



State of Ohio Environmental Protection Agency

STREET ADDRESS:

Lazarus Government Center
50 W. Town St., Suite 700
Columbus, Ohio 43215

TELE: (614) 644-3020 FAX: (614) 644-3184
www.epa.state.oh.us

MAILING ADDRESS:

P.O. Box 1049
Columbus, OH 43216-1049

**Testimony of Chris Korleski
Director, Ohio EPA
before the
Regulatory Reform Task Force Committee
October 23, 2008**

Good afternoon Chairman Faber, Vice Chairman Zehringer and members of the Task Force. I am Chris Korleski, Director of Ohio EPA, and I thank you for the opportunity to testify today.

I have had the honor and pleasure of being director for almost 21 months. During this time, Ohio EPA has taken significant strides to improve our function as an effective and efficient regulatory agency. Indeed, as my staff well knows, I declared 2008 to be “the year of the permit.” I did this with two primary concerns in mind: first, the historical difficulty Ohio EPA has had in issuing 401 water quality certifications in a timely manner, and, second, my career-long concern with Ohio EPA’s ability to efficiently and promptly issue air source installation permits. As a result of these two very specific concerns, we undertook the following actions:

- Earlier this year, the Division of Air Pollution Control combined the air permit-to-install (PTI) and air permit-to-operate (PTO) into one permit known as the permit-to-install and operate (PTIO). This will significantly reduce duplicative and redundant work by both the applicant and the agency. This stream-lined permit for smaller air pollution sources will also reduce paperwork and costs for applicants.
- Within the Division of Surface Water, we analyzed the existing 401 water quality certification program (which deals with water quality, wetlands and antidegradation) and reorganized the program to better accommodate the high volume of applications being received by Ohio EPA. In particular, we created a small subsection to focus exclusively on applications submitted by the coal industry. I am happy to tell you that this reorganization has almost eliminated the backlog of overdue coal permits, and we are now better able to focus on more recent permit applications and take action on such permit applications in the mandated time frame or sooner. It is our hope that during the next budget cycle, additional staff resources can be reassigned to the 401 section to make similar inroads on pending non-coal projects.

Ted Strickland, Governor
Lee Fisher, Lieutenant Governor
Chris Korleski, Director

- The eBusiness center is a new online technology that will help Ohio EPA move toward more efficient reporting and application submission via our eBusiness network. Currently, *Stars2* in the Division of Air Pollution Control is replacing antiquated technology and will make it easier for businesses to prepare and submit data (including permit applications) to Ohio EPA via the web. We are working closely with these businesses as they transition to this new system to address any questions or concerns they have. eDMR (electronic discharge monitoring report) in the Division of Surface Water is allowing national pollutant discharge elimination system (NPDES) permit holders to convert from the practice of submitting paper copies to being able to utilize electronic submissions. eDMR is also Web-based and will save businesses valuable time in preparing and submitting water discharge data. Indeed, many companies have already taken advantage of the system and are advising us of the benefits to their operations.
- One of our upcoming projects is the creation of a voluntary emission reduction credit banking program. In simple terms, we hope to create a transparent “bank” of emission reductions that take place at business operations within Ohio’s air non-attainment areas. Such identifiable reductions could be of considerable use to companies seeking to locate or expand their operations in non-attainment areas. The rules creating this voluntary program have been heavily vetted by Ohio industries, and we hope to implement this program in the near future.
- In the fall of 2007, we introduced the Tox-minus program for businesses in Ohio. Tox-minus is a voluntary chemical reduction program that focuses on 100 of Ohio’s top toxic chemical emitters. Facilities currently participating include some of Ohio’s largest manufacturers and a broad range of industries, including auto manufacturers, steel plants and utilities. Ohio EPA has spoken with a number of trade associations and industry groups about the Tox-minus initiative, and has received positive feedback, particularly on the flexible and voluntary nature of the initiative. Tox-minus is overseen by the Office of Compliance Assistance and Pollution Prevention (OCAPP).

(OCAPP is a non-regulatory office within Ohio EPA with a goal of helping businesses achieve compliance and identify pollution prevention strategies. It is my hope to more strategically utilize OCAPP in 2009 with a concentrated and expanded small business outreach program.)

While undertaking these programmatic improvements, Ohio EPA has also worked exceedingly hard and has issued numerous environmentally protective air, water, and wetland permits for large, new, and high profile manufacturing projects – projects which we hope will help achieve Governor Strickland’s goal of restoring Ohio’s status as an innovative manufacturing leader. As you may know, these projects include a proposed integrated steel production facility and a coal liquification facility, both of which would be located in southern Ohio. And, I am happy to say, I think both the businesses involved and my staff consider these two permitting projects to be models of cooperation and communication, models which we hope to follow on other upcoming permitting projects, both large and small.

In the often polarized world in which Ohio EPA operates, it is important to strike a balance between environmental protection and economic development. I strive each and every day to find and maintain this balance while implementing the federal and state laws and rules which resulted in the environmental improvements we have made as a state in the last thirty-plus years.

In conclusion, regulation should be judicious, temperate, fair, reasonable, and meaningful. Under my direction, Ohio EPA will continue to look for ways to improve the efficiency and effectiveness of our regulatory functions, while at the same time keeping our focus on our mandated mission of protecting the environment and public health.

Thank you for the opportunity to testify and I am happy to answer any questions you may have.