



DCA

Kentucky Division of Compliance Assistance



A report of the Division of Compliance Assistance and its programs:

- The Kentucky Brownfield Program
- Environmental Compliance Assistance Program
- Certification and Licensing Program
- KY EXCEL

July 2007-June 2008

ANNUAL REPORT

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DCA

Kentucky Division of Compliance Assistance

It is with great pleasure that the Division of Compliance Assistance presents its fiscal year 2007-08 annual report outlining our activities and accomplishments. This report provides a transparent look at the division's efforts to assist individuals as they work to meet and exceed Kentucky's environmental standards. The document also outlines the vision the division has for the future, which will guide us as we strive to expand our services and meet future environmental needs.

As you will find in this report, the Division of Compliance Assistance has made remarkable progress. Since its establishment in 2004, the division has been able to achieve landmark milestones that are making a noticeable difference for Kentucky and its citizens. The division has:

- Launched a nationally recognizable environmental leadership program that encourages Kentucky's corporate and private citizens to voluntarily complete projects that improve Kentucky's environment.
- Initiated a free and comprehensive compliance assistance program that provides information, training and hands-on assistance to individuals and businesses regulated by Kentucky's environmental standards.
- Expanded the commonwealth's brownfields redevelopment efforts by identifying and providing opportunities that encourage the revitalization of Kentucky's contaminated properties.
- Provided certification testing and training services to thousands of Kentucky's wastewater and drinking water operators.

We are proud of these accomplishments and will build upon them in the coming year. The Division of Compliance Assistance is committed to creating innovative opportunities that will ensure that all individuals and businesses are provided the information and opportunities they need to satisfy their environmental obligations.

The division would like to thank everyone who has partnered with us over the last year. These partnerships have been invaluable to our success, and we look forward to maintaining these important relationships. We would also like to invite all of Kentucky's private and corporate citizens to contact the Division of Compliance Assistance and allow us to help you meet and exceed your environmental responsibilities.

Thank you for the opportunity to serve Kentucky. We look forward to working for you over the coming year as we jointly continue to improve Kentucky's environment.

Sincerely,

Aaron B. Keatley, Director
Kentucky Division of Compliance Assistance

DCA Mission, Vision and Objectives

MISSION

The Division of Compliance Assistance exists to provide services that increase environmental knowledge and change behaviors. We do this to improve regulatory compliance, achieve exceptional performance and enhance the quality of Kentucky's environment and communities.

VISION

The Division of Compliance Assistance will influence environmental stewardship throughout Kentucky. Kentucky's citizens will routinely trust the division as an important source of accurate and timely environmental information. Our proactive and innovative efforts will inspire others to take positive actions that improve the health of our citizens and enhance the quality of our environment.

OBJECTIVES

Certify qualified environmental professionals

We will certify and train select environmental professionals to maximize appropriate actions and effective operations at regulated locations.

Revitalize brownfield properties

We will support communities and property owners in their efforts to clean and revitalize underused, contaminated properties.

Help entities comply with Kentucky's environmental requirements

We will assist regulated entities in understanding and complying with their environmental obligations, while advocating for those entities underrepresented in the regulatory process.

Encourage environmental excellence

We will facilitate processes that develop environmental leaders and encourage voluntary actions that reach beyond regulatory requirements.

The Kentucky Brownfield Program

Recycling the Commonwealth

Brownfields are properties that are abandoned or underutilized due to real or perceived contamination. They can include properties such as old gas stations, former dry cleaning establishments, mine-scarred lands, hospitals and meth labs, just to name a few.

The Kentucky Brownfield Program seeks to help communities assess, remediate and redevelop these properties. Brownfields are often sources of blight, crime, reduced tax revenues and environmental health issues. By remediating and reusing these properties, communities can increase their tax roles, protect the health of their citizens and environment, decrease sprawl and create a community that is safe, productive and healthy.

The Kentucky Brownfield Program provides environmental assessments, educational opportunities, project coordination and grant writing support in its efforts to help revitalize blighted properties in Kentucky.



Herb Petitjean (center), Brownfield coordinator, speaks to local officials regarding cleanup options for their site.



*The Kentucky Brownfield Program
Recycling the Commonwealth*

U.S. EPA Brownfield Grants

Kentucky finds success and creates a stir



Smiling, brownfield grantees accept their ceremonial check from the U.S. EPA. The national award ceremony was held in Covington on May 7, 2008.

Each year the U.S. Environmental Protection Agency (EPA) solicits applications for grants to assess and remediate brownfield properties. Until recently, Kentucky had been unsuccessful in its quest to obtain these grants. Increased efforts by the brownfield program over the past two years have turned that trend around.

The program has made outreach and education a priority. Program staff have made site visits to more than 17 communities during the past year. They have also spoken at numerous confer-

ences and group meetings to educate interested parties about brownfields. The program hosted three grant writing workshops that taught attendees about EPA brownfield grants, how to apply for them and methods to get their grants noticed. The annual Grant Writing Party and general grant review services aid applicants by providing valuable feedback to improve their documents. These activities have helped increase the quantity and quality of grants submitted to the EPA.

In 2008, five Kentucky communities received 10 brownfield grants totaling \$2 million. This was the most the state had ever received, both in terms of total dollar amount and number of grants received. These assessment and cleanup grants will be used to breathe new life into properties across the commonwealth. Kentucky had the most grants per capita in EPA Region 4 and the second highest number of grants in the region. The 2008 recipients were:

- ▶ Louisville Metro Government-\$200,000 assessment grant
- ▶ Owensboro- \$600,000 in cleanup grants
- ▶ Buffalo Trace Area Development District-\$200,000 assessment grant
- ▶ Covington-\$400,000 in assessment grants, \$200,000 cleanup grant
- ▶ Letcher County Conservation District- \$400,000 in assessment grants

The dramatic increase in the number of brownfield grants has garnered the attention of other programs in the region and across the country. Kentucky's program differs from most in that it has a strong education and outreach component that helps communities through the brownfield redevelopment process from project conception to completion. Program staff were asked to talk about their program at the Region 4 brownfield meeting and the Region 4 RCRA director's meeting. They have received information requests from North Carolina, Tennessee, Mississippi and Washington state.

U.S. EPA Brownfield Grants

	2005	2006	2007	2008
Applications	3	5	7	16
Awards	0	0	3	10
Communities Receiving Awards	0	0	2	5
Success Rate	0%	0%	43%	63%
Amount	\$0	\$0	\$ 1.4 Million	\$ 2.0 Million



Targeted Brownfield Assessments

Communities take the first step in the redevelopment process

The Kentucky Brownfield Program, in partnership with the Superfund Division, provides free Targeted Brownfield Assessments (TBAs) to communities, nonprofits and quasi-governmental agencies. This is the first step in the land revitalization process. These assessments help determine if contamination is present, to what degree it is present, provide cleanup options and an estimate of costs. This year TBA activities were performed at:

- ▶ The former tuberculosis hospital in Bourbon County that will be used to extend an existing park and recreation area.
- ▶ Former Knox County Hospital, which will be turned into a dormitory for Union College.
- ▶ Lincoln County Scrap Metal.
- ▶ Louisville Habitat for Humanity-four properties that will be used for housing.
- ▶ Old pencil factory in Georgetown
- ▶ Vege Manufacturing.
- ▶ Wheelwright-three properties being restored through a historic preservation effort by the community.



Superfund employee Mike Blanton uses a geoprobe to take soil samples at a property in Wheelwright, Ky.

Partnerships and Initiatives

Creating a better Kentucky through teamwork and innovation

KENTUCKY SUSTAINABILITY INSTITUTE



Practically Green

Partnerships have played an important role in the brownfield program's quest to help clean up Kentucky's blighted properties. In 2007, the Kentucky Brownfield Program partnered with the Kentucky League of Cities and the NewCities Institute to form the Kentucky Sustainability Institute. This joint venture will help educate and assist community leaders, citizens and decision makers in their efforts to make their communities sustainable and economically viable in the future. The Kentucky Brownfield Program was awarded an \$18,000 Environmental Education Grant from the U.S. EPA in order to help fund this effort. The Sustainability Institute will debut in early 2009, and will include workshops, a tool kit and a Web site that will feature supplementary educational materials and Web casts.

The brownfield program also worked with Preservation Kentucky and the Kentucky Heritage Council in their annual student photo-essay contest. The program helped develop the theme for the contest in which students had to identify buildings in their community that may have environmental issues and suggest a reuse for the building. The essay was to be presented to a local official as part of the entry requirements. Three hundred essays were received. An awards ceremony was held at the Capitol Rotunda in May.

Outreach and Education

Helping communities imagine the possibilities



The Kentucky Brownfield Program has created a multi-faceted outreach and education program that seeks to educate people on brownfields, the importance of their redevelopment and the aid available for their redevelopment goals. These efforts have led to a record-breaking year in terms of EPA grants, national notable achievement awards for the program staff and attention from other brownfield programs across the country.

- ▶ Partnered with the U.S. EPA to arrange and conduct a workshop for lenders in Louisville.



Grant workshop attendees take notes on techniques to make their application shine.



Amanda LeFevre and Herb Petitjean display the EPA National Notable Achievement Awards received for their work on the Sustainable Redevelopment in the Ohio River Valley Conference.

- ▶ Took part in the planning and organization of the EPA's Sustainable Redevelopment in the Ohio River Valley Conference held in October 2007, in Louisville. The conference, which drew more than 200 attendees from communities, government, the private sector and universities, covered a host of redevelopment topics for both small and large municipalities. The brownfield program staff and the rest of the planning committee were awarded National Notable Achievement Awards for their work on the conference.
- ▶ Made outreach visits to 17 communities regarding potential brownfield projects.

- ▶ Developed the "Kentucky Toolbox for Cleanup and Redevelopment of Contaminated Sites in Small Cities and Rural Communities." This document, originally produced by the Association of State and Tribal Solid Waste Management Officials, was updated and made Kentucky specific. It guides the reader from the first steps of the revitalization process all the way through redevelopment.



- ▶ Published its quarterly newsletter, "The Kentucky Brownfield Update," which has more than 300 recipients on the brownfield distribution list.
- ▶ Spoke about program's outreach efforts at the Region 4 brownfield meeting in Atlanta and the Region 4 RCRA director's meeting in Louisville.
- ▶ Attended and spoke at conferences, including Governor's Office of Local Development Conference and quarterly meetings of area development districts across the state in order to educate attendees about brownfields and the importance of brownfield redevelopment.

Looking Forward



The Kentucky Brownfield Program will continue to seek to develop and implement services and resources that help revitalize Kentucky's brownfield properties. The program staff will:

- ▶ Fully develop and implement the Kentucky Sustainability Institute with the Kentucky League of Cities and the NewCities Institute.
- ▶ Continue to develop the outreach program including visits to communities and collaboration with like organizations.
- ▶ Initiate Voluntary Cleanup Program MOA Development with U.S. EPA in order to enhance liability protections for those who clean up and redevelop contaminated properties.
- ▶ Work with stakeholder groups to hold an annual brownfield conference.
- ▶ Continue to develop a brownfield grant support system for applicants and recipients of U.S. EPA brownfield grants.
- ▶ Highlight successful redevelopments that occurred with the help of Superfund and brownfield program assistance.
- ▶ Continue to develop the Kentucky Brownfield Program Inventory and market brownfield sites available for redevelopment in Kentucky.

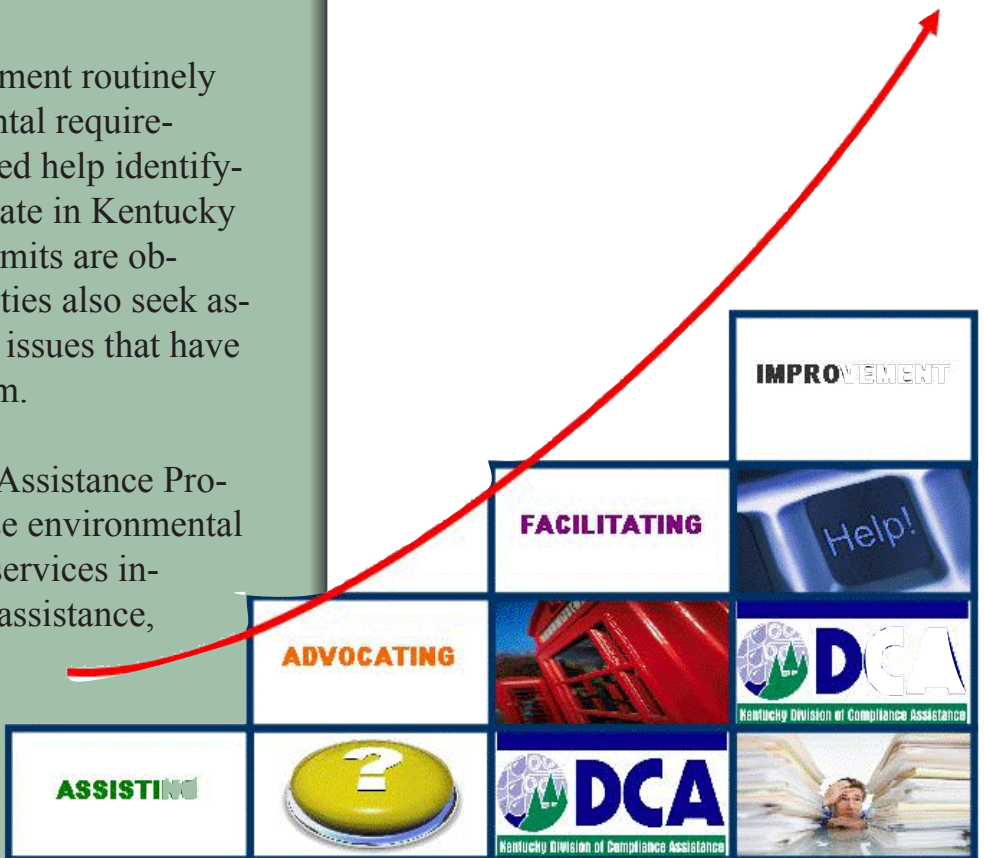
Environmental Compliance Assistance Program

Help Is Just a Phone Call Away

Facilities regulated by the department routinely have questions about environmental requirements. Businesses frequently need help identifying the permits they need to operate in Kentucky and want to ensure that those permits are obtained in a timely manner. Facilities also seek assistance identifying solutions for issues that have created an environmental problem.

The Environmental Compliance Assistance Program helps facilities address these environmental challenges. The program's free services include responding to requests for assistance, visiting facilities to troubleshoot problems and developing tools and resources that help facilities enhance performance. In addition, the program trains environmental professionals on a variety of environmental topics.

The Environmental Compliance Assistance Program also mentors and encourages facilities as they strive to reach beyond the regulatory minimums and become Kentucky's environmental leaders.



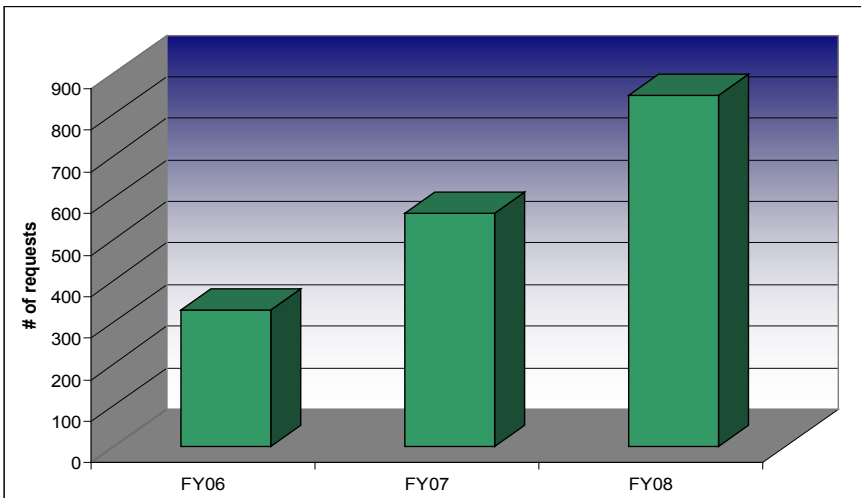


Compliance Assistance Requests

Numbers, measurements and trends

The Environmental Compliance Assistance Program provides the first one-stop location for multimedia environmental assistance in the history of the Department for Environmental Protection. A large percentage of time spent by the program is dedicated to responding to environmental needs identified by facilities that contact the division for assistance. Most of these assistance requests are received through the division's toll-free hotline (800-926-8111) or by e-mail at envhelp@ky.gov.

Compliance Assistance Trends

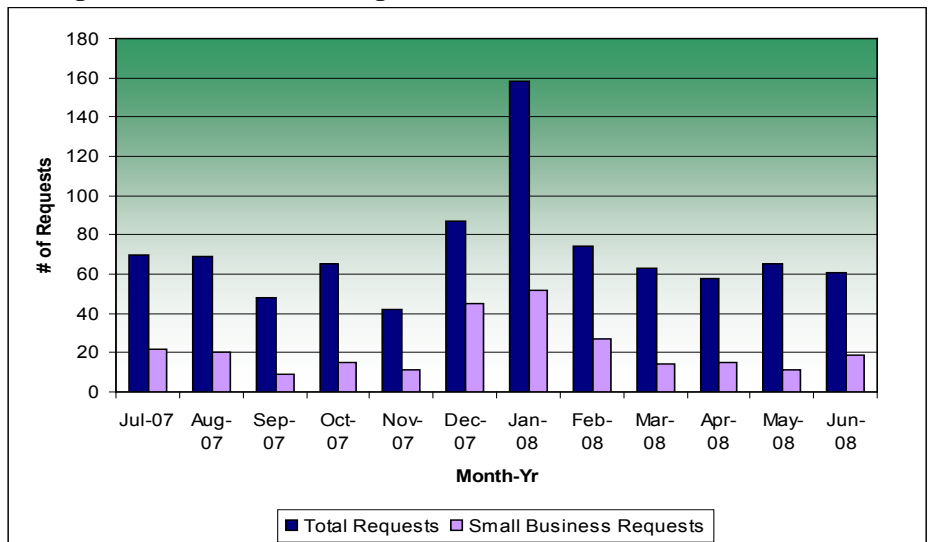


The division has experienced significant growth in the number of requests it receives each year. In fiscal year 2008, the program experienced a 53 percent growth in the number of assistance requests it received compared to fiscal year 2007. Most of this growth is credited to an increase in the number of facilities that have become aware of the program's services. In addition, there has been a significant increase in the number of complex, time-intensive requests received by the program. The program is instituting new tracking processes to

capture details on the growth of this workload.

During fiscal year 2008, the Environmental Compliance Assistance Program responded to 864 total requests for assistance. Of those requests, approximately 30 percent were received from businesses with less than 100 employees. The program experienced an unusual number of requests in December and January. This high volume of work was a result of program outreach efforts made to remind air-permitted entities of their annual and semiannual reporting obligations. In addition, a new permit that the Division of Water had issued for wastewater systems located at private residences resulted in a number of requests for assistance during the same time period.

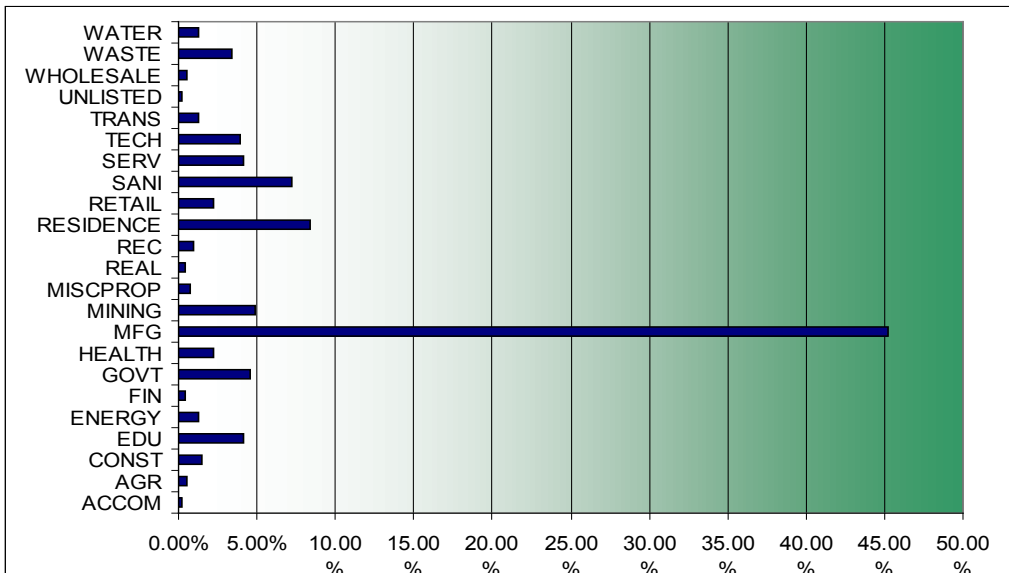
Compliance Assistance Requests



Compliance Assistance Requests

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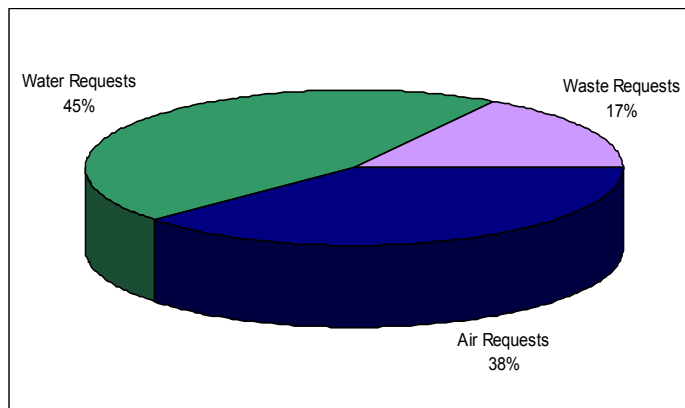
Requests by Media



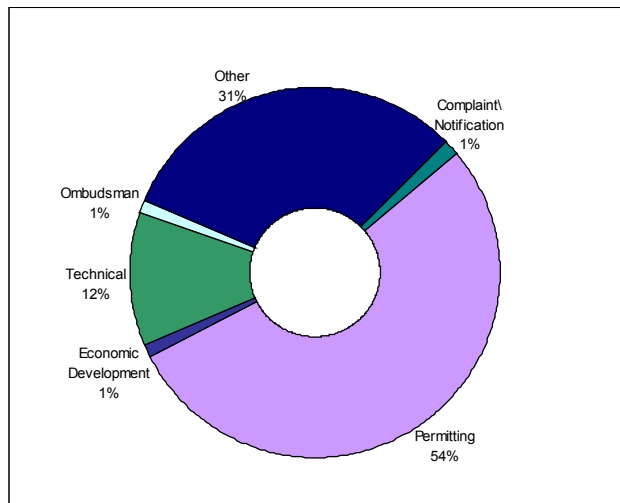
The scope of the assistance requests that the program receives is diverse. The program receives requests from nearly every sector regulated by the department and has helped facilities located in nearly every county of the commonwealth. A majority of the requests received by the program come from the manufacturing sector, which is due to the complex production processes at manufacturing facilities that often involve multimedia regulatory issues.

Nearly half of the requests the program receives are related to water quality issues (45 percent). However, requests received from small businesses primarily pertain to air quality requirements (75 percent). For all sectors, permitting assistance is the most frequently requested service. These requests are typically associated with permit application preparation and compliance questions related to the facility's permit requirements.

Sectors Assisted



Assistance Types



The Environmental Compliance Assistance Program also experiences a significant number of requests for assistance assigned to the "Other" category. Typically, these requests are brief and involve an information transfer from another local, state or federal resource.



Small Business Assistance

Helping Kentucky's small businesses comply with environmental regulations

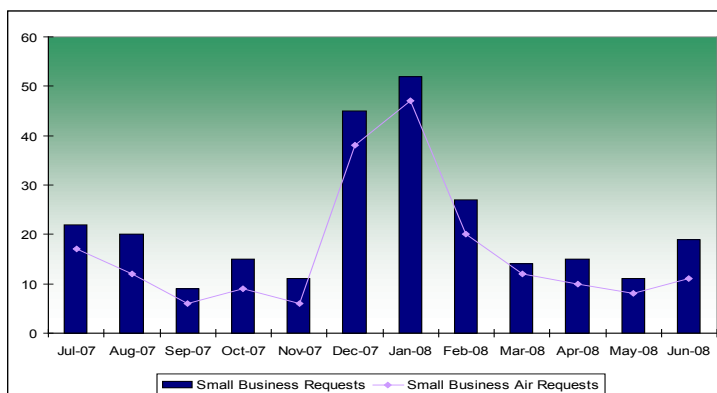


One of the core goals of the Environmental Compliance Assistance Program is to provide one-on-one detailed assistance for small businesses and communities that often do not have the resources to effectively meet their regulatory obligations.

In July 2007, the Small Business Environmental Assistance Program, located at the University of Kentucky (UK) and funded by the department, was transitioned to the Division of Compliance Assistance. This transition enabled the division to create a one-stop multimedia assistance point for small businesses and communities. Prior to this transition, small businesses were only eligible to receive assistance through the university on air quality issues. In addition to expanding the services offered to small businesses, this transition allowed the agency to save approximately \$150,000 in program administration costs.

The small business environmental assistance service offered by the program is one of three components of the Small Business Stationary Source Technical and Environmental Assistance Program established in the Clean Air Act. The other two components involve a small business ombudsman, which is also located in the division, and a Small Business Compliance Advisory Panel composed of governor-appointed members representing the interests of small business. Annually, the panel recognizes outstanding small businesses for air quality stewardship. It also provides the Environmental Compliance Assistance Program and the Division for Air Quality with input regarding methods and opportunities that will help small businesses comply with environmental standards.

Small Business Assistance

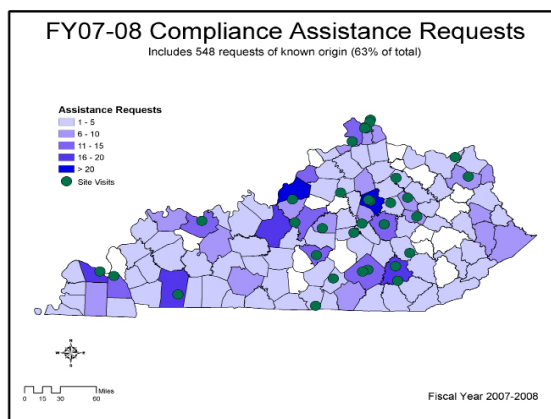


On-Site Assessments

Helping regulated entities with compliance

On-site assessments are one of the core services the program offers to the regulated entities of Kentucky. On-site assessments can range from a single media to an all-day multimedia site assessment. The primary purpose of the site assessment is to determine what environmental areas of concern exist and to evaluate what solutions can return the facility to compliance. Often, site assessments are conducted to educate new employees to the facility's environmental responsibilities and identify pollution prevention opportunities.

Assistance Locations



Training

Increasing the knowledge of the regulated community



Training is the most proactive aspect of the Environmental Compliance Assistance Program. By identifying the needs of the regulated community, the program can help identify potentially impacted entities and provide them with training on how to maintain or return to compliance. Three key sectors were identified and offered training during the fiscal year. They were independent colleges and universities, health care and automotive/collision repair facilities.

Independent Colleges and Universities

On Nov. 13, 2007, a one-day multimedia workshop was conducted in partnership with the Association of Kentucky Independent Colleges and Universities. Based on workshop survey results, 100 percent of the participants indicated an increased understanding of their environmental obligations and committed to making positive behavior changes.

Independent College and University Behavior Changes	Count	%
Submitted a permit/registration application	5	14.71%
Installed a control device(s)	0	0%
Installed more efficient process equipment	0	0%
Changed record keeping procedures	8	23.53%
Changed reporting procedures	6	17.65%
Made material substitutions	1	2.94%
Reformulated a raw material/product	0	0%
Implemented or changed energy efficiency program	2	5.88%
Implemented or changed recycling program	3	8.82%
Conduct environmental audit	7	20.59%
Change purchasing guidelines	1	2.94%
Other	1	2.94%

Pharmacy Behavior Changes	Count	%
Re-evaluate hazardous waste generator status	15	7.58%
Conduct inventory of hazardous pharmaceuticals	23	11.62%
Implement a labeling system for pharmaceuticals	20	10.10%
Train employees on proper management of hazardous pharmaceuticals	29	14.65%
Talk with upper-level management regarding proper management of waste pharmaceuticals	27	13.64%
Form a team to evaluate proper management of waste pharmaceuticals	21	10.61%
Purchase new hazardous waste pharmaceutical containers	21	10.61%
Evaluate pollution prevention opportunities regarding pharmaceutical management	18	9.09%
Update policies and procedures documenting proper management of pharmaceutical waste	20	10.10%
Other	4	2.02%

Health Care Sector

In early 2008, one of the program's clients suggested that the program hold training related to the proper management of pharmaceutical waste. As a result, the program hosted two one-day workshops in Lexington and Louisville. Participants included hospitals, pharmacists, veterinarians and home health care facilities. The workshops were cosponsored by the Kentucky Pharmacists Association and the Kentucky Veterinary Medical Association. Over 90 percent of post-workshop survey responses indicated an increased awareness of their environmental obligations and many of the participants committed to making positive behavior changes.

Automotive/Collision Repair

In partnership with the Kentucky Pollution Prevention Center and Design for the Environment, the Environmental Compliance Assistance Program hosted two one-day workshops in Lexington and Bowling Green for the automotive/collision repair sector. These workshops focused on best management practices and compliance with the new federal area source regulations. These new standards will significantly impact the automotive/collision repair sector, most of which are small businesses. There was a large turnout at both workshops and attendees indicated that they would be making improvements as a result of the training.

In 2007, an enforcement penalty settlement sent \$2 million to the University of Kentucky to establish a partnership with the Environmental Compliance Assistance Program and support compliance assistance. The goal of this partnership is to identify compliance assistance needs and work cooperatively on projects that meet those needs. This collaboration has resulted in the development of compliance assistance resources and publications, training for targeted stakeholders and on-site assistance at facilities encountering difficulties in meeting environmental standards. The broad expertise of the university and the Environmental Compliance Assistance Program's detailed knowledge of Kentucky's environmental compliance needs are resulting in actions that are increasing knowledge and improving Kentucky's environment.

- ▶ Compliance Assistance Needs Assessment-The College of Public Health is conducting a statistical survey of a sample of the entities regulated by the department. The results from this survey will be used to target compliance assistance efforts to maximize benefits of UK and agency efforts.

- ▶ Environmental Challenges and Opportunities for Kentucky's Aluminum Industry-The Center for Aluminum Technology held a workshop for the aluminum sector that discussed best management practices, compliance issues and factors limiting positive environmental performance.

- ▶ Rain Garden Challenge: 2010 by 2010-The Tracy Farmer Center for the Environment is developing training materials that will assist individuals and industries seeking to control stormwater runoff through the use of rain gardens in the Bluegrass region of Kentucky.

- ▶ Wastewater Sampling Methods and Reporting Manual-A wastewater sampling guide and discharge monitoring results reporting guide are being developed by the Environmental Research Training Laboratories.



- ▶ On-Call Site-Specific Compliance Assistance Activities - As needed, the university dispatches experts to facilities having specific compliance problems. These experts work with the facility owners and operators to correct any compliance problems and establish practices that will reduce the potential that future problems will recur at the site.

- ▶ Dry Cleaner Tool Kit-The Gatton College of Business and Economics developed a compliance calendar for dry cleaners across the commonwealth. This calendar reminded dry cleaning operators of critical compliance dates and enabled them to track day-to-day chemical use information that is necessary for compliance reporting.

- ▶ Automotive Salvage and Recycling Compliance Tool Box-The Gatton College of Business and Economics developed a multimedia compliance manual, a self-assessment checklist, fact sheets on key regulatory issues and training material for the automotive salvage and recycling sector.

Tool Development

Creating the right tool for the job



For the Environmental Compliance Assistance Program, tool development can include anything from brochures, posters and compliance checklists to online informational materials to name a few. The use of the Web and other online media is a central focus of the Environmental Compliance Assistance Program to more effectively communicate with the regulated community and other stakeholders. In addition to these activities, the program strives to stay connected to the various state and federal agencies for professional development and provide an avenue of communication between Department for Environmental Protection and the regulated community. For this fiscal year, the program created an Environmental Compliance Workbook, as well as two fact sheets dealing with pharmaceutical issues: (1) Evaluating Pharmaceutical Waste and (2) Kentucky Regulatory Consensus on Pharmaceutical Waste. However, one of the most notable achievements was the creation of “SNIPS,” a weekly electronic compliance newsletter with more than 1,000 subscribers statewide.

Send an e-mail to [redacted] if you are having trouble reading this e-mail.

5.23.08

DCA
Kentucky Division of Compliance Assistance

SNIPS

Proposed Revisions to New Source Performance Standards
Recently, several revisions to the New Source Performance Standards (NSPS) under the Clean Air Act (CAA) were proposed for coal preparation plants, nonmetallic mineral processing and petroleum refineries. Information on the proposed standards can be found at [DCA's Technology Transfer Network page](#).

Universal Waste Reminder
DCA, through its site visits and assistance request hotline, receives several calls a month regarding universal waste. Universal waste includes items such as batteries, thermostats, pesticides and spent lamps. These items, if not recycled and managed as universal waste, must be managed according to the hazardous waste regulations. Information on universal waste can be found at [Division of Waste Management's Web page](#).

Spill Reporting
Ever had questions regarding when to call emergency response for a spill or release? Knowing when and who to call for an environmental emergency is essential to your compliance obligations. The [Emergency Response Team's Web site](#) provides step-by-step guidelines for spill reporting. The Emergency Response Team responded to 460 incidents last year with 444 of those being spills or releases.

Search DEP Permitting Activity
The Department for Environmental Protection (DEP) provides the public with access to agency interests and permitting activity at the [DEP Online Search site](#). Interested parties can track permits issued and status on pending permits.

DCA Programs

Environmental laws can often be confusing and challenging. The [Environmental Compliance Assistance Program](#) helps regulated entities understand and comply with environmental obligations, advocates for entities underrepresented in the regulatory process and facilitates moving "beyond" compliance to environmental leadership.

KY EXCEL

Are you doing great things for the environment? Do you participate in voluntary environmental events? Does your workplace go above and beyond regulatory requirements? If you answered yes, then [KY EXCEL](#) is a program for you. [KY EXCEL](#) is a voluntary environmental leadership program where you can meet and interact with Kentucky's environmental leaders.

Operator Certification Program

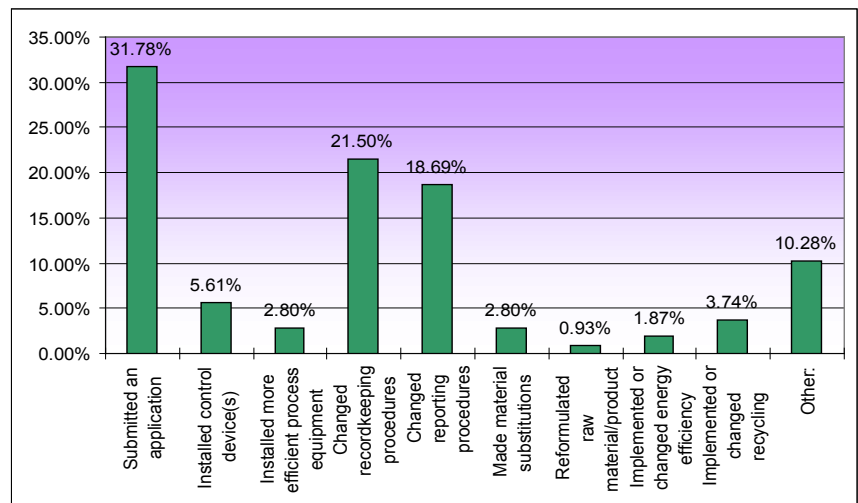
The [Operator Certification Program](#) trains and certifies wastewater and drinking water system operators to ensure that these environmental professionals are qualified and prepared to properly treat and protect Kentucky's water resources.

Compliance Assistance Outcomes

Measuring behavioral change

To aid in the program's compliance assistance efforts, it has a core goal of striving to more effectively express what outcomes result from the implementation of its services. Specifically, the program feels that two of the most important outcomes of the regulated community interacting with the Environmental Compliance Assistance Program are the increase in the awareness and knowledge of an entity's environmental obligations and the resulting behavior changes to increase the rate of compliance among these entities. The degree to which these behavior changes ultimately impact the environment is usually dependent on the applicable requirements. Reported changes include improvements in recordkeeping and reporting, training of employees and installing more efficient process and control equipment. In some instances, the program is able to assist facilities in moving beyond their environmental regulatory obligation to becoming an environmental leader. This is accomplished by providing pollution prevention information and encouraging participation in KY EXCEL.

Performance Improvements





Economic Development

Assisting facilities to grow and expand in the commonwealth

The Environmental Compliance Assistance Program frequently assists new facilities interested in locating in Kentucky. The program also helps existing facilities that are expanding existing operations. Often, these facilities need information regarding the permits that are required at their locations and are seeking assurance that the department can issue those permits in a timely manner. Because positive economic growth is very important to Kentucky, the Environmental Compliance Assistance Program offers a variety of services to facilitate economic expansion. The program:

- ▶ Assists in identifying, based on information supplied by the applicant, all applicable department permit and registration requirements and outlines the anticipated procedures and time lines involved to secure the necessary permits.
- ▶ Serves as a central contact for applicants to obtain information regarding the permit review processes and, upon request, provides applicants with the necessary permit application forms.
- ▶ Coordinates preapplication conferences between the applicant and the department permitting staff.
- ▶ Serves as an advocate to permit applicants navigating the permit application review process.
- ▶ Remains available to provide assistance with any compliance-related issue encountered during construction and facility start-up.



Looking Forward

The Environmental Compliance Assistance Program will continue to provide compliance assistance services to regulated entities and work to provide timely and relevant training to interested parties. The program will:

- ▶ Create a series of sector compliance assistance fact sheets and brochures.
- ▶ Notify sectors and associations of compliance trends and resources.
- ▶ Work with stakeholders, including the Underground Storage Tank (UST) Branch and the Division of Enforcement, to develop compliance materials for the UST sector and then provide targeted training and assistance.
- ▶ Work with the Division for Air Quality to assist facilities impacted by the federal area source generally achievable control technology rules.

Looking Forward

continued



- ▶ Implement a more detailed evaluation and follow-up process to track behavior changes resulting from DCA's detailed assistance requests.
- ▶ Provide training on topics facilities struggle with, such as hazardous waste generation, calculating potential to emit and Emergency Planning Community Right to Know.
- ▶ Continue to work with the University of Kentucky to complete projects that address compliance assistance needs.

Certification and Licensing

Helping Operators Keep Kentucky's Water Safe

The Certification and Licensing Program issues certifications to ensure that Kentucky's water treatment operators are properly qualified and capable of performing the operational duties that ensure quality drinking water and properly treated wastewater.

The program provides certification testing at various locations across the state. The program also conducts certification preparatory training that provides potential operators with the core information necessary to safely and adequately operate a drinking water or wastewater system. In addition, the program provides supplemental training to operators to accommodate their continuing education requirements.



Wastewater trainer Tim Ricketts discusses issues facing wastewater operators while going about their daily tasks.



Certification Examinations

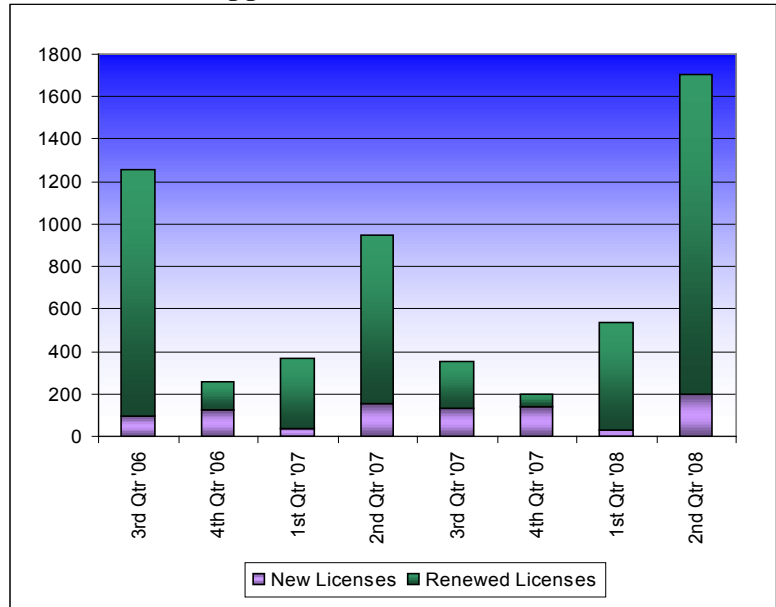
Reviews and examinations ensure quality work



One of the primary functions of the program is to receive, review and process certification applications. Individuals who wish to become certified must meet specific education and experience requirements prior to taking an examination. If applicants meet the requirements, they must submit the appropriate application and documentation requesting approval to take an examination. Administrative and technical staff review and process the applications, as well as the corresponding fees associated with the examination. During fiscal year 08, the program:

- ▶ Received 818 applications.
- ▶ Completed 472 administrative reviews.
- ▶ Completed 785 technical reviews.
- ▶ Issued 497 new or upgraded certificates.
- ▶ Scanned over 3,700 documents into an electronic imaging system.

Certification Approvals



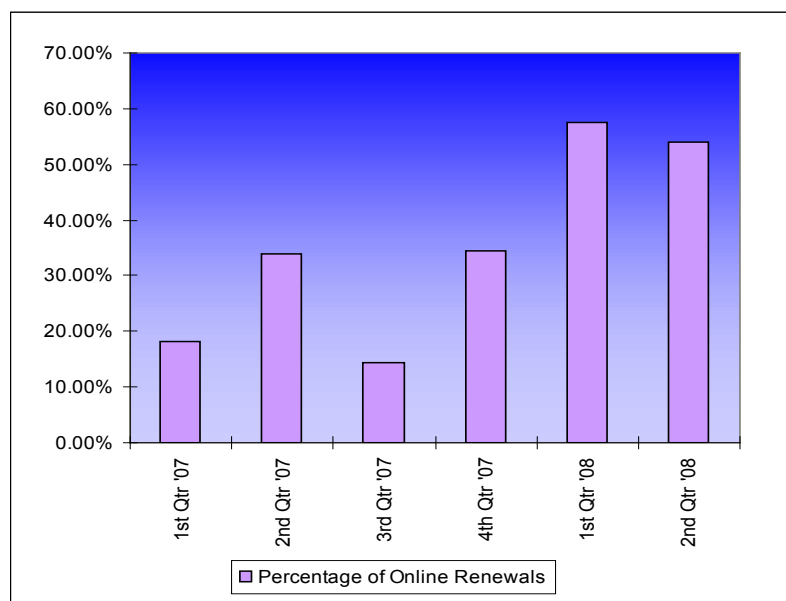
Certificate Renewals

New process successfully saves time for staff and operators

Processing and issuing renewal certifications are the next major functions that the program implements. The program processed 2,303 renewals from July 1, 2007, through June 30, 2008.

Fiscal year 08 was the renewal cycle for drinking water certificates. During this time, the program put its online renewal system to the test. Approximately 55 percent of the 1,954 drinking water treatment and distribution system operators renewed their licenses online, which ultimately saved program staff nearly 28 days in time that would have been spent processing paper renewals. This process also saves time for the operators and reduces paperwork. The certification program completed the renewal cycle without a backlog and the online renewal system was a major contributor to this accomplishment.

Online Renewals



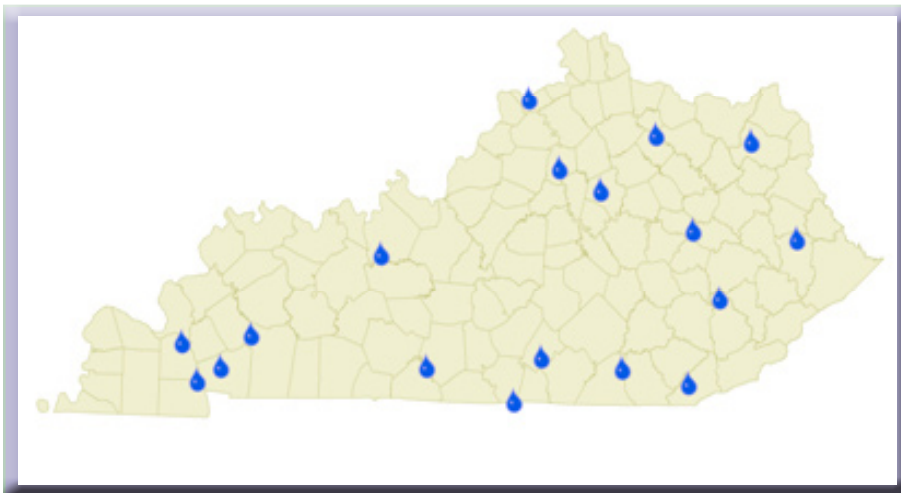
The program conducts certification preparatory training that allows potential operators, or certified operators looking to upgrade their current certification, to prepare for an examination. These courses are not mandatory; however, most applicants take this course in order to be better prepared for the examination. Individuals who attend these courses have a higher examination pass rate than examinees who do not attend the certification preparatory course. This training provides an opportunity for the program to share current information that is relevant to system operations.

In addition to the certification preparatory training, the program provides supplemental training to operators to accommodate their continuing education requirements. These courses are geared



Trainers travel to many locations across the state to provide education that is pivotal to waste and drinking water operators.

Training Locations



toward providing detailed information on specific topics. The continuing education courses also provide an environment for operators to have more in-depth discussions regarding specific issues they are faced with on a day-to-day basis. During fiscal year 2008, the program provided over 600 hours of continuing education and certification preparatory hours and trained more than 1,000 individuals at multiple locations across the state.

Program Success and Partnerships

Certification program success is measured by the capabilities of the certified operators to perform their duties and the overall quality of the environment. In order to implement this program as effectively and efficiently as possible, the program reviewed its internal processes and initiated a comprehensive review of the operator certification regulations. The regulation review was conducted by internal staff as well as external stakeholders. One last area of focus for the program is to partner with other entities to enhance operator recruitment and to increase the perception of the operator profession. These partnerships were successful during this reporting cycle in producing outreach brochures and the development and delivery of training that targeted specific topics.

Looking Forward



The Certification and Licensing Program will continue to certify and train individuals to ensure that the operational duties that are critical to ensuring quality drinking water and properly treated wastewater are performed responsibly. Future program goals are as follows:

- ▶ Continue the comprehensive review of operator certification standards and revise regulations as necessary.
- ▶ Increase the number of individuals that attend program training.
- ▶ Develop and administer remedial training courses to help operators that need additional training.
- ▶ Improve public awareness and appreciation of the services rendered by the operator profession.

KY EXCEL

Encouraging Environmental Excellence Across Kentucky

Each of Kentucky's corporate and private citizens has the ability to make significant, positive impacts to Kentucky's environment. As Kentucky's communities and businesses step up to "become green," the division is responding to these commitments. In 2006, the division launched KY EXCEL, an environmental leadership program that was established to celebrate voluntary environmental actions that exceed Kentucky's environmental requirements.

By providing incentives to encourage voluntary actions that benefit the environment, KY EXCEL has been able to facilitate the initiation of hundreds of waste reduction, recycling, energy efficiency, mentoring, performance improvement, financial support, conservation and education projects that would not have been completed through regulatory programs. These voluntary projects are producing a positive benefit for Kentucky's environment and the health of its citizens.



As part of their voluntary commitment, KY EXCEL member Malcolm Pirnie presents a workshop to help further brownfield redevelopment in Kentucky. The company has presented seven workshops over the past two years.



Program Administration

Assisting those who help our environment



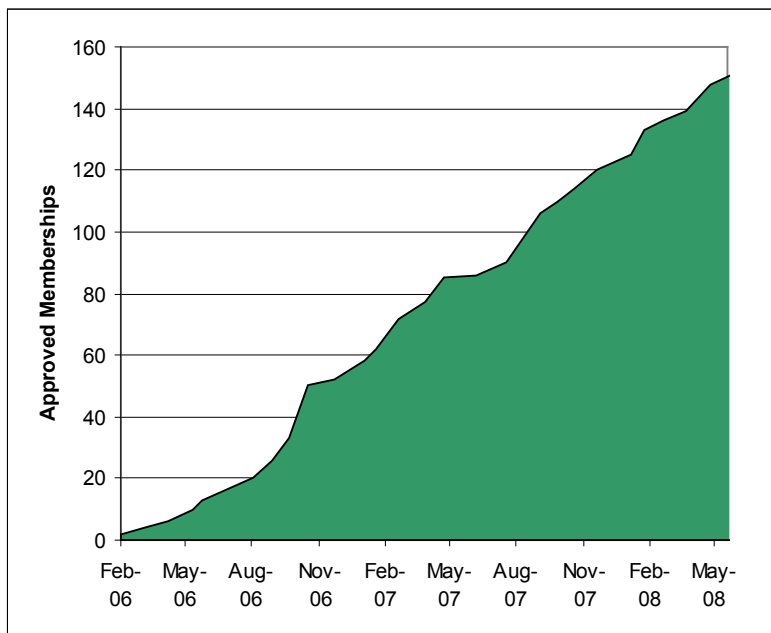
In response to the commitments being made by KY EXCEL participants, the agency is also investing time and effort to ensure that their experience with the program is positive. Initially, only one person was employed to administer the program, but the strong interest in KY EXCEL and the volume of information submitted to the program quickly presented challenges in ensuring a timely response to program members. At the beginning of this fiscal year, the division was able to hire a second employee as a result of being awarded additional federal grant funds to support the program. Adding this person allowed KY EXCEL to spend a lot of time catching up on membership applications, reviewing voluntary project submittals, project results tracking, and ensuring timely member services.

In fiscal year 2009, KY EXCEL staff received and processed 65 applications, 208 voluntary environmental projects and 159 annual reports. KY EXCEL staff visited a number of master member locations to present them with their membership certificate. In addition, staff responded to a variety of compliance assistance and environmental needs identified by KY EXCEL members.

Membership Growth

Increasing numbers mean a healthier environment for Kentucky

Membership Growth



the program's ambitious membership goals were not met this year, the consistent growth of KY EXCEL has been encouraging. A limited amount of staff resources prevented KY EXCEL from investing more time into membership recruitment. As recruitment activities increase, so does program membership growth.

KY EXCEL offers four membership levels to accommodate the various interests and abilities of its members. The Master, Leader, and Partner memberships were created for businesses and individuals regulated by the Department for Environmental Protection. They are progressive memberships with the Master level requiring the greatest level of commitment. The Advocate membership was created for anyone who is not directly regulated by the department, but still would like to engage in activities that improve Kentucky's environment.

KY EXCEL has seen steady growth during the past fiscal year. Although

KY EXCEL Members	
Master	37
Leader	29
Partner	13
Advocate	73
Total	152



Voluntary Projects and Results

Projects show impressive results

KY EXCEL members commit to implement voluntary environmental projects each year. The minimum number of projects they complete is based on their membership level. Master members are required to commit to performing five voluntary projects each year, while Advocate and Partner members are only required to perform one voluntary project each year. Many members commit to performing more than the minimum number of projects required for their membership level.

KY EXCEL does not dictate the types of projects that must be completed as long as the participant verifies that the project is not required by an environmental law or permit and demonstrates that the project will benefit Kentucky's environment. Because of this flexibility, KY EXCEL members have committed to a broad range of projects. Some of these projects focus within an individual company or organization, while others implement projects that involve the local community.

Each year, members are required to report to KY EXCEL on the progress and achievements they made on their voluntary environmental projects. Although the information submitted on these reports varies greatly in detail from one member to the other, KY EXCEL was able to document significant behavioral and environmental changes that occurred as a result of KY EXCEL member's commitments.

Project Category	% of Total
Conservation	3%
Education	18%
Mentoring and Technical Assistance	1%
Performance Improvement	11%
Public Health	1%
Research and Development	1%
Resource Efficiency	14%
Resource Support	9%

KY EXCEL Member Project Results

Member Investments and Returns

Dollars Spent	\$60,712,704
Dollars Saved	\$5,426,165
Individuals Involved	10,243
Hours Contributed	323,421

Batteries Recycled	9,552 Units
Chemicals Recycled	1,600 Gallons
Grease Reclaimed	306 Barrels
Glass Recycled	254 Pounds
Toner Cartridges Recycled	20 Units

Recycling

Waste Composted	40,584,000 Pounds
Rainwater Reused	25,095,510 Gallons
Scrap Metal Recycled	20,386,738 Pounds
Cardboard Recycled	4,249,753 Pounds
Paper Recycled	3,485,807 Pounds
E-waste	1,206,049 Pounds
Aluminum Recycled	371,356 Pounds
White Appliances Recycled	306,000 Pounds
Waste Recycled	176,520 Pounds
Plastic Recycled	113,009 Pounds
Scrap Wood Recycled	106,270 Pounds
Ceiling Tiles Recycled	30,000 Pounds
Universal Waste	14,467 Pounds

Education

Training Classes Held	37
Education Presentations	23
Workshops Held	9
School Presentations	2
Expos/Earth Day Events	7
Students Educated	2435
Water Operators Trained	634
Newletters Created	10
Env. Awards Presented	8
Window Displays	4
Env. Ed. Program Developed	1
DVD Produced	1

Voluntary Projects and Results

continued



Pollution Prevention

Sludge Reduced	16,070,000 Pounds
CO2 Reduced	937,309 Pounds
Chemical Usage Reduced	327,132 Pounds
Green House Gases Prevented	324,848 Pounds
Waste Water Prevented	208,000 Gallons
Muriatic Acid Reduced	200,000 Pounds
1, 3 Butadiene Reduced	109,642 Pounds
Hazardous Waste Reduced	70,600 Pounds
Solid Waste Reduced	68,961 Pounds
VOC Reduced	40,194 Pounds
Waste Prevented	27,000 Pounds
NO2 Reduced	3,581 Pounds
CO Reduced	2,964 Pounds
SO2 Reduced	1,248 Pounds
Hydrocarbon Reduced	403 Pounds
Mercury Reduced	380 Pounds
PM Reduced	268 Pounds
Ethanol Used	1,022,403 Gallons
Biodiesel Used	19,652 Gallons
Vegetable Oil Used	3,352 Gallons
Miles Biked/Public Transit	2,800 Miles

Conservation

Trees Planted	71,162 Trees
Trees Saved	83 Tons
Land Reforested	200 Acres
Land Conserved	4,500 Acres
Invasives Destroyed	3 Acres
“Home Grown” Produce Used	1,500 Pounds

Restoration

Trash Collected	815,540 Pounds
Tires Collected	1,053
Junk Cars Collected	120
Roadside Clean Up	1
River Sweeps	2
Carbon Offsets Purchased	14 Tons

Assistance

Companies Mentored	3
Computers Donated	5
Topsoil Donated	875 Pounds
Mulch Donated	25,000 Pounds
Dollars Donated	\$7,651
“Home Grown” Produce Donated	1,664 Pounds
Septic Tanks Pumped	22
Science Fair Awards	145
Scholarships	4

Equipment and Construction

Butterfly Garden Started	1
Sewer Project Completed	1
Const. Equipment Retro-fitted	27
Baghouse Installed	1
Electric Crane Installed	1
Tanks Installed/Modified	7
Hybrids Purchased	11
Outfalls Combined	2
Outfall Valves Installed	1
Fuel Tanks Removed	2
Underground Pipe Removed	865 Feet
Aboveground Pipe Installed	250 Feet
Infrared Camera Installed	1
Can Crusher Purchased	1
Wastewater Plant Constructed	1
Cardboard Compactor Installed	1

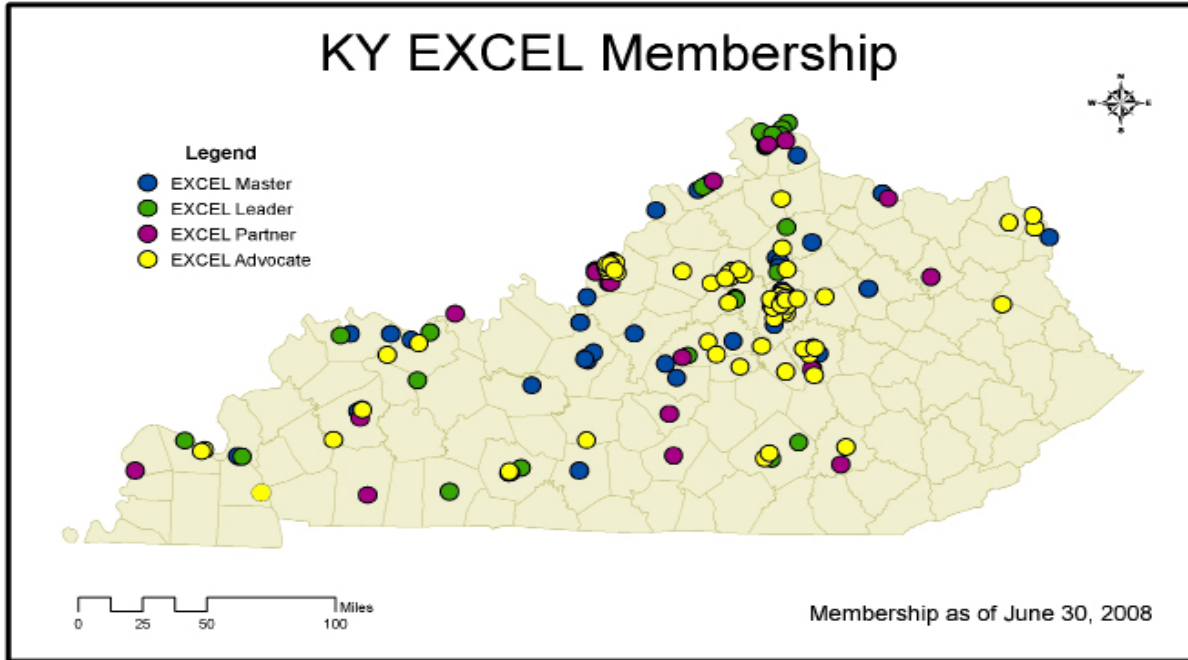
Efficiency

Water Usage Reduced	571,200 Gallons
Electric Saved	2,189,156 kWh
Energy Saved	229,383 Mbtu
Natural Gas Usage Reduced	41,693 MCF

Performance Improvement

Recycling Program Started	1
EMS Created	3
Energy Star Program Participation	2
Smoking Policy Developed	1
Rain Barrel Project Implemented	1
Green Team Formed	1
Area Source Rule Implemented	1
ISO 14001 Certification Obtained	3
Lean Sigma 6 Implemented	1
MSDS Developed	30
Watershed Plan Developed	1
Groundwater Plan Developed	1
Erosion Plan Developed	1

Note: KY EXCEL requires each member to report project results annually. KY EXCEL does not dictate that each member quantify those results in a standardized format. As a result, the methods used by KY EXCEL to compile these results required assumptions that may have led to minor inconsistencies in how the data is summarized. It is also likely that these data under-represent the actual benefits achieved as a result of member activities, particularly for those projects where members reported their results qualitatively rather than quantitatively or where members abstained from submitting specific results due to business confidentiality concerns.



Master Members

- 3M - Cynthiana, Harrison Co.
- AGC Automotive Americas, Hardin Co.
- Ahlstrom Engine Filtration LLC, Hopkins Co.
- Akebono Brake - Glasgow Plant, Barren Co.
- Altuglas International, a Division of Arkema Inc., Jefferson Co.
- Ambrake Manufacturing, LTD, Hardin Co.
- American Commercial Lines, Jefferson Co.
- American Synthetic Rubber Company LLC, Jefferson Co.
- Angell-Demmel North America, Marion Co.
- Blue Grass Army Depot, Madison Co.
- Catlettsburg Refining, LLC, Boyd Co.
- Dow Corning Corporation, Carroll Co.
- GE Lighting, LLC Kentucky Glass Plant, Fayette Co.
- ISP CHEMICALS Inc., Marshall Co.
- Kentucky American Water, Fayette Co.
- Kentucky Utilities Company - Tyrone Generating Station (TGS), Woodford Co.
- Kimberly-Clark Corporation, Owensboro Operations, Daviess Co.
- Lexmark International Inc., Fayette Co.
- Louisville Forge and Gear Works, LLC, Scott Co.
- Louisville Gas and Electric Company - Paddys Run Generating Station (PRGS), Jefferson Co.
- Louisville Gas and Electric Company - Magnolia Station, Larue Co.
- Louisville Gas and Electric Company - Mill Creek Generating Station (MCGS), Jefferson Co.
- Louisville Gas and Electric Company - Trimble Co. Generating Station (TCGS), Trimble Co.
- Masco Builder Cabinet Group, Montgomery Co.
- Sara Lee Food & Beverage - Claryville Plant, Campbell Co.
- Swedish Match North America Inc., Daviess Co.

- Temple Inland Inc., Mason Co.
- Toyota Logistics Services, Scott Co.
- Toyota Motor Manufacturing Kentucky (TMMK), Scott Co.
- Toyota Motor Sales, USA, Inc., Boone Co.
- TRANE, Fayette Co.
- Trim Masters, Inc.- Bardstown, Nelson Co.
- Trim Masters, Inc.- Harrodsburg, Mercer Co.
- Trim Masters, Inc.- Leitchfield, Grayson Co.
- Trim Masters, Inc.- Nicholasville, Jessamine Co.
- U.S. Army Garrison- Fort Knox, Hardin Co.
- Webasto Roof Systems Inc., Fayette Co.

Leader Members

- Akebono Brake - Springfield Plant, Washington Co.
- Delta Air Lines, Inc - CVG Station, Boone Co.
- Gallatin Steel Company, Gallatin Co.
- General Motors Bowling Green Assembly, Warren Co.
- Hanson Aggregates Midwest, Inc. - Laurel Quarry, Pulaski Co.
- Hanson Aggregates Midwest, Inc. - Russellville Quarry, Logan Co.
- Hanson Aggregates Midwest, Inc. - Tyrone Quarry, Anderson Co.
- Interplastic Mfg. Co., Thermoset Resins Division, Kenton Co.
- IT Springwire, Boone Co.
- Johnson Controls. Inc/ - FoaMech Facility, Scott Co.
- KI USA Corporation, Madison Co.
- Lexington-Fayette Urban Co. Government, Fayette Co.
- Mubea, Inc. 6800 Industrial Road, Kenton Co.
- Mubea, Inc. 8212 Dixie Highway, Boone Co.
- Mubea, Inc. 8224 Dixie Highway, Boone Co.
- Mubea, Inc. 8252 Dixie Highway, Boone Co.

KY EXCEL Members

Continued



- North American Stainless, Carroll Co.
- Northern Kentucky Water District, Campbell Co.
- River Metals Recycling, LLC Fort Mitchell, Kenton Co.
- River Metals Recycling, LLC Henderson, Henderson Co.
- River Metals Recycling, LLC Livermore, McLean Co.
- River Metals Recycling, LLC Louisville, Jefferson Co.
- River Metals Recycling, LLC Newport, Campbell Co.
- River Metals Recycling, LLC Owensboro, Daviess Co.
- River Metals Recycling, LLC Paducah, McCracken Co.
- River Metals Recycling, LLC Somerset, Pulaski Co.
- St. Elizabeth Medical Center, Kenton Co.
- The J. M. Smucker Company, Fayette Co.
- Westlake Vinyl Corporation, Marshall Co.

Partner Members

- Bessler's U-Pull and Save, Campbell Co.
- Central Kentucky Fiber Resources, LLC., Fayette Co.
- City of Madisonville, Hopkins Co.
- Delta Air Lines, Inc. - SDF Station, Jefferson Co.
- Emerson Power Transmission Corporate Headquarters and National Distribution Center, Kenton Co.
- Emerson Power Transmission Corporation Browning Gear Co., Mason Co.
- Lubrizol Advanced Materials, Inc., Jefferson Co.
- McCammish Manufacturing, Columbia Division, Adair Co.
- Murakami Manufacturing USA, Inc., Taylor Co.
- NewPage Corporation - Wickliffe Paper Company, Ballard Co.
- Owensboro Medical Health System, Daviess Co.
- Tokico (USA), Inc., Madison Co.
- Toyotomi America Corp., Washington Co.

Advocate Members

- 5H Technologies, Inc., McCracken Co.
- Ahmad H. Malkawi, Fayette Co.
- American Cave Conservation Association (ACCA), Hart Co.
- Associated General Contractors of Kentucky, Franklin Co.
- Bart Schaffer and Marlene Boyle Residence, Shelby Co.
- Bluegrass PRIDE, Fayette Co.
- Cheryl Taylor Residence, Fayette Co.
- Chestnut Committee of the Kentucky Nut Growers Association, Franklin Co.
- Community Action for Barnes-Mill Neighborhood, Inc. (CABN), Madison Co.
- Concord Health Systems, Hopkins Co.
- Copperhead Environmental Consulting, Inc., Garrard Co.
- Creekside at Andover Homeowners Association, Fayette Co.
- Dawson Springs Health and Rehabilitation Center, Hopkins Co.
- Deer Park Neighborhood Association (DPNA), Jefferson Co.
- Delta Air Lines, Inc. - LEX Station, Fayette Co.
- EarthSafe, Washington Co.
- Eastern Committee on Responsible Environmental Stewardship (ECRES), Madison Co.
- Eastern KY PRIDE, Pulaski Co.
- ECO-CELL, Jefferson Co.
- Engineering Consulting Services, Inc., Fayette Co.
- EPPC/DEP/Division of Enforcement, Franklin Co.
- Friends of McConnell Springs, Fayette Co.
- Gallery NuLu, LLC, Jefferson Co.
- Greater Paducah Sustainability Project, McCracken Co.

- Green/Tradewater Rivers Basin Team (G/T RBT), Warren Co.
- Greenbo Lake State Resort Park, Greenup Co.
- Humana Incorporated, Jefferson Co.
- Hyatt Regency Lexington, Fayette Co.
- Hype LLC, Madison Co.
- Jessica Wilhoite Household, Franklin Co.
- John Eisiminger Household, Anderson Co.
- Kentucky Association for Environmental Education, Jefferson Co.
- Kentucky Pollution Prevention Center, Jefferson Co.
- Kentucky Solar Living, LLC, Madison Co.
- Kentucky Transportation Cabinet Division of Environmental Analysis, Franklin Co.
- Kentucky Water and Wastewater Operators' Association (KWWOA), Franklin Co.
- Kenya Stump, Fayette Co.
- KinderCare Learning Center #300418, Jefferson Co.
- Lexington-Fayette Urban Co. Government Environmental Commission, Fayette Co.
- Lisa Butler, Franklin Co.
- London Downtown Main Street Program, Laurel Co.
- Malcolm Pirnie Inc., Ohio
- Marvel Golf Club, Marshall Co.
- Mary Jo Harrod Residence, Franklin Co.
- Microbac Laboratories Inc., Jefferson Co.
- Mossy Ridge Farm, Mercer Co.
- Mount Saint Joseph Conference and Retreat Center, Daviess Co.
- Mountain Association for Community Economic Development, Inc. (MACED), Madison Co.
- Rejeana Thompson, Scott Co.
- Richard Denton, Warren Co.
- Ridgewood Terrace Health and Rehabilitation Center, Hopkins Co.
- Rose Marie and Mike Wilmoth Residence, Fayette Co.
- Russell Area Technology Center, Greenup Co.
- Smith Management Group, Inc., Fayette Co.
- Solar Energy Solutions LLC, Scott Co.
- Southwestern High School Conservation Club and Raptor Center, Pulaski Co.
- St. Agnes Parish, Jefferson Co.
- Strand Associates, Inc., Jefferson Co.
- The Barker Family, Boyd Co.
- The Earth Angels and Community Hearth, Inc. (TEACH, Inc.), Garrard Co.
- The Kentucky NEED Project, Kenton Co.
- The Merrick Printing Co., Inc., Jefferson Co.
- Third Rock Consultants, Fayette Co.
- Tradewater Health and Rehabilitation Center, Hopkins Co.
- Transylvania Environmental Rights and Responsibilities Alliance (TERRA), Fayette Co.
- Two Mules Farm, Jessamine Co.
- University of Kentucky College of Agriculture, Fayette Co.
- Valley View Arabians, Scott Co.
- Veronica Roland Household, Franklin Co.
- WATERS Laboratory, Warren Co.
- WDKY - Fox 56 Television, Fayette Co.
- WKYT-TV, Fayette Co.
- Wyatt, Tarrant & Combs, LLP, Fayette Co.



Looking Forward

KY EXCEL is committed to continuing its efforts to facilitate the voluntary completion of environmentally beneficial projects in Kentucky. Some of the program's goals for the future include:

- ▶ Increase emphasis on KY EXCEL outreach and marketing to encourage program participation and high light member accomplishments.
- ▶ Develop additional interaction between KY EXCEL staff, agency inspectors and compliance assistance staff to encourage improved performance and build environmental leadership within the regulated community.
- ▶ Enhanced membership incentives, such as the establishment of quarterly training and networking meetings for KY EXCEL members.
- ▶ Establish a trust fund that allows entities to donate funds that can be used for grants that fund voluntary environmental projects.

