UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

FEB 2 1 2014

Mr. Brian Johnson
Deputy Director
Hazardous Waste Management Program
State of California
Department of Toxic Substances Control
P.O. Box 806
Sacramento, California 95812-0806

Re: DTSC Grant #00936312 SFY2013 End of Year Evaluation

Dear Mr. Johnson,

Congratulations to you and your DTSC staff for your strong performance under the Hazardous Waste Management Cooperative Agreement Work Plan for Fiscal Year 2013. This year DTSC continued to operate a robust compliance monitoring and enforcement program, using RCRA funds to complete 142 inspections, 60 financial responsibility reviews, and collect $1,791,695 in penalties from formal enforcement settlements. The corrective action program also had a strong year, and EPA is confident that DTSC will continue to progress towards the national 2020 Government Performance and Results Act (GPRA) goals. Additionally, DTSC met all of its grant commitments for the US-Mexico Border Program.

EPA would like FY14 to be a year of strong collaboration with DTSC, as both entities seek to improve the overall permitting processes and data management within the Hazardous Waste Program. Leveraging both entities resources should allow us to make substantial progress as a team. It is EPA's hope that by addressing the few issues outlined in the attached report, DTSC will be able to meet all of its work plan commitments for FY2014.

I have enclosed a draft End of Year Evaluation for your review. Please let us know if you have any comments. If I do not hear from you in 30 days, this report will become final.

If you have any questions or comments, please contact Kelly Wedell, the California Project Officer, at 415-972-3735 or Wedell.kelly@epa.gov.

Sincerely,

for Jeff Scott
Director, Waste Management Division

Enclosure: EPA End of Year Evaluation, dated January 27, 2014

Cc with Enclosure: Donn Diebert
Donn.diebert@dtsc.ca.gov

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

February 21, 2014

California RCRA/C 3011 SFY 2013 End of Year Report (Grant ID# D-00936312)

This report evaluates DTSC's performance on their grant work plan commitments for the state's RCRA C Grant. The commitments are based on national program goals and other program elements that reflect core requirements for implementing the RCRA program. The evaluation does not reflect an in depth review of the complete hazardous waste program. The evaluation is for activities for state fiscal year 2013 (July 1, 2012 to June 30, 2013), the second year of its three-year cooperative agreement (grant).

California was authorized to implement the RCRA/C program in lieu of U.S. EPA on July 23, 1992. California was last authorized to implement a revised RCRA/C program on October 7, 2011.

Executive Summary

We commend the Department of Toxic Substances Control for meeting the majority of its core commitments in the Hazardous Waste Management Cooperative Agreement Work Plan. It is our hope that by addressing the few issues outlined in this report, DTSC will be able to meet all of the commitments for FY2014.

Program Accomplishments

DTSC continues to operate a robust compliance monitoring and enforcement program, using RCRA funds to complete 142 inspections, 60 financial responsibility reviews, and collect $1,791,695 in penalties from formal enforcement settlements in FY2013. We appreciate DTSC's effort to address our request to separate RCRA and non-RCRA funded inspection and enforcement activities. It helps us better understand how grant funds are utilized.

The permitting and corrective action programs both continue to have strong relationships with US EPA. The permitting program was able to accomplish its goal of 8 permitting activities, although only 3 were able to count towards Government Performance and Results Act (GPRA) Accomplishments (complete details in the body of the report). The corrective action program added 16 facilities to its baseline in early FY2013. Due to this, it technically only exceeded the 2013 milestones for 2 of 3 monitored categories (human exposures under control and groundwater under control). Yet, excluding the 16 newly added sites, DTSC achieved or exceeded all 2013 milestones.

DTSC successfully began issuing EPA ID numbers on the first day of the state FY2013. This was possible due to the large effort during FY2012 to plan and prepare for the transition. It is a core responsibility under RCRA Authorization, and EPA is pleased that DTSC has taken over this responsibility.

DTSC has met the grant commitments for the US-Mexico Border Program in FY2013. This included continuing to participate in activities to support the Border 2020 Program, and assisting in import/export inspections at the Otay Mesa and Calexico Port of Entry Crossings.

The Pollution Prevention and Green Technology program continued to make significant progress on the California Green Business Network, expanding into 3 new jurisdictions for FY2013.

Program Recommendations

Data management continues to be a challenge for tracking Hazardous Waste Program accomplishments for the DTSC and Certified Unified Program Agencies (CUPAs). Entering program accomplishments into RCRAInfo is not only an important part of recording work completed, it is a delegated program responsibility. RCRAInfo is EPA's database of record that is used for the Hazardous Waste Program nationally. RCRAInfo is a primary source of information used by EPA Headquarters, Congressional inquiries, and the White House's Office of Management and Budget to understand the national and regional RCRA program accomplishments and needs. An accurate accounting of the work completed and the work still necessary under the Hazardous Waste Program is important due to the fact that this data may be a factor in determining future funding levels.

Most programs at DTSC are maintaining some data in RCRAInfo, but much of this data does not match up with the data reported in DTSC's end of year self assessment. Additionally, minimal generator enforcement and inspection data is being entered into RCRAInfo by or for the CUPAs. The data issues are detailed in the body of this report. In most cases, the State of California's accomplishments are under reported in RCRAInfo. EPA requires the information in RCRAInfo to accurately reflect the State's inspection and enforcement achievements. EPA and DTSC should continue to discuss methods for improving DTSC and CUPA data entry into RCRAInfo.

Conclusion

DTSC is doing well in its core program areas that support the Hazardous Waste Program. EPA understands that decreased resources over the past year have added challenges to accomplishing all goals, and we appreciate the chance to provide feedback and suggestions for developing program priorities. We look forward to continuing to work with DTSC in FY2014.

I. Compliance Monitoring and Enforcement

A. Inspection Program Accomplishments

The Enforcement and Emergency Response Division (EERD) reported completing at least 142 RCRA funded inspections and 167 non-funded facility inspections. EERD also reported handling 249 formal complaints and completing 116 criminal investigations. A total of 60 RCRA funded and 26 non-RCRA financial assurance reviews were conducted, for a total of 86 reviews. Some of these activities cannot be verified due to the fact that the reporting of these activities has not been entered into EPA's RCRAInfo database of record.

EERD conducts active oversight of electronic waste collectors and recyclers, conducting 118 e-waste management inspections. DTSC continues to provide leadership in finding non-compliance in this sector and pursuing appropriate enforcement.

California's Regulated Universe[1]					
Active TSD	**Land -fills**	**Combustion**	**LQG**	**SQG**	**Transporters**
61	**49**	**4**	**5,989[2]**	**48,309[3]**	**900**

Table 1 – California's Regulated Universe
[1] Per RCRAInfo reports pulled 12/3/2013 (except transporter universe from DTSC's HWTS system)
[2] Large Quantity Generator. EPA obtained a copy of DTSC's manifest databases and estimated the LQG universe to be 5989 based on the number of generators that shipped 12 tons or more of RCRA hazardous waste in calendar year 2012.
[3] Small Quantity Generator. Includes numerous facilities that have not de-activated their ID numbers.

Inspection Accomplishments			
Type of Facility	**Work plan Commitment**	**Outcome Reported in EOY**	**Number Reported in RCRAInfo**
Operating TSD	**37 – 39**	**39**	**42**
Post-Closure Facilities	**7 – 11**	**9**	**14**
Generators (LQGs)	**7**	**9**	**16[1]**
Transporter	**--**	**26**	**42[2]**

Table 2 – Inspection Accomplishments
[1]This number is for DTSC inspections alone, not CEIs performed by CUPAs
[2]RCRAInfo does not clarify active and inactive transporters so it is difficult to confirm DTSC's EOY number of 26
Note: California's hazardous waste program is both broader in scope and more stringent than the federal program. For example, under California regulations, some facilities are considered TSDs, but under federal regulations, and in RCRAInfo, these facilities would be categorized as waste generators. Additionally, a facility categorized as a small quantity generator in RCRAInfo could be a state-waste-only large quantity generator. Therefore, the individual inspection and enforcement outcomes reported by DTSC are difficult to reconcile with what is reported in RCRAInfo.

Inspection Summary

1. TSD Inspections. DTSC reported 39 compliance evaluation inspections at operating RCRA TSDs in the End of Year Self Assessment. There are 42 operating RCRA TSD inspections

entered in RCRAInfo. According to both of these measures, the commitment of 37-39 inspections was met. EERP reported 9 inspections at post-closure (PC) TSDs. There are 14 compliance evaluation inspections at PC facilities entered in RCRAInfo. The number of PC TSDs inspections is within the commitment range of 7-11 inspections.

2. Generators. DTSC reported conducting 9 generator inspections. RCRAInfo shows 16 compliance evaluation inspections (CEI) performed by DTSC, and an additional 40 LQG CEIs performed by Certified Unified Program Agencies (CUPAs). The DTSC commitment of 7 has been met and exceeded. Note: EPA expects 20% of the active LQG universe in California to be inspected on an annual basis. The number of LQG CEIs documented in RCRAInfo is significantly below 20%.

3. Transporters. DTSC reported conducting 26 transporter inspections. Due to the fact that transporters are often also listed as waste generators, it is difficult to determine the number of these inspections in RCRAInfo.

4. Used Oil. DTSC's Used Oil Team reported conducting inspections at 8 used oil transporters, 2 used oil TSD facilities, and 3 used oil recycling facilities. RCRAInfo does not identify used oil facilities as a separate universe, so EPA cannot distinguish these used oil inspections from generator inspections.

5. Complaints. DTSC reported receiving 684 formal complaints, with 249 formal complains responded to by the agency. The other complaints were referred to other state agencies or CUPAs

B. Enforcement Program Accomplishments

Enforcement Actions						
Agency Action	**Total Reported (RCRA & non-RCRA)**	**RCRA Cases**	**Number in RCRAInfo**	**Number[1] Timely (%)**	**Criteria (days)**	**Goal (%)**
Informal Actions	**NA**	**NA**	**62**	**61 (98%)**	**150**	**80%**
Formal Actions Initiated	**54**		**6**	**0 (0%)**	**240**	**80%**
Settlements (of admin. penalty orders)	**41**	**17**	**16**	**5 (32%)**	**360**	**80%**
Enforcement SEPs [2]	**0**	**0**	**0**	**NA**	**NA**	**NA**

Table 3 – Enforcement Actions
[1] Number of timely per RCRAInfo data
[2] SEP = Supplemental Environmental Project (includes California Compliance School)

C. Key Compliance Program Indicators

Trends of Key Compliance Program Indicators (As Reported in RCRAInfo)				
Indicator	**FY 2010**	**FY2011**	**FY2012**	**FY2013**
Inspections (CEIs, FUIs, FCIs)	**148**	**156**	**207**	**149**
Operating TSDF Inspections	**38**	**47**	**46**	**41**
Inspections w/ Violations	**59 (40%)**	**76 (49%)**	**74 (36%)**	**50 (34%)**
Inspections w/SNC[1]	**13 (9%)**	**25 (16%)**	**28 (14%)**	**13 (9%)**
Informal Actions	**75**	**89**	**80**	**62**
Timeliness of Settlements	**48%**	**47%**	**58%**	**50%**
Settlements	**29**	**19**	**21**	**16**
Average # of days to settle	**582**	**670**	**646**	**790**
Fines and Penalties	**$1,183,216**	**$1,598,752**	**$3,411,057**	**$1,731,874**
SEPs[2]	**6**	**0**	**4**	**0**
Value of SEPs	**$103,850**	**$0**	**$13,000**	**0**

Table 4 – Trends of Key Compliance Program Indicators
[1] SNC (significant non-complier)
[2] DTSC's definition of Supplemental Environmental Projects differs from EPA's definition, as DTSC may include referrals to the California Compliance School and reimbursement of compliance costs.

EERD reported initiating 54 administrative/civil cases and settling 41 with penalties totaling $2,181,495. Of these 41 settled cases, 17 were RCRA funded cases with penalties totaling $1,791,695. The remaining 24 cases were non-RCRA funded cases with penalties totaling $389,800. RCRAInfo penalty information nearly matches that reported by DTSC, with 16 settlements and the total RCRA funded penalties being slightly lower at $1,731,874. DTSC's data also indicates that 0 of their 6 formal cases were initiated in less than 240 days, and only 5 of 16 cases (32%) resulted in settlements in less than 360 day.

D. CUPA Program Activities

Oversight of the 83 local government agencies (–i.e., CUPAs) that implement the RCRA generator inspections and enforcement program as well as 5 other statutes in California presents a formidable challenge. During SFY13, EERD completed 22 CUPA program evaluations, and conducted 33 CUPA oversight inspections.

DTSC provided training and technical assistance on an as-needed and as-requested basis to specific CUPAs. DTSC also provided multiple hazardous waste generator trainings, including 12 sessions of the California Compliance School. In addition, training held at the CUPA conference

provided invaluable guidance to local government agencies on the hazardous waste program.

Imperial County and Trinity County Programs: Cal/EPA has designated DTSC as the CUPA for Imperial and Trinity Counties. DTSC performed 164 hazardous waste generator inspections in Imperial County and 23 hazardous waste generator inspections in Trinity County. No formal enforcement actions were concluded in SY13 for Imperial and Trinity Counties.

The California Environmental Reporting System (CERS) was initiated in 2009 for regulated facilities in California to report hazardous materials and hazardous waste information for the various programs delegated to the CUPAs to implement (e.g., hazardous waste generator inspection and enforcement). Beginning 2013, regulated facilities were required to enter facility data into the CERS. As of September 2013 only one of the state regulated facilities had entered site information data into CERS. Beginning 2014, CUPA inspection and enforcement data is to be either entered directly into CERS or indirectly through a compatible database.

E. Issues and Recommendations

Issue: The data in RCRAInfo significantly underreports the work and accomplishments that DTSC reported in the end-of-year self assessment. Due to these differences in the federal vs. state program, the numbers DTSC provides are difficult to reconcile with the data in RCRAInfo.

Recommendation: DTSC should develop data entry and quality control procedures that ensure all components of their RCRA inspection and enforcement program are reflected in RCRAInfo data. DTSC should periodically run RCRAInfo reports, and ensure all RCRA accomplishments are being entered. All RCRA accomplishments need to be recorded in RCRAInfo, because this is a requirement of a RCRA authorized State. This database is the official Federal database of record that is used for Congressional inquiries, GPRA reporting, tracking of RCRA accomplishments by EPA HQ, and the basis for information available to the public.

Issue: Enforcement accomplishments for Imperial and Trinity County Programs are not reflected in RCRAInfo. Cal/EPA designated DTSC as the CUPA for Imperial and Trinity counties, and as such DTSC is responsible for entering the inspection information for those counties. Lack of data entry is a common issue among CUPAs.

Recommendation: For inspections performed by DTSC as the CUPA for the Imperial and Trinity Counties, DTSC must enter the inspection and enforcement information into RCRAInfo as soon as possible. DTSC should establish a procedure for entering data into RCRAInfo and serve as a model for other CUPAs to follow. Additionally, DTSC should work with CalEPA to ensure that accurate CUPA generator inspection and enforcement data is uploaded into either the Envirostor or CERS databases.

II. Permits

A. GPRA Goals and Planning

U.S. EPA and DTSC agreed upon and memorialized GPRA Permit Goals in the cooperative agreement work plan. Table 5 below outlines these goals, which are measured in the number of approved controls in place and completed at hazardous waste facilities during the project period. DTSC's Office of Permitting is responsible for this task.

The following are considered approved controls in place:
1. Final approval of an initial permit
2. Final approval of a permit renewal
3. Final approval of a post closure permit
4. Closure with an approved post closure permit
5. Clean closure verification

Approved controls in place are necessary to ensure that hazardous waste facilities are operating in a manner that protects human health and the environment.

DTSC's commitment in FY2013 was to achieve eight permitting accomplishments toward their GPRA permitting goal. While DTSC did accomplish eight permitting goals, only three of the eight facilities were on the 2011-2015 GPRA baseline (See the list below). Therefore, even though DTSC gets credit for the eight accomplishments for the grant year, five of these facilities will not qualify for GPRA Accomplishments. To make sure that the GPRA baseline facility inclusion problem does not happen again in the future, DTSC worked diligently with EPA on reviewing and revising the 2014-2018 GPRA Permits baseline.

DTSC and U.S. EPA use the Multi-Year Strategy to work together to track the GPRA Permit workload planned over the next 5 years to meet GPRA Permit goals. The Multi-Year Strategy summarizes sites where DTSC has been delegated RCRA authority. This includes cleanup sites managed by DTSC's Brownfields and Environmental Restoration Program, as well as sites overseen by the Regional Water Quality Control Boards (RWQCB). DTSC is responsible for coordinating with the RWQCBs on any issues affecting achievement of GPRA goals.

DTSC has kept U.S. EPA updated on their progress, keeping the Multi-Year Strategy up to date to help with GPRA planning for 2013 and 2014. The Multi-Year Strategy is very helpful for U.S. EPA in understanding the previous year backlog, as well as the current and future workload. Based on DTSC's performance management, California should be able to meet next year's permit commitments set forth in the work plan

For federal FY14, EPA requests that California attain eight permit goals from facilities on the GPRA baseline. We will continue to work with DTSC to synchronize their targeted baseline facilities with their permit teams, and will closely coordinate and track DTSC's progress toward achieving this goal.

Table 5 – Permit GPRA Goals and Accomplishments Summary

GPRA Metric	2010-2011		2011-2012		2012-2013		2013-2014	
	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual
Approved Controls in Place	7	7	8	8[1]	8	3[2]	8	

[1]DTSC met the GPRA goal for federal FY12, but 2 of these accomplishments occurred outside the July 1, 2011 to June 30, 2012 project period.
[2] DTSC had five other permitting accomplishments as listed on Table 6; however, these five didn't count towards the GPRA accomplishments since they were not on the GPRA Permits baseline.

B. Program Accomplishments

DTSC made good progress to approve initial permits, permit renewals, closure verifications, and catch up on their permitting backlog (See Table 6). Data cleanup in Envirostor continues to be effective, with the correct data being reflected in RCRAInfo after the periodic uploads between systems. While this progress is good, more work is needed to ensure data are complete and accurate in both Envirostor and RCRAInfo.

Table 6 – Permit Accomplishment Details

California's 2012-2013 GPRA Permit Accomplishments		
Facility/ID #	**Approved Control in Place**	**Completion Date**
1. D/K Environmental - CAT080033681	Clean Closure	10/1/2012
2. Safety Kleen (changed to Clean Harbors) - CAD980817159	Transferred to Corrective Action	3/4/2013
3. DoD, Sharpe - CA8210020832	Clean Closure	8/30/2013
California's 2012-2013 Permit Accomplishments Not on GPRA Baseline		
4. Beckman - CAD008254708	Clean Closure for Entire Facility	6/25/2013
5. Erickson Treatment/Transfer Station - CAD982417560	Clean Closure	5/10/2013
6. International Light Metals – CAD030398622	Clean Closure	3/5/2013
7.Raytheon – CAD028260297	Clean Closure	6/26/2013
8. USMC Camp Pendleton – CA2170023533	Clean Closure	4/30/2013

Over the past year, public scrutiny increased over DTSC's permitting program's ability to issue permits in a timely manner and properly address community concerns. As a result, DTSC has been conducting a comprehensive evaluation of its permitting program and is developing a number of actions to strengthen its program.

C. Data Management

DTSC's Data Team worked with EPA to clean up the permitting data entered into Envirostor, eliminating errors and filling data gaps. This included correcting facility legal and operating status codes and adding expiration dates for facility permits. The investment in cleaning up data has resulted in a more accurate universe count in the RCRAInfo database and in the EPA HQ reports.

The DTSC Envirostor database fields are now synchronized with RCRAInfo database fields, enabling automatic Envirostor uploads to RCRAInfo, which occur on a quarterly basis, as required in the grant work plan. This has simplified the data entry process. EPA requests that DTSC continue to check the data quality after every quarterly upload to ensure that the GPRA accomplishments are reflected correctly in RCRAInfo

D. Issues and Recommendations

Issue: Public scrutiny of DTSC's permitting program is expected to continue throughout the coming year.

Recommendation: DTSC and EPA should work together to leverage their resources in order to improve DTSC's permitting program. EPA will assist DTSC to fulfill instructional and educational needs for permitting staff, as appropriate, and provide expertise in conducting community outreach. DTSC's work plan following this End of Year Report should outline specific activities intended to improve the permitting program.

III. Corrective Action

A. GPRA Goals

EPA's 2020 GPRA Corrective Action goal is to achieve human exposures under control, groundwater under control, and remedy construction at 95% of the baseline facilities. The GPRA baseline for California contains 261 sites including the16 new sites added to the baseline in early 2013. In order to be on track to meet the national 2020 GPRA goals, the federal fiscal year 2013 target was to have human exposures under control at 85%, groundwater migration under control at 73%, and remedies constructed at 51% of the baseline facilities.

The table below identifies the draft annual milestones for each goal culminating in 95% for each in the year 2020. Also note, a new national goal has been added (See section C)

	Annual Percentage Goals for GPRA RCRA Corrective Action								
	2012	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Human Health	**81**	**85**	**90***	**93**	**95**	**95**	**95**	**95**	**95**
Groundwater	**69**	**73**	**80***	**80**	**84**	**88**	**92**	**95**	**95**
Remedy Construction	**46**	**51**	**57***	**70**	**75**	**80**	**85**	**90**	**95**
Cleanup Complete**							**25**	**TBD**	**TBD**

*. The 2014 goals were recently proposed by HQ. The goals beyond 2014 are milestones established by Region 9.
**. New goal established in Federal FY2013.

B. Program Accomplishments

At the end of federal fiscal year 2013, DTSC's GPRA cumulative percentage accomplishments were: (a) human health exposure under control at 90% of the baseline facilities, (b) migration of contaminated groundwater under control at 73% of the baseline facilities, and (c) remedy constructed at 49% of the baseline facilities. The addition of the 16 newly added facilities caused DTSC to appear a bit behind on the national goal percentages. Yet, excluding the 16 newly added sites, DTSC achieved or exceeded all three 2013 milestones.

In federal FY2013, DTSC accomplished 14 new Human Exposures Under Control, and reevaluated and confirmed the goal at 6 additional facilities. 12 new Ground Water Migration Under Control were achieved, and 2 additional facilities reevaluated and confirmed the goal. 8 new Remedy Construction goals were complete, with 1 reevaluation.

For the state fiscal year 2012-2013, DTSC completed human health evaluations on 27 facilities. 18 were new accomplishment and the other 9 were revaluations of previous determinations. 14 total groundwater migration evaluations were completed; 12 were new accomplishments and 2 were reevaluations of previous determinations. DTSC also completed 11 remedy construction evaluations; 10 were new evaluations and 1 was a reevaluation.

The Corrective Action GPRA partnership between EPA and DTSC is exemplary. EPA and DTSC share a common goal and commitment to achieve the GPRA goals and the results demonstrate the effectiveness of the partnership. DTSC would have exceeded the milestones for all three goals had they not added 16 sites to their baseline. Even with these new sites, they currently meet and exceed two of the three goals.

C. GPRA Planning – New Goal

In late fiscal year 2013, EPA adopted a new goal called, "Cleanups Complete." EPA will start to track this goal in federal fiscal year 2014 with a goal of having 25% of baseline sites meeting the goal by the end of federal fiscal year 2018. This goal is achieved when a facility has no further remedial action (RCRAinfo Code - CA999) and/or has achieved all applicable cleanup objectives and has enforceable institutional controls (RCRAinfo Code - CA900).

EPA requests that DTSC continue to maintain and update their projections for when each site will achieve the three GPRA goals. In addition, EPA requests that DTSC start tracking and projecting "Cleanups Complete". If funding is available, EPA would like to continue funding contractors to assist DTSC and the Water Boards in meeting the three goals. EPA may also be able to use these contractor resources to project when the "Cleanup Complete" goal may be met.

D. Issues and Recommendations

Issue: In RCRAInfo, Sierra Army Depot continues to be wrongly coded as achieving the remedy construction goal in 2013. The written form is clear that the facility has not achieved the goal.

Recommendation: The coding in RCRAInfo needs to be corrected quickly, as RCRAInfo is the database EPA Headquarters uses to document and confirm state accomplishments. In future years, data checks should be done on a regular basis to ensure no other coding mistakes occur.

IV. Data Management

A. Program Accomplishments

DTSC is working with Cal/EPA to flow electronic data for Compliance Monitoring & Enforcement (CM&E), Permitting, and Corrective Action modules to RCRAInfo via CDX. U.S. EPA hopes that these efforts continue.

EPA commends DTSC for taking action to transition as the lead for issuing EPA ID numbers for federal hazardous waste handlers. This is an important core RCRA responsibility for authorized

states. DTSC successfully began issuing EPA ID numbers on the first day of the state FY13. This was due in large part to the tremendous effort during FY12 to plan and prepare for the transition.

B. Issues and Recommendations

Issue: Due to significant staff transitions at both agencies, data obstacles are not being raised and addressed in a timely manner.

Recommendation: Please coordinate with the EPA Data Liaison (R9 RCRAinfo Database Administrator Elizabeth Janes) to document RCRAinfo upload protocols for all modules, including timing, points of contact, and a periodic set of quality assurance checks. EPA recommends at a minimum a quarterly meeting to check in on data issues.

Issue: The required Financial Assurance (FA) data has not been uploaded into RCRAInfo and there is no established process for uploading FA data on a regular basis. Both EPA Region 9 and DTSC staff resources have diminished in this area.

Recommendation: DTSC should prioritize uploading FA data into RCRAInfo to make it current. After the data are up to date, DTSC should develop a process for entering FA data on a regular basis. As with other programmatic data, a quality assurance and quality control process should be developed and implemented to ensure data are accurate and complete.

Issue: In previous years, LQG's with California-issued EPA ID's used those same state ID's to submit their federal Biennial Report (BR) forms (8700-13) for RCRA hazardous waste. This resulted in hundreds of new federal EPA IDs being created during the BR upload for California-issued EPA IDs.

Recommendation: DTSC should consider building a quality check into the BR data entry process so that DTSC only accepts data from valid federal RCRA EPA IDs for the final BR upload.

Issue: DTSC did not meet all the requirements and deadlines specified in the work plan for the 2011 Biennial Reporting System (BRS), including the following tasks:

a. Provide EPA with a list of all RCRA LQGs and TSD facilities operating within California during the 2011 Biennial Reporting survey cycle.

b. Provide EPA with DTSC's training and outreach plan, and schedule for the regulated community.

c. Collect all forms no later than March 1, 2012 from the regulated community. EPA understands that over 1000 facilities that submitted in the previous BRS cycle had not submitted forms to DTSC by March 1, 2012.

d. Perform quality assurance and quality control on data received by EPA. EPA was not able to generate QA/QC reports for DTSC to correct errors because DTSC missed the BRS data entry deadlines in July and August 2012.

Recommendation: DTSC should review the requirements specified in the work plan for the 2013 BRS. EPA and DTSC should meet to discuss lessons learned from the previous cycle, and

develop a strategy to ensure all necessary steps are taken and resources are available to ensure a smooth process for the 2013 BRS cycle. Purchasing CROMMER compliant software to input data into RCRAInfo is an example of one important investment that may improve the workload for the 2013 BRS cycle.

Issue: Cal/EPA has raised concerns about the inability of the state to update the RCRAinfo Handler module to correct the generator status of multiple facilities.

Recommendation: DTSC, Cal/EPA and EPA Region 9 database staff should meet to compare the relevant data sets and agree on the data values of each.

Issue: The implementation of data flows from the local jurisdictions to the state, and from the state to the federal RCRAInfo database, is an ongoing process that is yet to be complete. There is data in RCRAinfo in the CME module from all three levels of government, which is promising; however, a comparison of RCRAinfo to CERS shows that there continue to be gaps in data flow.

Recommendation: There needs to be an agreed upon set of methods for checking the quality of RCRAinfo California data on a routine (quarterly) basis. Please contact the EPA regional RCRAinfo Database Administrator (Janes) for more discussion to establish these protocols and revise the workplan accordingly.

V. Mexico Border

A. Program Accomplishments

DTSC met the RCRA grant commitments for US-Mexico Border Program Activities in FY2013. These activities included the Border 2020 program, port of entry inspections, and capacity building. DTSC's EERD, San Diego and Imperial Offices have been strong partners with EPA, US Customs and Border Protection (CBP), and other state and local enforcement agencies on border and trans-boundary import/export issues, particularly this past year on lead-acid batteries and electronics.

1. Border 2012 and Border 2020 Program Support

Given federal budget short-falls and uncertainties, travel to plan border task force meetings was limited this past year. Only one bi-national task force meeting of the CA/Baja CA Waste & Enforcement Task Force was held on May 15 in Tijuana in collaboration with the Tijuana River Watershed workshop held May 14-16. DTSC has not been able to attend task force meetings held in Mexico due to travel policy constraints. The Border 2020 program's policy has been to alternative meetings between Mexico and the US to facilitate participation by all US and Mexican agencies, while also providing access to teleconferencing to address travel limitations and reduce travel costs. Access to teleconferencing on the border is still challenging, but EPA, in association with other Border 2020 partners, will continue to search for these services and facilities. In the enforcement workshop held June 2013, participants agreed to set a goal to hold more regular border enforcement calls; this is an item that EPA will coordinate with DTSC.

2. Import/Export Inspections

DTSC and San Diego County performed north-bound environmental inspections and occasional south-bound inspections in coordination with US Customs and Border Protection (CBP). DTSC performed inspections at the Otay Mesa (Tuesday-Friday) and at the Calexico (Friday) port of

entry crossings. San Diego performed weekly inspections in Otay Mesa. In total, DTSC reported 3987 truck stop inspections, of which 354 were RCRA/non-RCRA stops resulting in 10 violations. Besides the RCRA/non-RCRA waste inspections performed by DTSC, they monitored trucks caring non-regulated waste and materials (2760), universal waste (164) and American Products Returned (709).

DTSC continued to police and communicate on special waste import/export issues in coordination with federal and state agencies. In the past year, DTSC has been responsive to information requests on wastes including abandoned electronics of cathode ray tubes in a Yuma, Arizona warehouse, and lead-acid batteries. In both cases, there were inquiries on whether Mexican recycling facilities would serve as possible alternatives and had overflow capacity. DTSC also reported assisting Mr. Evan Lloyd, Executive Director of the Commission for Environmental Cooperation, with information on lead-acid batteries for a report on import/export, regulations and industry recycling practices.

DTSC is commended for continuing to coordinate and support the Arizona Department of Environmental Quality (ADEQ) with inspection and trans-boundary movement issues. EPA will rely on DTSC's continued support as it launches an initiative to strengthen compliance and enforcement through better coordination and communication among federal and state agencies working with ports of entry.

B. Capacity Building

Border 2020 program partners including DTSC supported EPA in planning the two-day Environmental Compliance and Enforcement Workshop held on June 13-14 in San Diego. DTSC, as well as San Diego County, presented on import/export inspection practices and on broad special waste issues such as batteries, electronics, vehicle shreds, contaminated plastic and paper shipped for recycling, solvents, and other materials transported through the ports of entry. These two presentations directly benefited workshop participants from 29 enforcement agencies including the border states of AZ, Baja CA, CA, and Sonora, the Mexican and Canadian federal enforcement agencies, and two Tribal Nations. The presentations were also available via webinar to participants who could not attend in person.

No other capacity building activities were carried out this past year, but DTSC reported renewing the contract with San Diego County to continue providing inspections at Otay Mesa port of entry and conduct annual training in Baja CA on waste exports from the Maquiladora industry.

C. Comments

DTSC is commended for continuing to provide strong leadership and expertise in border enforcement. Additionally, DTSC's knowledge of special waste streams and supporting ADEQ in addressing border enforcement needs has been beneficial. DTSC's continued partnership with San Diego County to support inspections is cost-effective, especially given their emergency response capacity and ability to travel and meet in Baja CA.

VI. Pollution Prevention

A. Program Accomplishments

Green Business Program Success and Expansion: EPA is impressed with the environmental results reported for the CA Green Business Network. DTSC deserves great credit for its support

of both program expansion and the measurement system for reporting results. It is notable that the program expanded to 3 new jurisdictions.

B. Issues and Recommendations

Issue: Challenges and Opportunities in Reorganization: EPA acknowledges the significant changes to the P2 program that have occurred in the past year. We recognize the shift in focus to finalizing and implementing the Safer Consumer Products Program impacted the results reported this year, and that DTSC will scale back on current work plan commitments. Though DTSC notified EPA of these organizational changes in June 2013, it has not yet provided EPA with a proposal for revising the current work plan commitments for the remainder of the grant cycle.

Recommendation: By February 15, 2014, DTSC will provide EPA a revised pollution prevention work plan which reflects the use of the P2 resources from June 2013 to the present. The work plan should also propose how the remaining resources will be deployed for the remainder of the grant period. EPA and DTSC will negotiate a final revised work plan by January 31, 2014. EPA believes DTSC's new responsibilities will open up new opportunities for creative approaches to pollution prevention and source reduction. We look forward to working closely with DTSC to establish new work plan commitments for this important work.

VII. Authorization

There were no activities related to authorization during the July 1, 2012 – June 30, 2013 project period.

VIII. Grant Administration

Personal changes at both EPA and DTSC resulted in new Project Officers assigned to manage the grant for FY2013. While FY2013 ended in a period of transition, EPA is committed to maintaining a strong relationship with DTSC. The new project officers have already established a monthly communication schedule, and plans for quarterly meetings between the Director of the Waste Management Division and the Director of DTSC.

As of the writing of this report (December 2013), DTSC has been given $19,314,495 (88%) of their total grant allocation. EPA still owes DTSC $2,429,184 to complete the full grant allocation of $21,743,679. Yet, due to sequestration cuts, funding for FY2014 is being decreased by 5.5% per state. This will result in EPA having to decrease the total amount of remaining funding to DTSC to make up this difference.

Of the $19,314,495 given, DTSC has drawn down $17,453,414. They have done a good job of keeping a consistent spending rate and are on track to use the majority of their grant money by the end of FY2014.

June 30, 2014 will be the end of the current 3-year grant cycle. As such, a large portion of the communication between DTSC and EPA in early calendar year 2014 will need to involve developing a new grant application and work plan for the FY2015-2017 cycle. Both parties are aware of this coming obligation and intend to work closely together to meet future application deadlines.