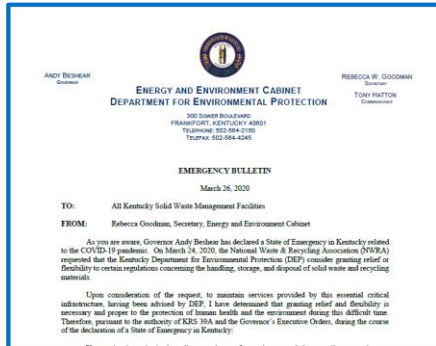
(Attach additional pages if needed)

Documentation:

1. The specific regulatory or permit requirement not complied with;
2. A concise statement describing how the COVID emergency prevents compliance;
3. The duration of time that the noncompliance has persisted or will persist; and
4. The measures take to mitigate any negative impacts on public health and the environment from any noncompliance.



EEC COVID-19 Requests for Temporary Regulatory Flexibility



Program

Waivers/Extensions: 7



**Regulatory Flexibility
Requests:
73**



**COVID-19 Regulatory Flexibility
Committee**



Pending Legal Actions



Inspections & Investigations

EEC COVID-19 Request Resources

EEC Covid-19 webpage:

<https://eec.ky.gov/newsroom/Pages/Kentucky-EEC-COVID19.aspx>

EEC Covid-19 Regulatory Flexibility Request Application:

[https://eec.ky.gov/Environmental-Protection/Documents/KY%20DEP%20Covid-19 Request Form.pdf](https://eec.ky.gov/Environmental-Protection/Documents/KY%20DEP%20Covid-19%20Request%20Form.pdf)

Guidance Policy:

<https://eec.ky.gov/Environmental-Protection/Documents/DEP%20Covid%20Statement.pdf>

Requests Submitted To:

EECCovidRequest@ky.gov



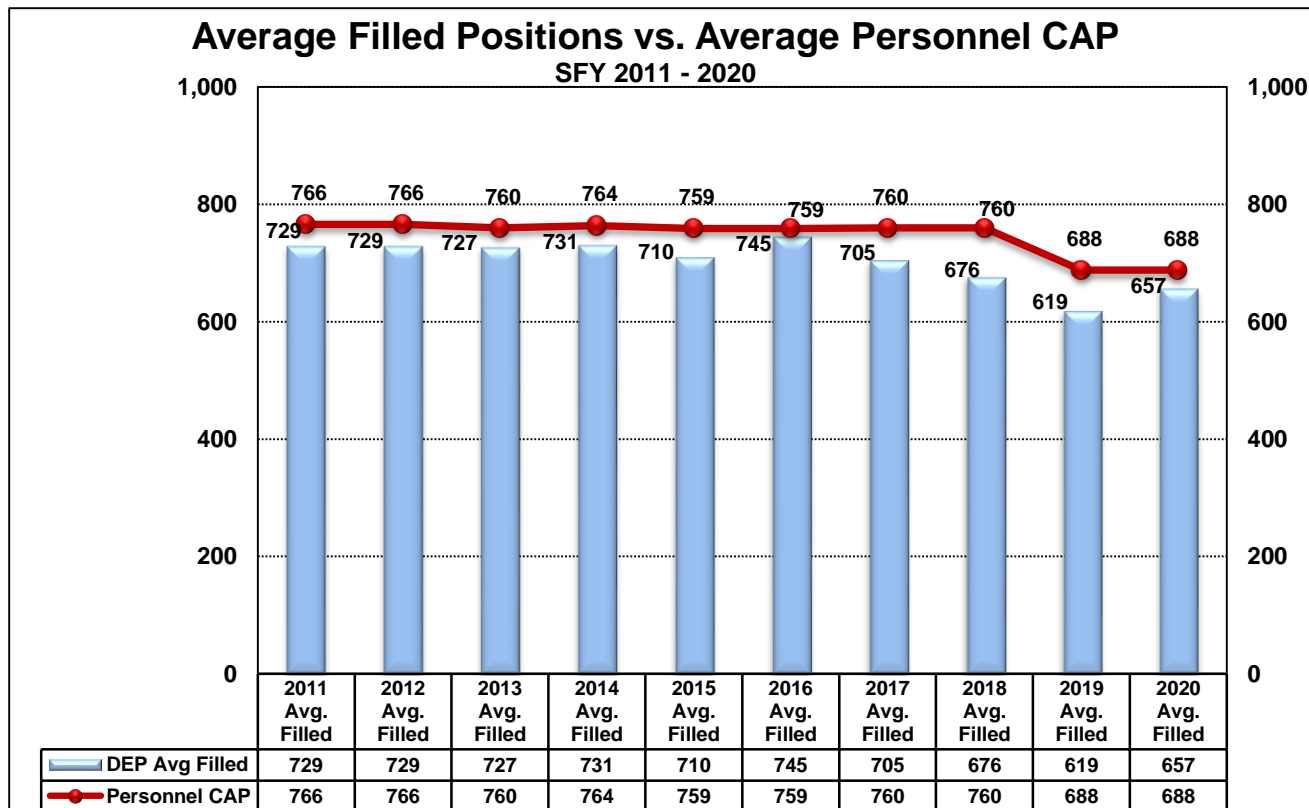
DEP Spending

DEP Fiscal Year 2020 Actual Expenditures by Fund Source					
	General	Road	Federal	Restricted	Total
Personnel (Salaries)	21,295,440.20	316,836.84	16,067,980.76	28,142,246.79	65,822,504.59
Other Personnel	1,555,563.82	890.00	3,769,990.05	3,303,617.79	8,630,061.66
Operating	2,374,868.51	3,173.16	2,316,163.14	15,912,646.91	20,606,851.72
Grants, Loans Benefits	9,400.00	-	3,332,043.77	12,652,739.72	15,994,183.49
Debt Service	849,000.00	-	-	-	849,000.00
Capital	-	-	554,809.80	6,952,963.74	7,507,773.54
Construction	-	-	-	1,814,628.50	1,814,628.50
Total DEP	26,084,272.53	320,900.00	26,040,987.52	68,778,843.45	121,225,003.50

DEP Fiscal Year 2021 Budgeted Expenditures by Fund Source					
	General	Road	Federal	Restricted	Total
Personnel (Salaries)	18,373,500	317,500	15,879,400	32,761,800	67,332,200
Other Personnel	2,184,300	-	3,928,100	3,959,400	10,071,800
Operating	2,359,700	3,400	2,438,900	16,743,400	21,545,400
Grants, Loans Benefits	9,600	-	4,318,200	13,350,400	17,678,200
Debt Service	140,000	-	-	-	140,000
Capital	-	-	143,100	3,144,100	3,287,200
Construction	-	-	-	1,500,000	1,500,000
Total DEP	23,067,100	320,900	26,707,700	71,459,100	121,554,800

DEP Staffing

- FY21 Staffing Levels For DEP expected to be consistent with FY20.



COVID FY20 Expenditures

FY20 – COVID

- Approximately \$22,600 spent on cleaning supplies and computer charges related to the COVID response
 - Doesn't reflect a full quarter of the year
 - Most of the PPE/supplies were from Emergency Mgt
 - Computer changes are behind 1-2 months
- Approximately \$93,000 in salaries was tied to assistance DEP provided to KY Emergency Management.
 - Working to get reimbursement for these charges

COVID FY21 Expenditures

FY21 – COVID

DEP expects increased costs related to:

- computers/IT (30K)
- janitorial services in 13 field offices (\$25K)
- cleaning supplies (100K)

Questions ???

THANKS

REBECCA GOODMAN
SECRETARY

TONY HATTON
COMMISSIONER

JOHN LYONS
DEPUTY COMMISSIONER

CORI TROUTMAN
ASSISTANT DIRECTOR

ENERGY & ENVIRONMENT CABINET

**DEPARTMENT FOR
ENVIRONMENTAL PROTECTION**

**DEPARTMENT FOR
ENVIRONMENTAL PROTECTION**

**OFFICE OF ADMINISTRATIVE
SERVICES**

REBECCA.GOODMAN@KY.GOV
502-782-7075

TONY.HATTON@KY.GOV
502-782-6648

JOHN.LYONS@KY.GOV
502-782-2592

CORI.TROUTMAN@KY.GOV
502-782-7014

