

Biosolids Permit Fee Program Biennial Report to the Washington State Legislature

Introduction

The Washington State Department of Ecology respectfully submits this report to the Legislature as required by RCW 70.95J.025(4), which reads in part: *“The department shall present a biennial progress report on the use of moneys from the biosolids permit account to the legislature . . . The report shall consist of information on fees collected, actual expenses incurred, and anticipated expenses for the current and following fiscal years.”*

- Biosolids are a primarily organic product of the wastewater treatment process that meet federal and state regulatory standards for quality and can be beneficially recycled.
- Facilities in Washington State generate approximately 100,000 dry tons of biosolids per year.
- Some biosolids are disposed in landfills or incinerated, but the prevalent management method in Washington is beneficial use by land application. Approximately 83 percent of biosolids generated in Washington are used beneficially.
- Septage is the material pumped from domestic septic tanks and similar systems. Septage is a form of biosolids and similarly managed.

Background

Ecology implements a biosolids management program designed to meet federal standards. The program is supported by permit fees.

The 1992 Legislature unanimously passed the bill requiring the state program, and the 1997 Legislature unanimously passed the bill allowing the permit fee program (Chapter 70.95J RCW). Regulated stakeholders support both the overall program and fee program. This program and service are valuable to the public and regulated community because:

- Compliance with regulatory standards is important to protect public health and the environment from pollutants that can be present in biosolids.
- Treatment plants, especially smaller facilities with fewer resources, benefit from assistance with understanding regulations and good management practices. By providing technical assistance, Ecology helps treatment plants avoid costs of hiring consultants or making costly mistakes.

- Ecology staff has developed considerable expertise in the area of biosolids management. This helps Ecology staff provide technical assistance to stakeholders for managing other organic materials as well.
- Other stakeholders, especially the public and local health departments, benefit from program staff technical expertise. Ecology staff frequently answer questions from the public and local health departments on the biosolids program and regulatory issues, and also make presentations and provide information.
- Compliance with regulations and use of good management practices improve public confidence in the safety of biosolids management. Compliance is a matter of paramount importance to the regulated community in achieving public acceptance of their programs.
- Ecology's involvement at the national level helps shape federal program policies and direction.
- New concerns about biosolids management regularly emerge. Ecology staff works with local and national biosolids experts to help address issues as they arise.

Approximately 371 facilities fall under the state biosolids permit system. They range from very small, private ones to the largest municipalities, and include state and federally owned facilities.

Most facilities under the program are publicly owned sewage treatment works. The state does not exert jurisdiction over facilities or activities located on tribal lands unless they transport biosolids or sewage sludge into the state.

From the outset, the biosolids fee program was intended to support a core-level program at Ecology. A core-level program allows Ecology staff to implement basic elements of the program such as monitoring and evaluating operations, conducting inspections and providing technical assistance.

Key Program Outcomes

In the past two years, Ecology made significant progress toward gaining full compliance with the regulation and permits. Our progress is evident by looking at the number of enforcement actions taken in the past two years compared with the previous two years.

A total of 93 enforcement actions were taken in 2006-07. In 2008-09, the total decreased to 8. This decrease occurred even while the estimated number of staff site visits and inspections increased.

We believe the decrease in enforcement was due to the intensive efforts made during prior years to gain full compliance with both the management and administrative requirements of the program.

We have also made significant progress in reviewing proposals and issuing final approvals under our biosolids general permit. All 371 regulated facilities are either under “provisional” approval to manage their biosolids, or they have received “final” approval.

“Provisional” approval means the facility has submitted all required documents and is authorized to manage biosolids in accordance with the regulation and biosolids general permit. “Final” approval means Ecology has conducted a full review of the facility’s biosolids program and provided written approval of its program.

Currently, 197 of the 371 active facilities have provisional approval, and 174 have final approval.

Table 1 summarizes some of the key program outcomes during the past two years.

**Table 1
Key Program Outcomes**

<ul style="list-style-type: none"> • All 371 currently active facilities are under either “provisional” or “final” approval to manage biosolids.
<ul style="list-style-type: none"> • Numerous guidance documents for use by staff and the regulated community were prepared. These include a new spreadsheet for calculating biosolids application rates and a document explaining biosolids sampling methods, holding times and preservation.
<ul style="list-style-type: none"> • A shorter, simpler annual report form was developed.
<ul style="list-style-type: none"> • Enforcement actions taken decreased while the estimated number of site visits/inspections increased.
<ul style="list-style-type: none"> • Staff organized and conducted a biosolids training session at the Northwest Biosolids Management Association annual biosolids conference.
<ul style="list-style-type: none"> • All biosolids facilities were entered into the W2R Program’s solid waste facilities database. Annual biosolids report information and data can now be entered into the database. This allows for better tracking of biosolids facilities, activities and quality data.

Current & Projected Revenues and Expenditures

Prior to Fiscal Year 2010, the Biosolids Permit Account was partially supplemented by funds from the Waste Reduction, Recycling and Litter Control Account. With the Legislature’s approval, Ecology increased fees by 15.5 percent in Fiscal Year 2010. Ecology plans to increase fees by the same amount in Fiscal Year 2011.

Ecology spread the fee increase over two fiscal years to lessen the immediate impact on fee payers. The proposal to increase fees and spread fee increases over two fiscal years was discussed in detail with the regulated community. The proposal was largely supported.

The fee increases were not quite sufficient to fully cover the costs of the program in the 2009-11 Biennium. A portion of the existing fund balance from the Biosolids Permit Account will be used to fully fund the core program in the 2009-11 Biennium. However, the fund balance will

not be sufficient to supplement revenues again in the 2011-13 Biennium. We hope to gain approval and support from the regulated community to increase fees in the 2011-13 Biennium. Table 2 below reflects higher revenues in 2011-13 to cover the full costs of the program.

In Fiscal Year 2010, approximately 371 facilities were invoiced under the fee program for a total of about \$728,000. For Fiscal Year 2011, we estimate revenues will be around \$841,000.

As a result of the fee increases and through use of a portion of the fund balance in the account, we anticipate supporting the full biosolids program without assistance from the Waste Reduction, Recycling and Litter Control Account at 9.9 FTEs in the 2009-11 Biennium.

The size of the biosolids program at Ecology has not grown. Over time Ecology has worked with stakeholders and the Legislature to gain support to increase biosolids permit fees to fully cover the cost of the program, going from 6.3 FTEs in Fiscal Year 2008 to 7.1 FTEs in Fiscal Year 2009, and finally to 9.9 FTEs in Fiscal Year 2010 and on.

Table 2 provides further details regarding revenues, expenditures, and FTE levels supported.

Table 2
Biosolids Permit Account
(Figures are Approximate)

	FY 08	FY 09	FY 10 (Anticipated)	FY 11 (Anticipated)	FY 12 (Anticipated)	FY 13 (Anticipated)
Fee Collection	\$640,397	\$647,797	\$728,000	\$841,000	\$925,000	\$925,000
Expenditures	\$588,758	\$633,305				
Appropriations			\$905,500	\$905,500	\$905,500	\$905,500
Ending Fund Balance		\$361,959		\$119,959		\$158,959
FTEs	6.3	7.1	9.9	9.9	9.9	9.9
Average Permit Fee	\$1,771	\$1,698	\$1962	\$2267	\$2,416	\$2,416

** Ecology received authority to increase revenue to completely fund the biosolids program and remove the supplemental funding from the Waste Reduction, Recycling and Litter Control Account in the 2009-11 Biennium. Ecology requested additional appropriation authority in the 2010 supplemental budget cycle to spend the increased revenues.*

Conclusions

Biosolids Permit Fees in combination with a portion of the existing account balance adequately fund the core-level program for the current biennium. Additional revenue will be necessary to fully fund the core biosolids program during the 2011-13 Biennium and beyond.

We would be pleased to address any questions regarding the fee program. Please direct inquiries to Laurie G. Davies, Waste 2 Resources Program Manager, at 360-407-6103 or Daniel Thompson, State Biosolids Coordinator, at 360-407-6108.

Publication and Contact Information

This report is available on the Department of Ecology's website at www.ecy.wa.gov/biblio/1007011.html

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