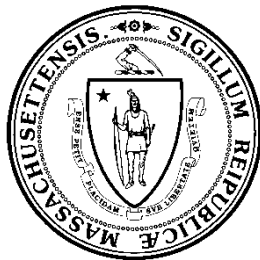


Annual Report on Timely Action, Fees and Program Improvements

Fiscal Year 2015



Commonwealth of Massachusetts

Charles D. Baker
Governor

Karyn E. Polito
Lieutenant Governor

Executive Office of Energy and Environmental Affairs

Matthew A. Beaton
Secretary

Department of Environmental Protection

Martin Suuberg
Commissioner

Introduction

The Massachusetts Department of Environmental Protection (MassDEP), an agency within the Executive Office of Energy and Environmental Affairs (EEA), is responsible for the protection of human health, safety and the environment for the Commonwealth's citizens by ensuring that they have clean air and water; the safe management and disposal of solid and hazardous wastes; the cleanup of hazardous waste sites and spills; and, the preservation of wetlands and coastal resources.

MassDEP's permitting and annual compliance fee program was established in 1990 with the passage of M.G.L. c.21A Section 18 and 310 CMR 4.00, the Department's Timely Action Schedule and Fee Provisions. In return for the payment of fees to support its environmental programs, MassDEP sets specific schedules for permit review supported by a money back guarantee if MassDEP fails to perform. The purpose of this statute and these regulations is to provide for the orderly and efficient administration of the regulatory programs administered by the Department.

The Legislature directed MassDEP to report annually on its permitting and compliance performance and to provide a summary of the significant improvements the Department has made in these areas. This report is provided in response to that requirement.

Please visit our website at www.mass.gov/DEP for more information about these accomplishments and MassDEP's environmental programs.

By the Numbers: MassDEP Permitting, Compliance and Enforcement in FY 2015*

PIMS Timely Action Permit Application Fees and Activity**

| | FY 2014 | FY 2015 |
|----------------------------------|---------------|----------------|
| Applications received | 2,329 | 2,107 |
| Total revenue | \$1.5 million | \$1.35 million |
| Final determinations issued | 2,106 | 2,074 |
| Refunds for missed timelines | 7 | 3 |
| Dollar value of timeline refunds | \$13,855 | \$910 |

PIMS Timely Action Permit Application Final Determinations***

| | Applications Completed | Approved | Denied | Withdrawn |
|-----------------------------|------------------------|--------------|----------|------------|
| Air Quality | 110 | 95 | 0 | 15 |
| Waste Site Cleanup | 77 | 75 | 0 | 2 |
| Hazardous Waste | 151 | 151 | 0 | 0 |
| Industrial Waste Water | 11 | 10 | 0 | 1 |
| Lab Certifications | 23 | 20 | 0 | 3 |
| Solid Waste | 192 | 176 | 2 | 14 |
| Watershed Management | 375 | 356 | 1 | 18 |
| Water Pollution Control | 250 | 226 | 2 | 22 |
| Water Supply | 565 | 557 | 1 | 7 |
| Wetlands & Waterways | 276 | 264 | 2 | 10 |
| Total – All Programs | 2,074 | 1,960 | 8 | 106 |

Timely Action Fees Collected Under 310 CMR 4.00

| | FY 2014 | FY 2015 |
|--|-----------------------|-----------------------|
| Annual Compliance Fees | \$10.2 million | \$10.5 million |
| Chapter 21E Annual Compliance Fees | \$3.5 million | \$3.8 million |
| All Permit Application Fees | \$2.2 million | \$2.5 million |
| Wetlands Notices of Intent | \$1.3 million | \$1.4 million |
| Total Timely Action Fees Collected: | \$17.2 million | \$18.2 million |

Special Projects Permitting and Oversight Fund

For certain permit applications that need specialized attention or action due to project size, complexity, or technical difficulty, or where proposed projects serve significant public interests and offer opportunities to restore, protect, conserve, or enhance natural resources, an alternative timeline and fee structure may be required. Pursuant to Section 40 of Chapter 149 of the Acts of 2004, revenue derived from these projects is deposited into the Special Projects Permitting and Oversight Fund. During Fiscal Year 2015, the following active projects met these criteria:

| Project Name | Total FY15 Costs Incurred | Total Project Costs Incurred | Receipts to Date 8-12-15 | Permit Code | FY 15 Permit Volume |
|-------------------------------------|------------------------------------|---------------------------------------|--------------------------------|----------------|---------------------------|
| Total: | \$80,270 | \$187,438 | \$327,932 | | 3 |
| Bondi's Island Landfill | \$2,790 | \$30,918 | \$40,600 | SW08 SW10 | 1 1 |
| Zecco Inc | \$392 | \$31,592 | \$48,022 | | |
| St. Gobian Facilities Upgrade | \$39,141 | \$67,616 | \$94,316 | | |
| Gloucester Gas Light Remediation | \$13,819 | \$13,819 | \$12,480 | WW01B | 1 |
| Tradebe Stoughton HW Lic | \$7,305 | \$16,526 | \$47,014 | | |
| Solutia, Inc HE Lic Renewal | \$10,988 | \$21,132 | \$59,000 | | |
| SafetyKleen Marlboro HW Lic Renewal | \$5,835 | \$5,835 | \$26,500 | | |

Compliance and Enforcement Activity

| | FY 2014 | FY 2015 |
|-----------------------------|----------------|----------------|
| Compliance Inspections | 6,489 | 5,636 |
| Lower Level Enforcement | 2,945 | 1,915 |
| Higher Level Enforcement | 646 | 545 |
| MassDEP Penalties Assessed | \$1.99 million | \$2.71 million |
| MassDEP Penalties Collected | \$1.41 Million | \$1.93 million |

* Permitting, compliance, and enforcement counts and dollar amounts for prior fiscal years may vary from figures previously reported due to post-report data reconciliation.

** PIMS Timely Action Permit Application volumes are only for those permit categories tracked in MassDEP's Permit Information Management System (PIMS) and does not include certain categories such as Asbestos/demolition notifications which are tracked separately.

***Final determinations include only applications that were approved, denied or withdrawn during the fiscal year and may not reconcile with the total number of applications received because some reviews begin in one fiscal year and conclude in the next.

During Fiscal Year 2015 with help from the Governor, private business interests, environmental organizations, citizens and legislators, MassDEP continued to make progress in protecting the Commonwealth's environment and the health of those who live and work in Massachusetts. The agency's focus on permitting activities continued to meet overall performance goals.

Timely Action on Permit Review and Appeal Resolution

The agency continued to return timely decisions on more than 98% of permit applications received under the Department's timely action-money back guarantee provisions. In addition, MassDEP's overall performance goal of issuing all permitting decisions within 180 days of application filing was met in 97.7 % of all permitting decisions.

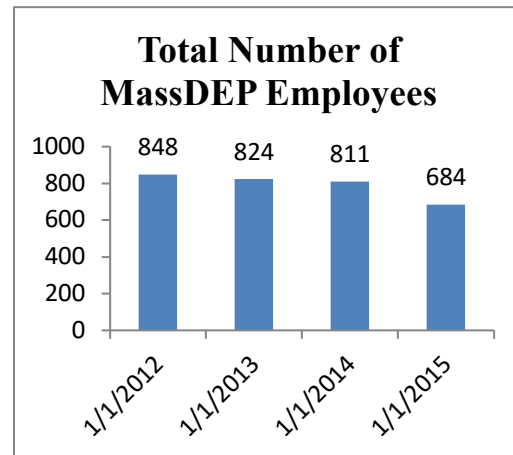
MassDEP has also continued to resolve appeals through its Office of Appeals and Dispute Resolution, meeting its goal of resolving wetlands permit appeals within 6 months in 76% of the cases closed this year. That metric improved to 84% of wetlands appeals when considering cases resolved within seven months of filing.

Budget and Spending Priorities

MassDEP's budget priority is effective implementation of its core mission to protect public health and the environment. Every fiscal year, the Department must determine the best allocation of available resources among its many programs in order to satisfy this core mission. At the same time, MassDEP operates in a fast-paced world dominated by rapidly, ever improving information and technologies. This environment demands constant innovation in program structures, processes and equipment as well as continuous education and training. When implementing its annual budget, the Department strives for the balanced allocation of limited resources between the core mission and innovation. The ultimate goal is always implementation of cutting edge programs and process coupled with efficient service delivery that maximize environmental and public health benefits for the citizens of the Commonwealth.

This year, the Early Retirement Incentive Program resulted in 109 staff members choosing to retire at the end of the Fiscal Year. The combination of this unique

wave of retirements and other staff departures has resulted in a combined 16% reduction in personnel over the course of the Fiscal Year.



Anticipating the effect of staff losses, MassDEP has been adapting to the new reality of fewer employees to accomplish the agency's mission. Staffing decisions will continue to require careful attention in Fiscal Year 2016.

Accomplishments and Priorities

Key accomplishments were achieved during Fiscal Year 2015 associated with the following key initiatives:

- Enhancing our municipal partnerships, and improving stakeholder engagement.
- Regulatory evaluation and streamlining: Final promulgation of regulatory reforms and launch of regulatory evaluation under Executive Order #562.
- Transforming our environmental information technology systems.
- Advancing clean energy and reducing greenhouse gas emissions.
- Innovating organic management.
- Protecting aquatic ecosystems.
- Cleaning up oil and hazardous waste spills.
- Brownfields redevelopment.
- Improving compliance with environmental requirements.

Summaries of these initiatives are provided below.

Municipal Assistance and Stakeholder Engagement

The Office of Municipal Partnerships and

Governmental Affairs was created to serve as a visible point-of-contact for municipalities, local officials, legislators and other governmental agencies. The Office coordinates cross-agency efforts to provide up-to-date and effective outreach and user-friendly assistance - both online and via traditional formats - to a range of groups that do business with MassDEP or rely on it for information. The Office will strengthen the agency's partnerships with cities and towns and promote increased understanding about the agency's programs that protect the environment and the public health. In its first year, the Office has improved outreach materials and made web site changes to make the agency more accessible and transparent. The new website can be found at:

<http://www.mass.gov/eea/agencies/massdep/service/ompga/>

The Office of Permit and Regulatory Ombudsman & Special Projects brings resources to bear on permitting, regulations and management of special projects across the Department to improve efficiency and streamline processes involved in these efforts. The Office leads business process reengineering efforts to streamline Department work as well as develop the foundations for future information technology platforms. Efficiency efforts have focused on reviewing regulations and associated guidance and execution for consistency. This promotes regulatory clarity, reducing application deficiencies and time-consuming follow-up.

The Office also provides assistance in navigating MassDEP permitting processes or expediting a decision that is business-critical. Ever mindful of the role it plays in promoting smart and sustainable growth across Massachusetts, MassDEP strives to issue permits at "the speed of business," and was the first agency to offer applicants the guarantee of a timely decision or their money back, nearly two decades ago. In most cases, the MassDEP Regional Offices are the best and most efficient places to start learning about needed environmental permits and making personal connections

with the people who will be issuing them. Through pre-application meetings with regional office staff, projects can benefit by developing a mutual understanding of the permitting process for a specific proposal. Proponents may discover small changes to project proposals that will improve the project, smooth the permitting process, and even eliminate the need for some permits entirely.

The agency opened its Office of Permit and Regulatory Ombudsman & Special Projects to provide similar assistance to large, complex, or cutting-edge facilities or projects that will require permitting coordination among various local, state and federal agencies, or across multiple MassDEP regions. The Office can also facilitate the use of **Fast Track Permitting** to accelerate project review. If questions or concerns arise about MassDEP permitting procedures, timelines or outcomes, the Office can also provide an impartial ombudsman to address them. Contact the Office by email at:

MassDEP.PermittAssistance@massmail.state.ma.us

Local Water Infrastructure Investment. The Massachusetts Clean Water Trust (the Trust), in partnership with MassDEP, provides cities and towns of the Commonwealth with low-interest-rate loans for water infrastructure projects. MassDEP manages project development and approval through its State Revolving Fund program for Clean Water and Drinking Water projects, while the Trust manages the flow of money to the communities. In Fiscal Year 2015, the Trust and the State Revolving Funds provided a total of \$327.5 million in financing commitments for 65 projects that will ensure clean drinking water and effective wastewater treatment. This Fiscal Year:

- *The Clean Water Fund provided commitments of more than \$246.2 million of project financing for 40 projects to create an estimated 1,477 construction and engineering jobs.*
- *The Drinking Water Fund provided commitments of \$81 million of project financing for 25 projects to create an estimated 486 construction and engineering jobs.*

Regulatory Review: A Clearer Code

Since Governor Baker signed Executive Order #562 on March 31, 2015, MassDEP has been conducting a

comprehensive review of its regulations. The Order directs all agencies to review their regulations to ensure a clear need and purpose for the rules and that they are written concisely in plain and understandable language. The required analysis also must evaluate the cost of the regulation, considered with its benefits, alternative regulatory approaches, potential duplication and stringency in comparison to federal requirements, and whether the rules unduly and adversely affect the public or the competitive environment in Massachusetts. MassDEP's preliminary review identified 10 regulatory sections that it recommended rescinding and 18 regulatory provisions that it recommended amending. This regulatory evaluation will continue into Fiscal Year 2016. Our website highlights the MassDEP workplan and details on specific changes that are contemplated. The usual public involvement opportunities for commenting on proposed regulatory changes will be followed as the changes move towards promulgation.

Transforming Environmental Information Technology

In 2011, MassDEP began to evaluate its ability to continue to implement its core activities and perform its regulatory oversight activities given staff losses and an increasing workload. In Fiscal Year 2015, MassDEP continued to focus on these same objectives, with the goal of harnessing efficiencies and realizing opportunities through information technology improvements. Given the current pace of technological advances and increasing capacity, MassDEP's information technology ("IT") systems are outdated, inadequate and difficult to maintain. Updating these systems provides opportunities to improve efficiency and increase our ability to provide environmental information and services to the public. Improving the agency's systems has involved focused input from external stakeholders as well as Secretariat leadership and agency personnel.

This Fiscal Year MassDEP moved closer to implementing our IT transformation known as the Energy and Environmental Information and Public Access System (or EIPAS) as part of a Secretariat-wide initiative by beginning to implement the initial phases of a multi-year project. A comprehensive data-standards initiative has been completed to prepare for the work ahead. This initiative established standard definitions of

key data terms or elements and is a critical first step for MassDEP to ensure it can share information effectively in the future. MassDEP also continued to work on standardizing and aligning agency work practices across programs and locations prior to beginning EIPAS system development. This "Agency Process Optimization" work will help the agency maximize the benefits from the new EIPAS system and shorten system development time through the implementation of standardized, repeatable workflows.

The EIPAS project has identified permitting, a regulated entity portal and online portal as key implementation areas to be addressed early in the project. When fully implemented, EIPAS will replace many of the isolated and complex information technology systems currently in use and ease information collection, transfer and linkage. With EIPAS fully implemented, MassDEP, its constituents and partners will see:

- Reduced uncertainty and time to businesses for permitting;
- Improved stewardship of the Commonwealth's environmental resources through faster violation identification, increased compliance rates and decreased time to compliance through utilization of rules-based processing;
- MassDEP staff time more effectively utilized by using technology;
- Increased transparency, enhanced access to environmental data and civic engagement through online portals;
- Enhanced collaborations with other agencies and municipalities through information-sharing opportunities; and
- Improved revenue collections.

The technological transformation will boost performance, and also serve as a nation-leading example of using technology to protect the environment, and engage the public in our work.

Advancing Clean Energy and Reducing Greenhouse Gas Emissions

Massachusetts continues to lead in the area of Greenhouse Gas emission reductions, addressing climate

change impacts and preparedness through collaborative efforts with other state agencies, innovative reporting programs and membership in the Regional Greenhouse Gas Initiative (RGGI).

Implementing Groundbreaking Climate Legislation.

MassDEP, along with the Massachusetts Executive Office of Energy & Environmental Affairs (EEA) and the Department of Energy Resources (DOER), continues to implement the Massachusetts Global Warming Solutions and the Green Communities Acts. Some of our activities included:

- Implementing a mandatory greenhouse gas (GHG) reporting program;
- Moving towards the 2020 GHG reduction target of 25% below 1990 emission levels; and
- Participating in the statewide stakeholder Advisory Committee and updating our effort to reach the 2020 reduction goal of 25%.

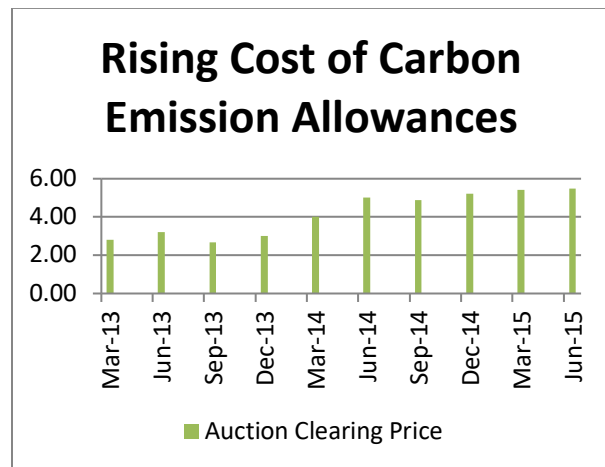
Participating in the Regional Greenhouse Gas Initiative (RGGI). This cooperative effort by nine Northeast and Mid-Atlantic states is designed to reduce emissions of carbon dioxide through a market-based, multi-state cap-and-trade program. Following a reduction in the carbon cap of 45% in 2014, the RGGI states will continue to lower the cap 2.5% per year from 2015-2020. Each year the nine states cooperate in auctioning emissions allowances and investing the proceeds in energy efficiency, renewable energy and other clean energy programs. The greenhouse gas reduction efforts in RGGI are working for Massachusetts’ residents and businesses, and we continue to support this important program.

RGGI Auction Proceeds Benefit Massachusetts: The four RGGI auctions in Fiscal Year 2015 raised a total of \$60,702,919 for Massachusetts.

| Auctions FY2015 | in | Price / Ton of CO2 Emissions | Mass. Proceeds |
|-----------------|----|------------------------------|---------------------|
| Auction 28 | | \$5.50 | \$14,529,306 |
| June 2015 | | | |
| Auction 29 | | \$5.41 | \$14,291,554 |
| March 2015 | | | |
| Auction 30 | | \$5.21 | \$16,462,391 |
| December 2014 | | | |
| Auction 31 | | \$4.88 | \$15,419,668 |
| September 2014 | | | |
| TOTAL | | | \$60,702,919 |

Based on the Green Communities Act of 2008, the Department of Energy Resources (DOER) has directed the vast majority of the Commonwealth’s RGGI proceeds into the state’s nation-leading energy efficiency programs delivered statewide by the state’s utilities and energy efficiency service providers through Mass Save®, and the Green Communities Designation and Grant Program for cities and towns. These programs and initiatives are fueling a cleaner energy future for the Commonwealth.

RGGI has proved to be excellent model of a functional regional carbon trading market for EPA’s Clean Power Plan, released in August 2015.



Greenhouse gas emissions from the power sector in Massachusetts have dropped by more than 40% since 2008, driven in part by the market valuation for tradable carbon emissions within the RGGI program.

Innovating Organics Management

MassDEP's Solid Waste Master Plan that seeks to significantly reduce waste generation and increase materials recycling and reuse. The major focus during Fiscal Year 2015 was the nation-leading implementation of the food waste and organics ban, which took effect on October 1, 2014. MassDEP worked with regulated entities to ensure a smooth transition and will continue to provide compliance assistance in order to achieve significant diversion rates. These activities will result in much of the food waste and organic materials that make up to 25 percent of the waste stream today being pulled out of the stream headed to landfills or incinerators. Instead these materials will be composted or sent to an anaerobic digestion facility where they can be turned into a renewable energy source, or turned into other products. These efforts provide a win-win-win-win: lower waste disposal costs; decreased methane emissions from landfills; new renewable energy capacity; and creation of other recycled products. In addition, new businesses and jobs will start and expand to support management and reuse of organic materials.

Protecting Aquatic Ecosystems

MassDEP continues to monitor and implement its water-based permitting programs to protect our water resources and improve water quality. A few examples of the agency's water focused programmatic efforts are highlighted below.

Protecting Critical Wetland Functions and Improving Ecosystem Services. Wetlands resources are critical contributors to the quality of life in Massachusetts. Every year, MassDEP and our local Conservation Commission partners review thousands of applications from developers, homeowners, and other parties who want to conduct work in or near wetlands. The permitting activities ensure that work in these wetland areas does not impair the continuing functions or benefits that these natural systems provide.

During this Fiscal Year, work started with an Advisory Group of Wetlands experts to explore and develop new regulatory standards for Land Subject to Coastal Storm Flowage. The rules will be designed to preserve the specific wetland functions of these areas, which are of particular importance to mitigating the impacts of climate change: storm damage prevention responsive to increasing storm severity and flood control and storage capacity responsive to increased volume and frequency of flooding. With standards in place the ecosystem services provided in these areas can be more consistently protected.

Addressing Nitrogen: Watershed Based

Reductions Nitrogen pollution is a critical issue in the bays and estuaries of southeastern Massachusetts, Cape Cod and the Islands. MassDEP has committed substantial resources over the past few years to develop a solid scientific understanding of the causes of the problem and develop Total Maximum Daily Loads (TMDLs), which can be used to develop plans for achieving needed nitrogen load reductions. In Fiscal Year 2015 EPA approved 31 TMDLs developed by MassDEP, 11 of which effectively created Nitrogen "budgets" for watersheds in Southeastern Massachusetts. Using the targets in these TMDLs, local, state and regional planning efforts can focus on how to best achieve the Nitrogen reductions needed, which are critical to restoring and protecting our coastal waterways.

In the coming year, MassDEP will continue partnering with the communities, EPA, and other interested stakeholders to find and implement cost-effective solutions and achieve Nitrogen load reductions.

Supporting the Cape Cod Regional Water Quality (Section 208) Plan. The Certification of the Cape Cod Regional Water Quality Plan Update by Governor Baker in June of 2015 was the beginning of the implementation phase for this Plan, the purpose of which is to address serious water quality impairments. Developed by the Cape Cod Commission with state support over the course of Fiscal Year 2105, the Plan was the subject of an extensive outreach effort to engage and increase local interest in moving toward sustainable and long term water quality improvements. Approved by EPA in

September 2015, MassDEP is committed to providing ongoing assistance to Cape Cod communities, and specifically to developing a watershed based permitting approach. Towns interested and ready to incorporate conventional and innovative technologies into Comprehensive Wastewater Management Plans and targeted watershed plans will benefit from MassDEP technical assistance. MassDEP will also work with the Massachusetts Clean Water Trust to update the State Revolving Fund Loan regulations in order to allow for principle forgiveness and additional subsidies for the Trust's water infrastructure loans.

Cleanup of Oil and Hazardous Waste Spills

The Bureau of Waste Site Cleanup within MassDEP is charged with ensuring immediate and effective responses to environmental emergencies, such as oil spills and chemical fires, as well as timely assessment and cleanup of hazardous waste sites by private parties responsible for them. In Fiscal Year 2015, MassDEP continued to oversee the "Chapter 21E" program for the identification, assessment and cleanup of oil and hazardous material disposal sites under the Massachusetts Contingency Plan (MCP). The agency works to ensure that cleanups are protective of human health and the environment, natural resources affected by oil/hazardous material releases are restored, and to facilitate successful redevelopment of remediated properties.

This Fiscal Year MassDEP received notification of 1,259 new releases of oil or hazardous material, including 872 "sudden" releases requiring Immediate Response Actions – such as for conditions that pose an Imminent Hazard or leaking underground storage tanks. Over the course of the Fiscal Year, 1,144 sites were closed out (many sites include multiple distinct releases). Of these cleanups, 81% (928) were consistent with unrestricted use of the property, while 13% (153) achieved an outcome (Permanent Solution with Conditions) appropriate for specific future use of the property. A small percentage (6%) achieved a Temporary Solution, indicating that while exposures under current conditions are controlled, additional work is necessary to address potential future uses/activities at the site.

The program has focused over the last Fiscal Year on the implementation of streamlined regulations (promulgated in June, 2014) that allowed DEP to identify and expedite mitigation and cleanup measures at those sites that pose the greatest risk to human health or the environment. This work included preparation of significant revisions to program policies on nonaqueous phase liquids (NAPL), activity and use limitations (AULs) and the evaluation and mitigation of vapor intrusion pathways.

The Commonwealth's Environmental Justice Goals and Brownfields Development

Environmental Justice is based on the principle that all people have a right to be protected from environmental pollution and to live in and enjoy a clean and healthful environment. Environmental justice is the equal protection and meaningful involvement of all people with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies, and the equitable distribution of environmental benefits.

MassDEP began to implement the new Environmental Justice (EJ) Executive Order #552 in Fiscal Year 2015, which requires all Secretariats to take action by developing EJ strategies that promote positive impacts in EJ communities. Following the issuance of the Executive Order, MassDEP actively participated in listening sessions and worked to develop EJ strategies with the support of the Secretary.

The Department's Brownfield redevelopment efforts have been refocused during the year on Governor Baker's Urban Agenda, Lt. Governor Polito's Community Compact, MassDevelopment's Transformative Development Initiative, and our own Urban Compliance/Environmental Initiative. The agency continues to work with municipalities to reinvigorate urban sites across the Commonwealth and facilitate Brownfields redevelopment.

Improving Compliance; Fair Enforcement

MassDEP continues to place priority on maintaining compliance and enforcement activities. Ultimately, the credibility and effectiveness of any environmental program depends upon our success in ensuring compliance with our protective environmental standards. MassDEP employs a comprehensive Compliance

Assurance Strategy that promotes environmental compliance through compliance assessment activities, enforcement, technical assistance, and public education. MassDEP also conducts targeted enforcement in administrative, civil, and criminal forums, building strong cases against those that do not comply with applicable laws, and ensuring a level playing field for those that do. We are proud that Massachusetts' regulated community generally has high rates of compliance.

The following examples of compliance and enforcement efforts from this Fiscal Year addressed important environmental impacts in the areas of spill cleanup and brownfields redevelopment, solid waste dumping, wetlands fill and restoration, fraudulent motor vehicle inspections, and false claims of wastewater services provided for municipal sewer systems and treatment works.

Improper cleanup actions at contaminated site in Taunton: \$265,000 in penalties and fees assessed. (February 2015)

MassDEP with the assistance of the Attorney General's office obtained a Judgment by the Suffolk Superior Court against a New York City-based company for failure to adequately address historic releases of chlorinated solvents at the former Kent Silversmith plating facility. The court ordered payment of \$265,000 in penalties and fees by the Michael C. Fina Co. and required the company and its environmental contractor to perform assessment and cleanup at the site.

The complaint in the case alleged that the characterization of contaminants at the site was insufficient and that numerous applications of remedial additives into the soil and groundwater at the site were excessive, resulting in spreading solvent-contaminated groundwater and intrusion of solvent vapors into several nearby residences. Remedial additives are chemicals used to treat and remove contaminants in the groundwater. Additional violations at the renovation site included failure to have the asbestos-removal work area isolated with barriers, vents or doors, and putting asbestos-containing waste into improperly sealed bags that were not properly labeled.

Illegal Dumpers Caught with Candid Camera (March 2015).

Exposing the sources of illegal dumping is the goal of MassDEP's "Candid Camera Initiative," an effort launched in 2006 by MassDEP's Environmental Strike Force (ESF), in cooperation with local and state enforcement agencies. In this dumping incident, MassDEP worked with the Massachusetts Environmental Police, the Department of Conservation and Recreation (DCR) and the Middlesex District Attorney's office.

Two Revere residents face criminal charges stemming from flagrant illegal dumping and the shattering of large quantities of glass in the Melrose section of the Middlesex Fells Reservation, a heavily-travelled recreational area. The two were identified after being captured on surveillance cameras installed in public spaces to deter illegal dumping, and were indicted on charges of illegal dumping and receiving stolen goods. DCR Rangers with assistance from MassDEP's ESF installed surveillance cameras to address illegal dumping in the Middlesex Fells Reservation. In July and August 2014 the cameras captured clear images of the defendants pulling in to the public park in a pickup truck, dumping glass panes, smashing the windows and quickly leaving the area.

Over the last ten years, ESF's Candid Camera Initiative has identified more than 100 illegal dumpers across the Commonwealth, many of whom were subsequently fined and, in many cases, brought back to clean up their mess.

Contractors Penalized \$46,150 Each for Asbestos Violations (April 2015)

MassDEP penalized two asbestos-abatement contractors \$46,150 each for violations found during a routine inspection of a work site at 64 Cambridge Street in Burlington. All State Abatement Professionals of Plaistow, N.H. and Cruz Abatement and Contracting Services of Lawrence contracted to perform asbestos abatement work at this commercial site. MassDEP found during a December 9, 2014 inspection that pipe-wrap

asbestos-containing material had been removed with glove bags that did not have air-tight seals. Failure to adequately wet the asbestos material prior to removal in this manner causes releases of airborne asbestos fibers, which pose a health risk. Asbestos is known to cause asbestosis and various forms of cancer.

Criminal Conspiracy and Counterfeiting motor vehicle inspection stickers: Commonwealth v. Sostre

MassDEP's ESF continued to partner with Registry of Motor Vehicles and the Attorney General's Office this Fiscal Year to investigate allegations of fraudulent emission stickers being affixed to vehicles by corrupt inspectors and/or station owners. Following indictments brought in September of 2014 against Jose Sostre and his son Tommy Sostre, Jose Sostre pleaded guilty in Suffolk Superior Court to criminal charges of Counterfeiting Motor Vehicle Inspection Stickers and Conspiracy. Mr. Sostre was sentenced to one year in the House of Correction, 90 days to serve followed by a three-year probationary period.

The state's motor vehicle inspection program, a joint program with MassDEP and the Registry of Motor Vehicles, requires yearly safety tests for all motor vehicles. Several years ago, the MassDEP Strike Force investigators worked with staff in MassDEP's Inspection and Maintenance Program to analyze suspicious data. As a result, scores of enforcement cases have been brought against persons that created fake "passing" inspection stickers for vehicles that actually failed emissions testing.

Brownfields Redevelopment Covenants (June 2015)

Three Brownfields Agreements were executed that paved the way for new municipal buildings in Walpole, a solar power facility in Great Barrington, and the redevelopment and reuse of a vacant parcel of property in Sutton. These agreements, called Brownfields Covenants Not to Sue, facilitate the cleanup and redevelopment of contaminated properties, and play a key role in helping communities revitalize local economies. MassDEP partners with the Attorney General's office in this initiative that allows cleanup activities to move forward and transform contaminated and abandoned properties into sites with productive new

uses. The initiative unites environmental cleanup and economic development to the benefit of our communities and the environment.

➤ **Agreement with the Town of Walpole**

The agreement reached with the Town of Walpole will support the redevelopment of a 26-acre parcel of property located on the Blackburn and Union Superfund site. The site, heavily contaminated with asbestos, lead, arsenic and nickel from manufacturing that occurred there over a 200-year period, will be redeveloped into a new senior center, police station and parking facilities to support the municipal offices.

➤ **Agreement with Rising Paper, LLC in Great Barrington**

The agreement with Rising Paper Land, LLC led to the company taking ownership of a 67-acre property that was the site of a paper mill from 1852 until 2007, where it will develop a 12-acre, 2.5-megawatt solar photovoltaic facility. Rising Paper agreed to place a 45-acre conservation restriction with public access on the property, which will preserve open space along the Housatonic River for the community in exchange for liability protection for natural resource damages. The new solar facility will produce enough clean energy to power the electrical needs of a local school district and the Town of Great Barrington's municipal buildings. The project will also preserve wetlands and riverfront buffers on the site, and provide for public access.

➤ **Agreement with New Covenant Partners IV, LLC in Sutton**

The Agreement with New Covenant Partners IV, LLC paved the way for it to take ownership of a vacant building and the two-acre parcel of property that is the former site of Master Metals Industries, a small-scale pewter and solder smelting facility in Sutton. Releases of lead, arsenic, chromium, cadmium, zinc and other hazardous materials occurred on site, contaminating both soil and groundwater. Under the agreement, New Covenant will clean up the property and tear down a portion of the existing vacant building on the site, make improvements to the remaining part of the building, and pave over a section of the property. New Covenant will

enter into a long-term lease with a company that sells, distributes, and installs products and consulting services for outdoor athletic fields. The new project will create six new jobs at the currently vacant site.

Environmental Services Company to Pay Over \$650,000 to Settle Alleged Violations Under False Claims and Clean Water Acts (December 2014)

A Canton-based environmental services company agreed to pay more than \$650,000 to resolve a lawsuit alleging it submitted false bills and records on multiple public contracts for sewer, storage tank and catch basin cleaning, maintenance and repair, and illegally discharged sewage and wastewater. MassDEP partnered with Attorney General Martha Coakley in bringing the suit.

The complaint alleged that National Water Main Cleaning Co. (NWMC) violated the Massachusetts False Claims Act in connection with contracts it held with Waltham, Framingham and the Boston Water and Sewer Commission (BWSC). The complaint also alleged that NWMC violated the Massachusetts Clean Waters Act by discharging sewage and wastewater into the waters of the Commonwealth without a valid permit.

Under the terms of the settlement, NWMC will pay \$405,000 to resolve the allegations it violated the state's False Claims Act and \$250,000 in civil penalties to resolve allegations it violated the Massachusetts Clean Waters Act, of which \$75,000 will be paid to the Massachusetts Natural Resource Damages Trust.

Company Penalized \$32,500 for Wetlands Protection Act Violations in Bridge Reconstruction Project. Must Restore Salt Marsh and Vegetated Wetlands Area (March 2015)

MassDEP penalized an Illinois-based firm, Walsh Construction, \$32,500 for wetlands and water quality violations found during the reconstruction of the Whittier Bridge in Amesbury. The company was selected and retained as the contractor for the project by the Massachusetts Department of Transportation (MassDOT). MassDEP inspected the site and found that

Walsh employees had filled salt marsh and bordering vegetated wetlands (BVW) without authorization.

As a result of the violations, Walsh was immediately ordered to remove 194 cubic yards of dredge material from the resource areas. Subsequently, MassDEP determined Walsh had also filled and altered approximately 1,800 square feet of BVW and approximately 525 square feet of salt marsh without a permit. Walsh was ordered to submit a restoration plan for the impacted resource areas for approval, and complete the work in 2015. Walsh will then monitor and maintain the viability of the restoration work for three growing seasons. MassDEP agreed to suspend \$17,000 of the penalty provided the company complies with the settlement.

Looking Ahead: Agency Priorities for Fiscal Year 2016

Information Technology Transformation

Continuing to build and implement the major Information Technology redesign and upgrade known as the “Energy and Environmental Information and Public Access System” (EIPAS). Embark on the first full year of system construction and design work for the multi-year, secretariat wide redesign.

Strategic Staffing Adjustments and Fostering an Innovative Work Environment

Reevaluate staffing needs after the Early Retirement Incentive Program wave of retirements, effective June 30, 2015, and engage in strategic hiring and personnel planning processes to support critical agency functions, and implement associated business process improvements where appropriate. MassDEP will strive to maintain a workplace responsive to and representative of our citizenry, where innovative, collaborative and excellent work is accomplished.

Improve Stakeholder Engagement and Municipal Assistance

Strengthen the state’s bonds with Municipalities and advance municipal support services through MassDEP’s new Office of Municipal Partnerships and Governmental Affairs and the Office of Permit and Regulatory Ombudsman and Special Projects. These offices will strengthen partnerships with cities and towns, support local environmental protection programs and stakeholder involvement, and promote increased understanding of the agency's programs that protect the environment and the public health. Particular focus will be provided in the areas of Stormwater Management and Municipal preparedness and resiliency.

Regulatory Evaluation

In coordination with EEA, perform an evaluation of MassDEP’s regulations under Governor Baker’s Executive Order #562. All of the agencies of the Commonwealth, including the energy and environmental agencies, are undertaking a thorough evaluation of their respective regulations for associated benefits, costs, impacts on cities and towns, businesses, the competitive environment in Massachusetts. An open and transparent

outreach effort is also underway to encourage public input in the regulatory evaluation process.

Greenhouse Gas Emission Reductions and Climate Action

Clean Energy and Climate Protection: Collaborate with the federal government to implement the Clean Power Plan. The agency will ensure that the Commonwealth satisfies the new federal requirements while meeting commitments under the state Global Warming Solutions Act and the Regional Greenhouse Gas Initiative. Continuing to implement the Clean Energy Results Program (CERP) will also support state climate goals by encouraging and facilitating additional clean energy generation capacity (including siting of pilot anaerobic digester facilities on state lands; supporting energy management programs for wastewater and drinking water treatment plants).

Planning for Watershed-Based Permitting and Nitrogen Load Reductions

Addressing Nitrogen pollution will be a transformative issue in the bays and estuaries of southeastern Massachusetts and Cape Cod for years to come. This year, MassDEP will continue partnering with the communities, EPA, and other interested stakeholders to find and implement cost-effective solutions and achieve Nitrogen load reductions using approved Total Maximum Daily Load reduction targets. The agency will also support municipal development of Comprehensive Wastewater Management Plans and focus on creating a new watershed-based permitting framework to more effectively achieve needed load reductions.

Stormwater Management

U.S. EPA expects to issue general stormwater permits to cities and towns covering approximately two-thirds of the geographic area of the state in FFY16. These permits will require significant municipal efforts to manage storm water over the permit’s term. Cities and towns will benefit from MassDEP's technical assistance and collaboration as they work to comply with these new requirements.