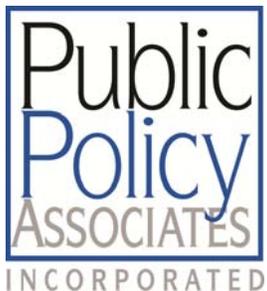




Doing One Better: MDEQ's Performance Improvement Efforts and Public Perception

Assessing MDEQ Efforts to Improve Customer Service
Benchmarking MDEQ's Permit-Processing Performance
Understanding the Customer Experience
Implications and Recommendations



Public Policy Associates, Incorporated is a public policy research, development, and evaluation firm headquartered in Lansing, Michigan. We serve clients nationally in the public, private, and nonprofit sectors at the national, state, and local levels by conducting research, analysis, and evaluation that supports informed strategic decision making.

119 Pere Marquette Drive, Suite 1C, Lansing, MI 48912-1231
(517) 485-4477, www.publicpolicy.com

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We also extend our thanks to those professionals outside MDEQ who participated in the interviews and the benchmarking data collection that informed this report.

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Foreword

It is the mission of the Michigan Department of Environmental Quality (MDEQ) to promote wise management of Michigan's air, land, and water resources to support a sustainable environment, healthy communities, and a vibrant economy. In fulfilling the agency's mission, MDEQ staff strives to be leaders in environmental stewardship, partners in economic development, and providers of excellent customer service.

As one of the leading agencies in responding to Governor Snyder's call for customer-driven improvements to state government, MDEQ has engaged in a robust effort to enhance the agency's customer service. The findings in this report highlight the positive impact of those efforts to date. MDEQ's processing times for key permits are as quick as or quicker than processing times among other Great Lakes states, and the agency's permit customers generally give the agency high marks for the quality of customer service.

Just as importantly, though, the report's recommendations provide valuable guidance for how to build on the positive momentum and continue to improve the reality and perception of MDEQ's top-of-the-line customer service. The report reinforces that high-quality customer service involves more than timeliness. Therefore, along with maintaining our focus on ensuring staff throughout the agency have the tools needed to deliver high-quality service, it is important that we refine our processes for collecting, analyzing, and acting on customer feedback to ensure our efforts to provide excellent service are focused on the right priorities. Through this report and our continuing work, we can also tell our story in new and broader ways.

I am proud of the MDEQ staff for their dedication to providing top-notch service and grateful to our customers throughout the state who have partnered with us to advance our mission to serve the public interest. As we move forward with incorporating the insights gained through this study into the agency's ongoing strategic planning, my leadership team and I remain committed to clear, open communication about the agency's plans and performance, and we look forward to hearing input from our many partners and stakeholders.

Dan Wyant, Director
Michigan Department of Environmental Quality
October 2014

Executive Summary

Under the leadership of Director Dan Wyant, the Michigan Department of Environmental Quality (MDEQ) has worked to eliminate the bureaucratic barriers to job creation and economic growth, while advancing its mission as a steward of the environment for the state.

In early 2014, MDEQ asked Public Policy Associates, Inc. (PPA) to conduct this study to inform the department's efforts by benchmarking current performance with other states in the region, improving understanding of current and past MDEQ process-improvement initiatives, identifying current customers' expectations and perceptions of service quality, and identifying changes necessary for MDEQ to be the best in the Midwest in terms of environmental permitting and high-quality customer service.

Methodology

PPA used multiple methods to achieve the research objectives. Specifically, PPA reviewed MDEQ administrative data and met with MDEQ officials and topical experts, compiled secondary data on permit processing performance among comparison states, and interviewed MDEQ customers. PPA analyzed the data collected and identified eight key findings, along with a list of implications and recommendations to assist MDEQ with achieving its customer service goals.

Key Findings

- MDEQ is committed to high-quality customer service and has been diligently working over the past four years to enhance its processes and service delivery.
- MDEQ is performing as well as or better than the comparison states in processing times for the prioritized permits.
- MDEQ is performing as well as or better than the comparison states in accessibility and transparency of agency performance and accountability data.
- Overall, customers indicated that they experienced processing times consistent with the department's performance data.
- Customers most frequently identified timely communication, transparency and accessibility of information, and engagement of staff in problem solving as key factors for a good customer service experience.
- Overall, customers rated MDEQ's performance on key customer service factors between fair and very good, but many described variability in quality among individual permit reviewers and/or district offices.
- MDEQ provides customers with multiple ways to share input, but customers are not always aware of or willing and able to take advantage of the available opportunities.
- Customers' perceptions vary regarding the degree to which MDEQ uses customer input to improve practice.

Implications and Recommendations

- MDEQ has made strong efforts to streamline permit processing and improve customer service. Maintaining improvements in quality and efficiency will require MDEQ to maintain an ongoing focus on staff training and performance monitoring.
- MDEQ could improve customers' overall perceptions of the quality of MDEQ customer service by increasing the consistency with which individual staff members deliver high-quality service. To do so, MDEQ should ensure that department-wide customer service standards are clearly defined and dedicate staff development resources to building customer service skills, with a strong emphasis on communication skills.
- A more systematic, comprehensive approach for collecting customer feedback would help MDEQ ensure that the efforts to improve customer service are responsive to customers' highest priorities, as well as help measure progress more effectively.
- Frequent communication with internal and external stakeholders about the department's customer service performance and the department's actions in response to customer input would help reinforce the department's focus on providing high-quality service and improve customers' perceptions of MDEQ responsiveness.

Introduction

Background

In partnership with the Michigan Department of Licensing and Regulatory Affairs, the Michigan Department of Treasury, and the Michigan Economic Development Corporation, the Michigan Department of Environmental Quality (MDEQ) has launched Reinventing Performance in Michigan (RPM), a data-driven initiative to eliminate the bureaucratic barriers to job creation and economic growth.

MDEQ has worked for many years to balance its mission as a service organization and as a steward of the environment for the state. Recognizing that environmental protection is best achieved through cooperation of the public and industry, MDEQ, under the leadership of Director Dan Wyant, has placed an increased focus on excellent customer service as a department-wide goal. This fits well within the RPM goal of making Michigan a top state for business through attention to customer service.¹

With this study, MDEQ is positioning itself to better understand what it needs to do to further improve its engagement with customers, enhance staff training and service delivery, and improve the understanding of what MDEQ does and how it goes about that work.

Public Policy Associates, Inc. (PPA) conducted research and developed tools to aid the MDEQ's progress toward these RPM objectives. Specifically, PPA:

- Benchmarked MDEQ's major permitting processes against other states in the Great Lakes region.
- Summarized current and past MDEQ process-improvement initiatives.
- Developed new process maps where needed.
- Interviewed customers of MDEQ on select permit processes.

PPA will use the findings reported here to assist MDEQ leadership with developing a plan to ensure all current and future process improvements are part of a cohesive strategy to advance the agency's mission.

¹ For more information on RPM, see: Michigan Department of Licensing and Regulatory Affairs, "Reinventing Performance in Michigan," http://www.michigan.gov/lara/0,4601,7-154-10573_66085_66429-312779--00.html

Methodology

Research Questions

The data collection efforts were informed by a set of research questions that centered on the MDEQ's engagement with its customers generally, and around its major permitting processes particularly:

- What has MDEQ done to improve customer service performance over the past several years?
- How do the volume, processing times, and other performance factors for MDEQ's major permit programs compare to similar permit programs in the other U.S. Environmental Protection Agency's Region 5 states?
- Among MDEQ key stakeholder groups, what are the expectations for and perceived quality of the customer service experience?

A complete list of the research questions are contained in Appendix A.

Data Collection

The study began in February 2014 with a review of MDEQ administrative records on its current and past activities around customer service. These included presentations on internal initiatives, the MDEQ MiScorecard, existing permit process maps, survey finding reports, current customer service surveys, and other information available online or through department staff.

MDEQ's permit data (target for days to issue, average processing time, and volume) were collected directly from staff. Much of this information is already reported in the MDEQ MiScorecard, which tracks targets versus actual averages monthly on a number of activities. State-to-state variation in permit parameters, how permitting is conducted and by whom, and reporting approaches made some comparisons challenging. For instance, not all states provided like-information on their permits online. In these cases, PPA worked to clarify information through outreach to contacts in those departments.

Six interviews were conducted by telephone with individuals who have had recent experience preparing permit applications for MDEQ review. Interviewees generally had extensive experience with MDEQ and experience with at least one other state.

Further details on PPA's methodology can be found in Appendix A.

MDEQ Efforts to Improve Customer Service

Processes and Service Delivery

Finding #1: MDEQ is committed to high-quality customer service and has been diligently working over the past four years to enhance its processes and service delivery.

In reviewing a variety of administrative records from MDEQ, it became clear that customer service improvement has been a long-term effort for the agency. Aside from its activities under RPM, MDEQ has increased the transparency of its processes and the efficiency of those processes. It has used online forms, maps, and feedback surveys to help improve access to information and communication with department staff. MDEQ also engaged customers and experts in discussions of policy on a variety of issues, in addition to topic groups that are legislatively mandated. The Environmental Assistance Center is a strong connection point for customers and the public to pose questions to MDEQ; its 24-hour response policy, which is achieved 99 percent of the time for tens of thousands per year, is an impressive service.

Process maps are oftentimes helpful visuals for customers and staff alike to see key decision points, time frames for activities, and the overall sequence of events in a process. As such, process maps can illuminate what might otherwise be an opaque process hidden behind office doors. By early 2014, MDEQ had already visually mapped some of its permit processes and had described in narrative form most others on its website. PPA created two additional maps for MDEQ: one for the wastewater permit and another for the water main construction permit. Please see Appendix D for copies of these processes. These maps will be also deployed online by MDEQ for customer reference.

In addition, MDEQ has focused heavily on understanding its ability to respond quickly and effectively to permit requests, customer outreach and inclusion, and indicators of environmental stewardship. The result has been a detailed MiScorecard for MDEQ.² Although performing well on the targets, leadership continues to press for improvements.

The figure below summarizes the customer service improvements MDEQ has undertaken during the past four years.

² See the most recent MDEQ MiScorecard at http://www.michigan.gov/openmichigan/0,4648,7-266-60201_60935---,00.html

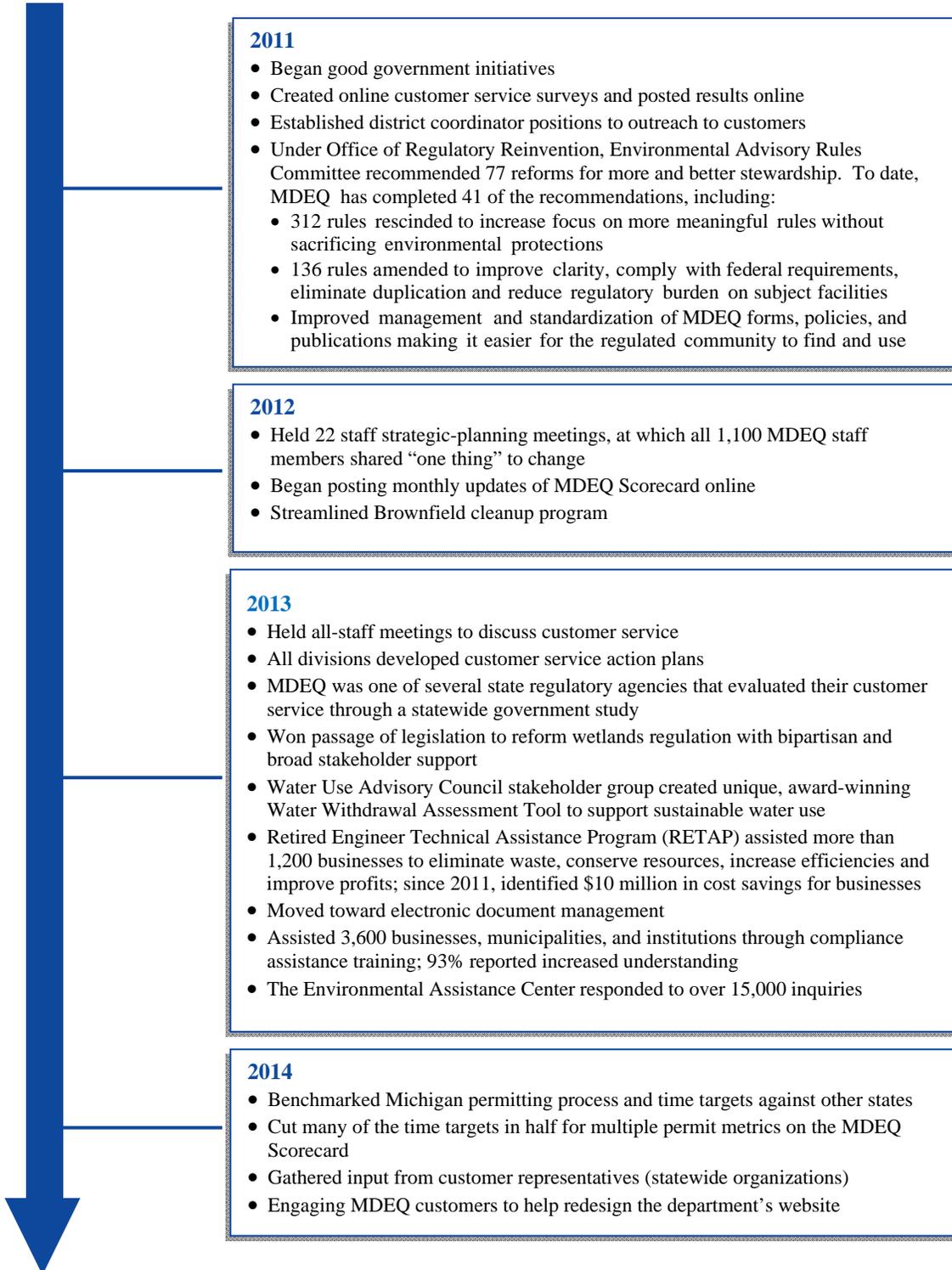


Figure 1: MDEQ Customer Service Improvement Efforts, 2011-2014

Benchmarking MDEQ's Permit-Processing Performance

A primary component of PPA's research involved comparing the volume and timeliness of permit processing within MDEQ to the volume and timeliness among states in the U.S. Environmental Protection Agency's Region 5, including Illinois, Indiana, Minnesota, Ohio, and Wisconsin. The research focused on a sample of permits, selected based on multiple factors, including an adequate number of applications processed annually, the likelihood of finding comparable permits in other states, and, in most cases, the potential for a long processing time to have an economic impact by delaying new projects. A full list of the criteria used for permit selection is included in Appendix A. Based on those criteria, the following six permit types were identified as priorities for analysis.

- Air Quality Permit to Install
- Air Quality Renewable Operating Permit
- Wetlands Protection Permit
- National Pollution Discharge Elimination System (NPDES) Permit
- Public Water Supply Construction Permit – Water Main Construction
- Wastewater Collection and Treatment Facilities Construction Permit – Sanitary Sewer Construction

Processing Times

Finding #2: MDEQ is performing as well as or better than the comparison states in processing times for the prioritized permits.

MDEQ's efforts to streamline permit processing have resulted in average processing times that, overall, are as short, or shorter, than times in the comparison states. A summary of how MDEQ processing timeliness measures up with timeliness among the other Region 5 states is included in the figure below.

Leading the Pack	On Pace
<p>Air Quality Permit to Install Michigan’s average processing time, which is well below the 90-day target, is as fast or faster than the processing times in comparison states.</p> <p>Air Quality Renewable Operating Permit As of June 2014, Michigan had a total of eight outstanding renewal permit actions for permits beyond their original five-year term, the lowest number of backlogged renewals among Region 5 states.³</p> <p>NPDES Permit MDEQ’s 90-day target timeframe is half the target of most of the other states, and available data suggest Michigan’s processing times are also significantly shorter than the other states.</p> <p>Public Water Supply Construction Permit – Water Main Construction MDEQ’s average processing time of 10 days matches Wisconsin’s as the quickest processing time reported by Region 5 states.</p> <p>Wastewater Construction Permit – Sewer Construction Michigan’s average processing time of 23 days is the quickest reported among Region 5 states.</p>	<p>Wetlands Protection Permits Differences in state and federal jurisdiction over wetlands permitting among states made it particularly challenging to collect like data for benchmarking MDEQ performance. However, perhaps due to MDEQ’s actions (such as assuming authority to administer the Federal 404 permit program), the available data suggest that Michigan is among the most efficient states in the processing of wetlands permits.</p>

Figure 2: Timeliness of MDEQ Permit Processing in Relation to Comparison States

Due to variations in how each state defines particular permits, as well as differing approaches to tracking and reporting internal performance metrics, it was challenging, in some cases, to collect like data for drawing direct comparisons among states. In these instances, PPA reached out to contacts in the comparison state departments to seek additional clarification and selected the best approximation of like data to include in the benchmarking analysis. Detailed cross-state data tables, including descriptive notes and source information, can be found in Appendix C.

³ Because air quality renewable operating permit applicants are able to continue operating throughout the review process, few states report review times for these permits. However, on a semi-annual basis, states are required to report to the US Environmental Protection Agency the number of major sources operating with expired permits or permits extended beyond the original five-year term. Therefore, each state's performance on processing renewal applications prior to expiration of the original five-year permit term was selected as an alternate measure for benchmarking timeliness of processing air quality renewable operating permits.

Transparency and Accountability

Finding #3: MDEQ is performing as well as or better than the comparison states in accessibility and transparency of agency performance and accountability data.

By increasing the flow of information to customers and other stakeholders about an agency's processes and performance, government agencies allow for more meaningful customer participation in shaping processes and holding government accountable for performance targets.

Therefore, in addition to permit processing times, the benchmarking component of the study included comparing MDEQ to the other states in terms of the availability and accessibility of online information. In using departmental websites for benchmarking the timeliness of MDEQ's permit processing, PPA was able to assess the transparency of agency performance and accountability data among MDEQ and the comparison state departments.

As discussed under Finding #1, MDEQ's efforts to improve customer service have included a strong emphasis on increasing transparency, which is reflected in the volume and depth of information about agency performance available to the public on the State of Michigan website. The figure on the right illustrates the multiple levels of MDEQ performance data the public is able to access online, from high-level, multi-agency summaries to detailed performance statistics for individual permit programs.

Due to the widespread emphasis in recent years on increasing accountability and transparency at all levels of government, it was not surprising to discover that many of the comparison states have also implemented efforts recently to increase the availability of departmental performance data. For example, the Indiana Department of Environmental Management posts permitting data to a performance measure dashboard on the Indiana Transparency

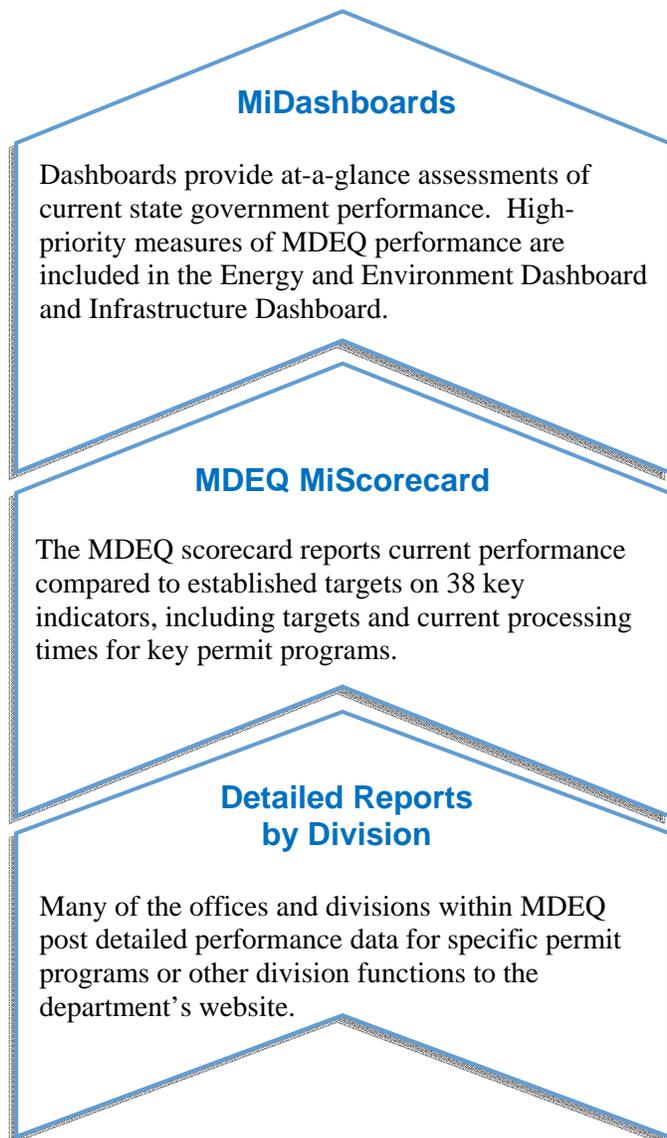


Figure 3: MDEQ Performance Data Available on the State of Michigan Website

Portal.⁴ In Illinois, statute requires the Illinois Environmental Protection Agency to post a report to the agency’s website each year that includes data for the previous calendar year about the number of applications received, the number of permits issued, and the average processing time.⁵

Even with the high levels of transparency observed among several of the comparison states, MDEQ is among the top performing states in providing Web-based access to permit processing data. Although not a comparison of the comprehensive catalogue of content available on each state’s website—such analysis was outside the scope of this study—the following table shows the results of PPA’s efforts to locate target processing times and performance data for the selected permit types on each state’s website.

Table 1: Availability of Permit Processing Targets and Performance Data on State Websites

	Air Quality - Permit to Install	Air Quality – Renewable Operating Permit	Wetlands Protection	National Pollution Discharge Elim. System (NPDES)	Public Water Supply Construction - Water Main Construction	Wastewater Construction - Sewer Construction
<i>Michigan</i>	●	●	●	●	●	●
Illinois	●	●	○	●	●	●
Indiana	●	◐	●	●	●	◐
Minnesota ⁶	◐	◐	◐	◐	◐	◐
Ohio	●	◐	●	◐	○	◐
Wisconsin	●	◐	○	◐	◐	◐

- – Able to find target and performance data
- ◐ – Only able to find target
- – Unable to find target or performance data

⁴ For more information, see: State of Indiana, “Indiana Transparency Portal,” <http://www.in.gov/itp/2334.htm>

⁵ For more information, see: Illinois Environmental Protection Agency, “Annual Electronic Posting of Permit Information,” <http://www.epa.state.il.us/permits/annual-report/index.html>

⁶ The Minnesota Pollution Control Agency posts a semiannual permitting efficiency report on the MPCA website that includes aggregate performance data, but does not provide detailed performance for specific permit types.

The Customer Experience

In order to learn more about MDEQ's customer service from the perspectives of customers and stakeholders, PPA interviewed six individuals with recent experience preparing permit applications for MDEQ review. Rather than collecting data to represent the input of the broad population of MDEQ customers, the interviews were designed to confirm and supplement customer feedback data previously collected by or on behalf of MDEQ. Specifically, the interviews elicited feedback on the benchmarking data collected by PPA, as well as input on which factors were most important for an exceptional customer service experience, how well MDEQ performance matched the customer's expectations on those factors, the effectiveness of the department's approaches to soliciting and responding to customer feedback, and ways MDEQ could improve its customer service practice.

Timeliness

Finding #4: Overall, customers indicated that they experienced processing times consistent with the department's performance data.

Most of the customers interviewed by PPA indicated they had experienced MDEQ permit processing times that were generally consistent with the level of efficiency reflected in benchmarking data. In particular, the interviewees that specialize in air quality permits and NPDES permits consistently described MDEQ's processing of permit applications as timely and efficient. In fact, based on experience with similar permits in other Region 5 states (including Indiana, Ohio, and Wisconsin) both of the interviewees who specialize in NPDES permits indicated that they experienced the fastest turnaround times with MDEQ.

“They [MDEQ] have come a long way in being more timely and improving the turnaround times. I had a client that needed a permit right away, and they were able to turn it around in one week.”

The only exceptions to the general agreement with the MDEQ performance data came from the two interviewees who specialize in wetlands permits. Both indicated that they have consistently experienced processing times beyond the MDEQ target. However, both interviewees pointed to the complexity of issues involved in wetlands permits, rather than specific MDEQ practices, as a primary factor in the length of time required for a permit review. In addition, both interviewees work as consultants, and, as one of them pointed out, permit applicants are more likely to hire a consultant to assist with large or complicated projects. That tendency to be involved only with the more complex applications may explain the perception that actual permit review times are longer than the reported average.

Customer Expectations

Finding #5: Customers most frequently identified timely communication, transparency and accessibility of information, and engagement of staff in problem solving as key factors for a good customer service experience.

Each interviewee was asked to list the three most important factors that contribute to an exceptional customer service experience. An expectation for frequent, effective communication was the predominant theme among interviewees' responses. Communication, as a factor on its own, was one of the most frequently listed factors. Communication also has a prominent role within the other top factors, transparency and accessibility of staff. Additional factors named include timeliness, empathy and knowledge of staff, and follow through on commitments. Please see Table 2 for a summary of responses, including the number of interviewees who listed each factor and quotes to illustrate some of the reasons interviewees provided for factors they listed.

Table 2: Customer Perspectives on Key Factors for High-Quality Customer Service

Factor	Frequency	Example Interviewee Quotes
Communication	5	"Communication from the regulator to the applicant or the consultant. We are trying to fix problems and if [the regulators] don't tell us [what the problems are] we are lost. This is critical... to know the problem so we can resolve it."
Transparency and accessibility of information	5	"As a consultant, it's my business to minimize delays for clients, so it's important that I'm able to find information when things change in order to follow the correct process."
Accessibility and engagement of staff in problem solving	3	"It works best when the agency engages industry and permit applicants as partners in the permit and compliance process."
Timeliness ⁷	2	"When my clients can't start building without a permit, long waits for permits could mean lost business and lost money."
Empathy	1	"A regulator should be empathetic with the applicant's situation."
Knowledge	1	"A certain level of knowledge of how facilities work and how wastewater is generated, an understanding of the operations within our [facility]."
Follow through on commitments	1	"If there is something, an action item, that the permit writer is expecting from me and I do it, I expect the same thing from the permit reviewer."

⁷ It is important to note that the interviews conducted for this study included a separate, detailed discussion of timeliness relative to the benchmarking data. As a result, when asked to list top factors for quality customer service, interviewees may have felt inclined to identify factors other than timeliness. However, based on the overall feedback provided by the interviewees, as well as data from previous customer service surveys and interviews conducted by MDEQ, timeliness is likely a higher priority among customers than reflected in Table 2.

The strong emphasis on communication was reinforced in the recommendations offered by interviewees for changes to improve customer service. Common themes included recommendations to improve communication and expand the use of Web-based communication options, including more online platforms for application processes. One customer noted, “Web-based permitting tools would...encourage more consistent and complete applications.” Another indicated, “One thing that I would like is, when we submit an application, I would like the acknowledgement that it was received and that it was [a] complete [application.]”

Customer Perceptions

Finding #6: Overall, customers rated MDEQ performance on key customer-service factors between fair and very good, but many described variability in quality among individual permit reviewers and/or district offices.

In addition to listing expectations for high-quality customer service, each interviewee was asked to rate MDEQ’s performance on the factors he or she listed. The figure below shows the average ratings for the most commonly listed factors.

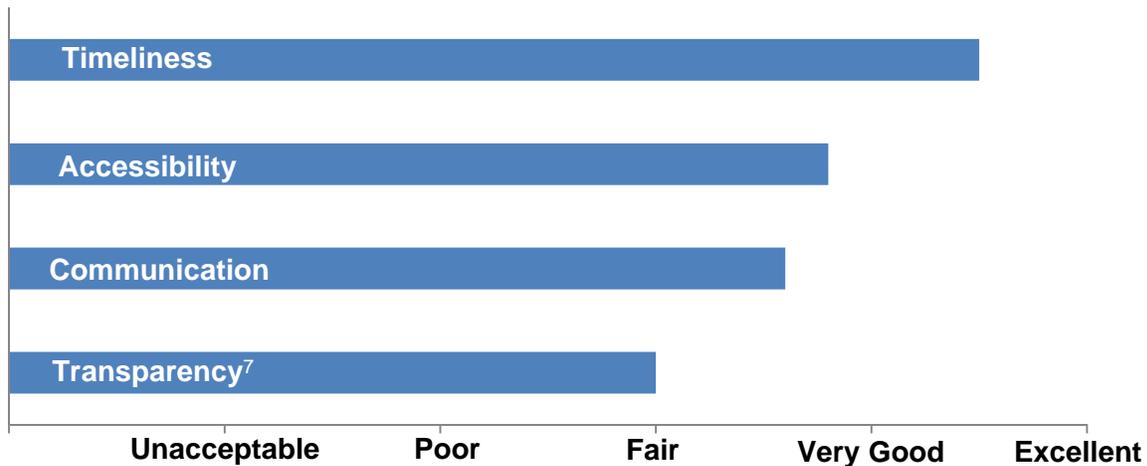


Figure 4. Average Interviewee Ratings of MDEQ Performance on Top Factors for High Quality Service

It is important to note that the average ratings provided above are based on a small sample of MDEQ customers, and their experiences and perceptions may not reflect the experiences and perceptions of the overall population of MDEQ customers.

⁸ Many of the interviewees indicated that, in general, the clarity and transparency of MDEQ’s permit review processes are good, but poor individual experiences prevented them from giving a higher rating.

In addition, in providing their ratings, interviewees frequently described a significant degree of variability in their experiences. They described the potential for performance on most factors to swing between “excellent” and “unacceptable” based on district office location, individual MDEQ staff, and level of staff experience.

“The level of transparency and clarity varies quite a bit depending on the individual or district reviewing the application.”

Customer Engagement

Finding #7: MDEQ provides customers with multiple ways to share input, but customers are not always aware of or willing and able to take advantage of the available opportunities.

As described under Finding #1 above, MDEQ’s recent efforts to improve customer service have included providing numerous opportunities for customers to share feedback about their experiences working with MDEQ. Although many interviewees indicated awareness of one or more of these opportunities, a couple of interviewees said that they were not aware of any formal attempts by MDEQ to gather feedback on their experience working with the department. Furthermore, even when interviewees were aware of particular opportunities, they may not have actually used the opportunities to provide feedback. For instance, both of the air quality permit specialists interviewed were aware of the Air Quality Division’s online customer service survey, but neither had ever completed a survey. In instances though where interviewees reported that they had participated in a formal opportunity to provide feedback, such as one of the workgroups or advisory boards convened by the department, they described the experiences positively and said MDEQ seemed to genuinely welcome the input.

Among the customers interviewed, most were much more likely to have provided feedback informally through their individual relationships developed over time with MDEQ staff. Interviewees tended to place high value on these relationships and felt that they were able to provide honest feedback and the feedback was welcomed. However, as described above, several interviewees noted that the degree of openness and responsiveness varied quite a bit among the staff. Others indicated that newer customers, who are not as familiar with MDEQ and individual staff, would probably not have the same opportunities to provide this type of informal feedback. In fact, depending on the individual MDEQ staff member or district involved, a couple of interviewees described fear of retribution that they thought might come in the form of a harsher treatment during future applications or interactions with MDEQ as a barrier to providing feedback.

The lack of formal customer feedback may exist for a variety of reasons. One reason could be that requests for feedback do not reach the appropriate audience. For example, one individual who had knowledge of the surveys speculated that it was possible that the survey is sent to the application signer and not the person who actually interacts with MDEQ staff completing the application.

“It would be nice if there was an easy way to say that I appreciated it, if there was an easy way to give compliments.”

Interviewees also noted that time and effort could be a barrier to sharing feedback. For instance, those that had participated in workgroups and advisory boards noted that those types of processes, while often quite productive, require a significant investment of time and effort. In general, interviewees expressed a desire to share feedback, but indicated that the processes for doing so needed to be clear and easy to access.

Finding #8: Customers’ perceptions vary regarding the degree to which MDEQ uses customer input to improve practice.

Interviewees were asked about their perceptions of MDEQ’s response to any feedback that they have provided. The majority of responses were positive, indicating that the customers feel that feedback is acknowledged and taken seriously. One customer noted that “The [Office of Regulatory Reinvention] process is a good example of MDEQ responsiveness; they took all of the recommendations seriously, and implemented many of them.” When describing a similar advisory group role, another customer added “After each conversation with the group, MDEQ went back to the drawing board to either make revisions or develop clear responses to bring back to the stakeholders.” A third customer spoke of more informal MDEQ responses to feedback stating, “In general, MDEQ staff show willingness to compromise and find solutions that work for business, the environment, and the law.”

However, interviewees again reaffirmed that experiences and perceptions varied depending on individual MDEQ staff and locations. However, as noted by one interviewee, it tends to be “only a handful of individuals” that are difficult to work with or reluctant to respond to customer feedback.

Implications and Recommendations

- MDEQ has made strong efforts to streamline permit processing and improve customer service. Achieving these types of gains requires significant investments of time and effort. Similarly, maintaining improvements in quality and efficiency requires ongoing focus on staff training and regular monitoring of performance.
- MDEQ could improve customers' overall perceptions of the quality of MDEQ customer service by increasing the consistency with which individual staff members deliver high-quality service.
 - **Recommendation:** Work to define and/or enhance department-wide standards for high-quality customer service, focusing particularly on communication. One specific example, recommended by several of the individuals interviewed for this study, would be a standard expectation that within 48 hours of receiving a permit application a communication goes to the applicant to confirm receipt of the application and provide contact information for the individual assigned to process that application.
 - **Recommendation:** Dedicate resources to building customer service and communication skills to ensure that members of the staff, especially those with direct customer service roles, have the tools necessary to put the department's customer service standards into practice.
- A more formal, comprehensive approach for collecting customer feedback could help ensure that efforts to improve customer service are responsive to customers' highest priorities, as well as help measure progress more effectively.
 - **Recommendation:** Develop a cohesive, department-wide strategy for ongoing collection, analysis, and reporting of customer feedback on service expectations, perceptions of quality, and priorities for change. In order to guide effective process-improvement planning and implementation, a robust strategy should:
 - Focus on key indicators of service quality, including ease and timeliness of the service process; clarity and accessibility of information; courtesy and professionalism of the service interaction; and ease and usefulness of Web-based service content.
 - To the extent possible, utilize multiple methods (e.g., brief event-driven customer service surveys; periodic surveys of broad samples and/or specific subsets of customers; key informant interviews; focus groups, etc.) to provide the depth of detail needed to inform action.
 - Design customer outreach and data collection strategies such that the likelihood of feedback being representative of the diverse group of MDEQ customers is increased.
- Frequent communication with internal and external stakeholders about the department's customer service performance and the department's actions in response to customer input could both reinforce the department's focus on providing high-quality service and improve customers' perceptions of MDEQ responsiveness.

- **Recommendation:** Continue to track customer service improvements over time, regularly share progress updates with staff at all levels, and celebrate successes.
- **Recommendation:** Develop a communication plan for the department that incorporates current efforts, such as the redesign of the MDEQ website and identification of new opportunities to publicize how customer input is used to drive changes and improvements aimed at accomplishing MDEQ's mission.

Appendix A: Methodology_____

This section of the report describes the methodology employed to conduct the study and is intended to be reviewed with the full report.

Research Objective

The objective of this project was to inform MDEQ's ongoing efforts to improve customer service performance by benchmarking current performance with other states in the region; improving understanding of current and past MDEQ process-improvement initiatives; identifying customers' expectations and degree of perceived quality; and identifying changes necessary for MDEQ to be the best in the Midwest in terms of environmental permitting.

Research Questions

Processes and Service Delivery

- How has MDEQ worked to improve customer service over the past several years?
- Are current MDEQ permitting processes clearly defined?

Benchmarking

- How does MDEQ compare to the other EPA Region 5 states along the following dimensions of customer service performance within the specified permit programs?
 - Volume of permit activity
 - Timeliness of permit application processing
 - Transparency of permitting processes and customer service performance

Customer Perceptions

- Among MDEQ key stakeholder groups, what are the expectations for, and perceived quality of, the service experience? Factors to assess include:
 - Timeliness
 - Ease of access to information and guidance for completing applications
 - Transparency of review and decision-making processes
- What do MDEQ customers identify as the most important steps MDEQ should take to improve customer service performance?

Data Collection

Administrative Data

The study began in February 2014 with a review of MDEQ administrative records. In order to ensure that subsequent data collection built on efforts already underway within DEQ, PPA reviewed a broad range of existing documentation selected in consultation with MDEQ staff. The review of existing documentation provided the most efficient method for quickly building knowledge of the agency and provided the information needed for documenting the department's recent efforts to improve customer service.

For the review of administrative data, PPA gathered materials from MDEQ, including:

- Documents related to the department’s strategic plan
- Slides from presentations on internal initiatives
- Reports of findings from previous customer service research
- The MDEQ MiScorecard and related division-specific performance metrics reports
- Customer service survey data collected by MDEQ
- Existing permit process maps
- Other information available online or provided by department staff

Permit Processing Performance Data

For the purpose of benchmarking its performance against other states in the Midwest, MDEQ elected to include the states within the U.S. Environmental Protection Agency’s Region 5, which comprises Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin.

The research focused on a sample of permits for which processing practices are likely to have stronger impacts on job creation and economic growth. Selection of permit types for analysis was based on the following criteria:

- The permit had already been selected for tracking on the MDEQ MiScorecard.
- Other states were likely to have a comparable permit.
- The number of applications processed annually was large enough to calculate meaningful performance statistics.
- The timeliness of the application review process could have an impact on job creation and economic growth.
- Previous feedback from customers indicated that the timeliness of the application review process had a significant impact on overall perceptions of agency performance.

Ultimately, MDEQ identified the following six permit types as priorities for analysis:

- Air Quality Permit to Install
- Air Quality Renewable Operating Permit⁹
- Wetlands Protection Permit
- National Pollution Discharge Elimination System (NPDES) Permit
- Public Water Supply Construction Permit – Water Main Construction
- Wastewater Collection and Treatment Facilities Construction Permit – Sanitary Sewer Construction

Starting shortly after the launch of the project in February, the MDEQ permit processing data—including target for days to complete processing, average processing time, and volume—were collected directly from staff. Many of the performance metrics examined are already tracked and

⁹ Although processing timeliness for Renewable Operating Permit (ROP) applications has very little economic impact, as applicants are able to continue operating throughout the review, the permit met all of the other selection criteria and was identified as noteworthy for analysis based on recent efforts within MDEQ to improve ROP processing times.

reported via the department's MiScorecard Performance Summary, which is updated quarterly and posted on the department's Web site. Additional detail and background were provided, as needed, by department staff.

The starting point for collection of data from the comparison states was departmental Web sites. Because there are variations in how each state defines particular permits, as well as differing approaches to tracking and reporting internal performance metrics, care was taken to ensure that comparison data matched the MDEQ baseline data as closely as possible. If the necessary data could not be located through an Internet search, PPA reached out to listed contacts in the other states via e-mail and telephone to request additional detail and clarification. Comparison data and detailed source information were entered into tables created for each of the priority permit types.

The following steps were incorporated into the data-collection process to improve completeness, accuracy, and comparability of the data set.

- PPA provided progress updates and vetted emerging data issues during weekly conference calls with MDEQ staff.
- On February 25, PPA presented preliminary data and findings to MDEQ and collected feedback and recommendations related to the ongoing data collection.
- Starting in May, PPA vetted the data with MDEQ customers during the interviews described below.
- On July 10, PPA sent the data compiled from each state to contacts in the comparison states and requested assistance with verifying or correcting the data included or, if necessary, providing data to fill remaining gaps. The list of contacts was provided by MDEQ and included 23 individuals responsible for administration of one or more of the priority permit types in each state. PPA received responses with new or corrected data from four of the contacts.

In cases where the only available performance data did not exactly match the parameters set by the baseline data, PPA selected the best approximation of like data and added notes to the tables to document key differences. In a few instances, where PPA was unable to locate adequate comparison data, the tables indicate "data not available." The final tables can be found in Appendix C.

Customer Perceptions

In order to learn more about MDEQ's customer service from the perspectives of customers and stakeholders, PPA interviewed six individuals with recent experience preparing permit applications for MDEQ review. Based on the availability of customer feedback data previously collected by MDEQ, it was not necessary to use the interviews to collect data to represent the broad population of MDEQ customers. Instead, the small sample size reflects the intention to use the interviews to confirm and supplement the existing customer feedback data.

The interviewees were identified by MDEQ and included two air quality permit customers, two wetlands permit customers, and two NPDES permit customers. Based on existing data demonstrating MDEQ's exceptional performance in processing water main and sanitary sewer

construction permits, additional interview data for those permit types was not needed. The group's average length of experience with environmental permit processes was well over 20 years. Although most of the interviewees indicated experience in various roles and settings related to permitting throughout their careers, at the time of the interviews three worked as consultants with firms hired by industry and government to assist with permit applications, planning, and compliance monitoring. The other three worked within various industries, managing multiple aspects of obtaining permits and/or monitoring compliance for their respective companies.

PPA developed an interview protocol with questions designed to elicit feedback on the benchmarking data collected by PPA; as well as input on which factors were most important for an exceptional customer service experience; how well MDEQ performance matched the customer's expectations on those factors; the effectiveness of the department's approaches to soliciting and responding to customer feedback; and ways MDEQ could improve its customer service practice. A draft of the interview protocol was shared with MDEQ for review and feedback prior to conducting the interviews. The final interview protocol is included in Appendix B.

The interviews were conducted over the telephone between May 20 and July 8, 2014 at times that best fit individual schedules. In the process of scheduling the interviews, PPA provided interviewees with a basic description of the overall project and the purpose of the interview. Interviewees also received the benchmarking data tables and a brief explanation of the data prior to the interview. Each interview lasted approximately one hour, and responses were documented in notes taken during the interview.

The notes from each interview were combined into a single file and analyzed to determine common themes and patterns concerning customers' perceptions of MDEQ and recommendations for improved customer service.

Data Limitations

As described above, variations in how each state defines specific permits, and tracks and reports internal performance metrics, limit the ability to generate a clear, quantitative benchmarking analysis of MDEQ performance compared to the other states. Accordingly, although steps were taken to vet the performance data of the other states, the accuracy cannot be guaranteed.

In addition, due to small sample size for customer interviews, the findings should not be assumed to be representative of all MDEQ customers' perspectives and experiences.

Appendix B: Interview Protocol_____

MDEQ Key Informant Interviews

Interviewee:

Organization:

Phone:

Date:

Interviewer:

Notes:

Introduction [Read or paraphrase]

Thank you for agreeing to participate in this interview. As you know from the information shared when we scheduled this interview, we are currently collecting data on behalf of the Michigan Department of Environmental Quality to inform the department's ongoing efforts to improve customer service performance. As a member/representative of (ORGANIZATION/COMPANY), which comprises many DEQ customers/stakeholders, DEQ wants to hear your opinions and views on DEQ customer service practices.

I will ask you several open-ended questions about your observations and insights about DEQ customer service and the permitting process. In answering the questions, please consider the perspectives of (ORGANIZATION/COMPANY) and its members, as well as your own individual perspective.

Your responses will be aggregated with the other interviewees' responses for analysis and reporting. We will not attach names to comments in reports. However, DEQ knows that we are interviewing you.

Do you have any questions before we begin?

Interviewee and Organization/Association Information

I would like to start by learning a little bit more about the connection between (COMPANY) and DEQ.

1. In what ways is environmental permitting an important issue for (COMPANY)?
2. Within your current role, what is the extent and nature of your engagement with DEQ permitting processes?

Probes, depending on initial response:

- a. Have you prepared or assisted with the preparation of an environmental permit application within the last year?
- b. If so, how many? What type of permit(s)?
- c. Have you discussed the application process for any of the DEQ-administered permits and customers' experiences of the application process with others who have submitted applications within the past year?

Benchmarking DEQ Performance with Other Midwestern States

In order to provide some context for DEQ's permitting processes, one of the early steps in our research involved comparing the volume and timeliness of permit applications processed by DEQ to applications processed in other states in the Great Lakes region. Although the variations in permitting processes and data collection can make it difficult to draw direct comparisons, we found that Michigan appears to be performing as well or better than the other states in processing times for the prioritized permits.

Looking at the summary of those findings we provided you:

3. Would you say that, overall, the findings are consistent with what you would have expected based on your individual experience?
4. Are there any specific findings that you thought were particularly surprising or noteworthy?
5. Do you think members of (COMPANY/INDUSTRY) would be surprised by any of these findings?
6. Did seeing Michigan's performance data side-by-side with the data from other states have any impact on your perception of DEQ's permit timelines?

Performance vs. Expectations

Certainly there are multiple factors in addition to timeliness of application processing that influence the quality of the permitting process from a customer perspective.

7. In your view, what are the three (3) most important factors contributing to an exceptional customer service experience?

(Do not prompt a response. Mark items listed by interviewee and add comments.)

- a. Accessibility of information
- b. Clarity of permit regulations and standards
- c. Transparency of application review and determination process
- d. Fairness of determination
- e. Accessibility of staff
- f. Staff going the extra mile to provide information and support
- g. Competency/knowledge of DEQ staff
- h. Other: _____

8. For each of the factors you identified as critical for a positive customer service experience, based on your experience within the last year, how would you rate overall DEQ performance?

- a. For (FACTOR 1), would you say DEQ performance is:

Excellent (5) Very Good (4) Fair (3) Poor (2) Unacceptable (1)

Comments:

- b. For (FACTOR 2), would you say DEQ performance is:

Excellent (5) Very Good (4) Fair (3) Poor (2) Unacceptable (1)

Comments:

c. For (FACTOR 3), would you say DEQ performance is:

Excellent (5) Very Good (4) Fair (3) Poor (2) Unacceptable (1)

Comments:

Responsiveness to Customer Feedback

9. In general, does DEQ provide its customers and stakeholders with sufficient opportunities to provide feedback on the customer service experience?

a. What methods have you used to provide feedback?

10. How would you describe DEQ's response to customer feedback?

a. Have you seen any examples where DEQ responded to customer feedback with specific changes or improvements?

Key Opportunities for Improvement

11. What is the most important change or improvement DEQ could make to ensure that you and the members of (INDUSTRY) experience top-of-the-line customer service?

Conclusion

12. Is there anything you want to share that we haven't covered yet?

Thank you very much for taking the time to share your thoughts about DEQ permitting and customer service with us.

Appendix C: Cross-State Permitting Tables

Air Quality Permit to Install

Permit Types		Target	Volume	Performance
				Average ProcessingTime
Michigan	Permit to Install (PTI) -All sources (major and minor). For minor sources, no additional operating permit required.	90 days	(10/1/12 - 9/30/13) 306 PTIs issued	68 days (w/o comment period) 77 days (w/comment period)
	General Permit to Install - Available within 8 source categories	30 days	25 General PTIs issued	9 days
Illinois	Minor Construction Permit - Minor sources, no public notice required	90 Days	(CY 2013) 269 permits issued	35 days
	Synthetic Minor Construction Permit - Sources where federally enforceable emission limitations are necessary to avoid major source status, public notice required	180 Days		
	Major Construction Permit - New or modified sources located at a facility that is, or will be permitted as a Title V source			
Sources: Illinois Environmental Protection Agency website, last accessed 4/21/2014, <i>Annual Electronic Posting of Permit Information</i> , "Combined Report" http://www.epa.state.il.us/permits/annual-report/combined.pdf				
Indiana	New Source Review (NSR) - Applies to major sources; Includes special categories for Prevention of Significant Deterioration (PSD) and major sources in a nonattainment area (requires offsets resulting in net air quality improvement)	270 days (statutory target)	Data Not Available	Percent of statutory days used to issue all air permits during CY 2013- Q1: 74% Q2: 75% Q3: 78% Q4: 90%
	NSR for Minor Sources	120 days (statutory target)		
	MSOP - Minor Source Operating Permit - Acts as both a construction and operating permit for minor sources	270 days (statutory target)		
	FESOP - Federally Enforceable State Operating Permit Acts as both a construction and operating permit for synthetic minor sources			
Sources: Indiana Transparency Portal, last accessed on 4/16/2014, http://myoibee.in.gov/analytics/saw.dll?Dashboard				
Minnesota	Total Facility Permit - Includes "Priority" permit applications, which are construction focused and typically represent new or expanded projects	150 days (MN statutory time limit for all permitting decisions)	(7/1/2012 - 12/31/2012) 31 "Priority" permit applications received	-0 issued within 150-day limit -18 pending within 150-day limit -4 pending over the limit
Sources: Minnesota Pollution Control Agency, <i>Environmental Permitting, MPCA's Semiannual Permitting Efficiency Report</i> , (Jeff Smith and Don Smith, February 1, 2013), 1.5-7				
Ohio	Permit to Install and Operate (PTIO) - Minor sources, requires renewal every 10 years to continue operation	180 days	(7/1/12 - 6/30/13) 920 Case-by-case PTIs or PTIOs issued	103 days
	Permit to Install (PTI) - Major sources			
	Permit-by-Rule - Exempts source from PTIO process and does not expire as long as source continues to meet eligibility criteria Currently 11 facility types can qualify	-	792 PBR approvals	4 days
	General Permit - 13 source categories and 53 general permits available	45 days	249 permits issued	23 days
Sources: Ohio EPA 2013 Annual Report				
Wisconsin	Air Pollution Control Construction Permit - Minor Sources	145 days (statutory limit)	(CY 2013) 88 minor source permits issued	75 days
	Air Pollution Control Construction Permit - Major sources	205 days (statutory limit)	6 major source permits issued	99 days
	Registration Construction Permits - Minor sources (< 25 tons per year of each criteria pollutant; < 2.5 tons per year for any single federal Hazardous Air Pollutant, or 6.25 tons per year for all HAPs combined; or < 0.5 tons per year of lead)	15 days	0 permits issued	-
	General Construction Permit (GCP) - 3 source types eligible for general permit	15 days	28 permits issued	48 days (average) 91.5% within 15 days from date application is received
Sources: State of Wisconsin Department of Natural Resources (WDNR), <i>Expanding Industry in Wisconsin: A Guide to Meeting Air Quality Permitting Requirements</i> (Madison, WI: WDNR, June 2007), 6. Per e-mail from Steve Dunn, Air Management Engineer, Division of Air, Waste and Remediation & Redevelopment, Wisconsin Department of Natural Resources, July 17, 2014				

Air Quality Renewable Operating Permit

Performance

	Permit Types	Target	Performance		
			Volume	Average Processing Time	
<i>Total Number of Outstanding Renewal Applications, January 2014 - June 2014*</i>					
Michigan	Renewable Operating Permit - Only major sources (Title V); New sources required to have PTI prior to construction and apply for ROP within first 12 months of operation; 5-year renewal cycle	300 days	(CY 2013) 63 permits issued	404 days (all permits) 325 days (45 permits that used streamlined application form)	8
Illinois	Operating Permit - New applications - Clean Air Act Permit Program Sources	720 days	Data Not Available	Data Not Available	380
	Operating Permit - Renewals - Clean Air Act Permit Program Sources	540 days			
Sources: Illinois Environmental Protection Agency website, last accessed 4/21/2014 <i>Annual Electronic Posting of Permit Information</i> , "Combined Report" http://www.epa.state.il.us/permits/annual-report/combined.pdf					
Indiana	Title V Operating Permit	270 days (statutory target)	Data Not Available	Data Not Available	11
Sources: Indiana Transparency Portal, last accessed on 4/16/2014, http://myobiee.in.gov/analytics/saw.dll?Dashboard					
Minnesota	Part 70 Permit - Includes "Non-Priority" permit applications, which are typically renewal or operating applications	150 days	(7/1/2012 - 12/31/2012) 119 "non-priority" applications received	-18 issued within 150 days -57 pending within 150-day limit -11 pending over the limit	151
Sources: Minnesota Pollution Control Agency <i>Environmental Permitting, MPCA's Semiannual Permitting Efficiency Report</i> , (Jeff Smith and Don Smith, February 1, 2013), 1,5-7					
Ohio	Title V Permit to Operate - New sources required to have PTI prior to construction and apply for ROP within first 12 months of operation; 5-year renewal cycle	540 days	(7/1/12 - 6/30/13) 79 permits issued	Data Not Available	155
Sources: OAC rule 3745-77-08(A)(6) Ohio EPA 2013 Annual Report					
Wisconsin	Federal Operation Permit - For new sources, application is same as construction permit - after construction is completed, source submits request for operating permit along with compliance demonstration and certification forms; 5-year renewal cycle	540 days (statutory limit)	(CY 2013) 3 original permits issued 52 renewal permits issued	1,414 days (original permits) 659 days (renewal permits)	90
Sources: s. 285.62 (7), Stats. Per e-mail from Steve Dunn, Air Management Engineer, Division of Air, Waste and Remediation & Redevelopment, Wisconsin Department of Natural Resources, July 17, 2014					

*Per federal regulations (40 CFR 70.7(b)), if a major (part 70) source submits a timely and complete renewal application, consistent with state and federal regulations, the source can continue to operate, pursuant to the conditions of the existing permit, until the permitting authority takes final action on the permit, even if the time spent reviewing the application extends beyond the expiration date of the existing permit. Because the length of the review process does not have the potential to disrupt a facility's operations once the "application shield" is in place, few states track or report review times for Title V Renewable Operating Permits. However, on a semi-annual basis, states are required to report to the US Environmental Protection Agency the number of major sources operating with expired permits or permits extended beyond the original five-year term. Therefore, each state's performance on completing processing of renewal applications prior to expiration of the original five-year permit term was selected as an alternate measure for benchmarking timeliness of processing for this particular permit.

Wetlands Protection Permits

	Permit Types	Target	Performance	
			Volume	Avg ProcessingTime
Michigan	Wetlands Protection Permit (Part 303) - Applies to all wetlands with exception of "Section 10" federally navigable waterways, state-administered permit includes authorization under Section 404 and water quality certification under Section 401 of the federal Clean Water Act	45 days	(10/1/12 - 9/30/13) 3,331 permits processed Individual - 1,128 Minor & general - 2,203	35.6 days Individual - 54.6 days Minor & General - 25.8 days
	USACE 404 Wetlands Permit* + Section 401 Certification - Applies only to "Section 10" federally navigable waterways.	Data Not Available	49 applications pending on 3/14/2014	Avg time pending: 176 days†
Illinois	USACE 404 Wetlands Permit* + Section 401 Certification - Applies to all non-isolated wetlands. There are 5 offices of USACE that have jurisdiction in IL and 3 separate divisions of the IL DNR OWR. A joint application is required to be sent to the IL DNR OWR, the USACE, and the IL EPA.	First response within 60 days which may or may not include the decision.	17 applications pending on 3/14/2014	Avg time pending: 150 days
Indiana	USACE 404 Wetlands Permit* + Section 401 Certification	Data Not Available	5 applications pending on 3/14/2014	Avg time pending: 133 days
	Isolated Wetlands Permit* + Section 401 Certification - State-administered permit and certification applies only to isolated wetlands	120 days		> 80% within 90 days
Sources: Indiana Department of Environmental Management, <i>Waterways Permitting Handbook: A guide to the permit process for activities that affect Indiana's waters.</i> (Office of Water Quality in cooperation with the USACE and the Indiana Department of Natural Resources) September 2008, 22.				
Minnesota	USACE 404 Wetlands Permit*	Data Not Available	50 applications pending on 3/14/2014	Avg time pending: 221 days†
	Section 401 Certification	150 days	~25 individual permits issued annually	90 days
	Letter of Permission or General Permit - Projects less than 5 acres		~1200 general permits or LOPs issued annually	Automatic pending USACE determination that project qualifies
Sources: 401 Certification and General Permit data provided by Jim Brist, 401 Water Quality Certification Coordinator, Resource Management and Assistance, Minnesota Pollution Control Agency via e-mail, 7/14/14				
Ohio	USACE 404 Wetlands Permit* + Section 401 Certification - Applies to all non-isolated wetlands.	Data Not Available	31 applications pending on 3/14/2014	Avg time pending: 306 days†
	Isolated Wetlands Permit + Section 401 Certification	Level 1 (0.5 acres or less) - 30 days Level 2 (>0.5 acres, <3) - 90 days Level 3 (any size) - 180 days	(7/1/11 - 6/30/12) 36 permits issued Level 1 - 33 permits Level 2 - 3 permits	Level 1 - 9 days Level 2 - 85 days
Sources: Ohio EPA, Division of Surface Water, <i>Isolated Wetlands Permits and 401 Water Quality Certifications in Ohio; State Fiscal Year 2012</i> . (Columbus, OH: Ohio EPA, 2012).				
Wisconsin	USACE 404 Wetlands Permit* + Wetlands Disturbance (Section 401 Certification) - Applies to non-isolated wetlands.	Data Not Available	13 applications pending on 3/14/2014	Avg time pending: 216 days

Notes:

*Michigan is one of two states in the country to assume authority from the Federal government to administer wetlands protection permits. In all of the other states shown here, the US Army Corps of Engineers (USACE) administers permits for all non-isolated wetlands. In Michigan, the USACE only maintains jurisdiction over permits impacting federally navigable waters, including the Great Lakes and the mouths of several major tributaries. All other non-isolated wetlands fall under the jurisdiction of DEQ.

Data on the number of permits issued and the average processing time for those applications were not readily available across each of the nine USACE districts that have jurisdiction in one or more of the comparison states. However, the USACE Web site does include a database of permit decisions that lists all pending individual applications (comparable to Michigan's individual permits), which have been determined to be "federally complete," including the date each complete application was received. The database is updated weekly and can be accessed at <http://geo.usace.army.mil/egis/F?p=340:1:0::NO::>

The USACE performance data reported in this table are based on a one-time extraction, conducted on March 14, 2014, of all applications pending within the comparison states. Although not directly comparable to a measure of average processing time of issued permits, the data do provide an indication of potential processing times.

†Among the 165 applications pending on 3/14/14, the average length of time from the application date was 386 days, with a median of 136 days. However, the time pending for individual applications ranged from 9 days to 5,520 days. In order to prevent what are likely exceptional cases of very long delays from skewing the reported averages, a handful of cases with wait times that exceeded the 95th percentile were removed from the analysis. The 9 applications removed affected the average time pending in Michigan, Minnesota, and Ohio. With those 9 applications included, the average time pending was 603 days in Michigan, 268 days in Minnesota, and 474 days in Ohio.

National Pollution Discharge Elimination System (NPDES) Permit

	Permit Types	Target	Volume	Performance
				Avg ProcessingTime
Michigan	National Pollutant Discharge Elimination System (NPDES) Permit - Dashboard metric is for non-storm water, new uses; All require public notice, may require formal public hearing	90 days	(10/1/12 - 9/30/13) 342 permits issued (includes new uses and renewals)	(10/1/13 - 12/31/13) 77 days (new uses only)
Illinois	NPDES Consolidated Permits Program - New uses require general application form and new discharge application form	180 days	(CY 2013) 535 permits issued (includes new uses and renewals)	145 days
Sources: Illinois Environmental Protection Agency website, last accessed 4/21/2014, <i>Annual Electronic Posting of Permit Information</i> , "Combined Report" http://www.epa.state.il.us/permits/annual-report/combined.pdf				
Indiana	Municipal NPDES Industrial NPDES Industrial Wastewater Pretreatment (IWP) NPDES	270 days (new major permit) 180 days (new minor permit)	Only ~10% of permits processed per year are for new uses, modifications, and requests for estimated limits	Percent of statutory days used to issue NPDES permits (major and minor) during CY 2013 - Q1: 41% Q2: 40% Q3: 40% Q4: 40%
Sources: Indiana Transparency Portal, last accessed on 4/16/2014, http://myobiee.in.gov/analytics/saw.dll?Dashboard				
Minnesota	NPDES/SDS Construction Stormwater General Permit -Includes "Priority" permit applications, which are construction focused and typically represent new or expanded projects	150 days	(7/1/2012 - 12/31/2012) 944 "Priority" water permit applications received	905 issued wihin target 32 pending within target 2 pending beyond target
Sources: Minnesota Pollution Control Agency, <i>Environmental Permitting, MPCA's Semiannual Permitting Efficiency Report</i> , (Jeff Smith and Don Smith, February 1, 2013), 1,5-7				
Ohio	Individual NPDES Permit	180 days	(CY 2013) 558 permits issued (includes new uses and renewals)	Data Not Available
Sources: http://www.epa.state.oh.us/dsw/permits/npdes_info.aspx US EPA, <i>Envirofacts Database</i> , http://www.epa.gov/enviro/facts/pes-icis/search.html				
Wisconsin	Wisconsin Pollutant Discharge Elimination System (WPDES) - 25 general permit categories	180 days	(10/1/12 - 9/30/13) 131 permits issued (includes new uses and renewals)	Data Not Available
Sources: s. NR 200.10, Wisconsin Administrative Code "Current WPDES wastewater permit holders" available at: http://dnr.wi.gov/topic/wastewater/PermitLists.html , accessed 4/4/14 Per e-mail from Michael Lemke, Wastewater Permit Section Chief, Bureau of Water Quality, WDNR, 4/14/14: "We do try to track many items within our wastewater NPDES process. However, we completed a review last year that showed that the data for milestone dates is not just suspect but bad. Over the next several years we will be working on improving tracking."				

Public Water Supply Construction Permit - Water Main Construction

Permit Types		Target	Volume	Performance	Avg ProcessingTime
Michigan	Public Water Supply Construction Permit (Type I) - Dashboard metric applies only to permits for water main construction.	15 days	(10/1/12 - 9/30/13) 604 permits issued		(10/1/13 - 12/31/13) 10 days
Illinois	Division of Public Water Supplies Application for Construction Permit+ Schedule B Water Main Construction	45 days	(CY 2013) 1,280 permits issued (includes all types of water supply construction)		22 days (all construction)
Sources: Illinois Environmental Protection Agency website, last accessed 4/21/2014, Annual Electronic Posting of Permit Information, "Combined Report" http://www.epa.state.il.us/permits/annual-report/combined.pdf					
Indiana	General Construction for Water Mains Permit/Construction Permit for Public Water System - Applies to construction of water mains, wells, pumps, chemical additions, storage facilities, and water treatment plants	60 days for most public water system construction permits (120 days for a water treatment facility)	Data Not Available		(CY 2013) Q1: 29 days Q2: 29 days Q3: 28 days Q4:30 days
Sources: Indiana Transparency Portal, last accessed on 4/16/2014, http://myobiee.in.gov/analytics/saw.dll?Dashboard					
Minnesota	Plan Review and Approval for Water Main Construction (Minnesota Department of Health)	150 days	(7/1/2012 - 12/31/2012) 944 "Priority" water permit applications received		Watermain projects typically take 2 - 3 weeks
Sources: Minnesota Pollution Control Agency, <i>Environmental Permitting, MPCA's Semiannual Permitting Efficiency Report</i> , (Jeff Smith and Don Smith, February 1, 2013), 1,5-7 Minnesota Department of Health website, last accessed 4/21/2014, http://www.health.state.mn.us/divs/eh/water/planreview/community.html					
Ohio	Review and Certification of Engineering Plans for New Construction	90 days for 85% of plans	(7/1/2013 - 6/30/2014) 475 plans approved		29.5 days
Sources: Per e-mail from Susie Bodnar, Division of Drinking and Ground Waters (DDAGW), Ohio Environmental Protection Agency (EPA), on behalf of John Arduini, Supervisor, Engineering Section, DDAGW, Ohio EPA, July 24, 2014					
Wisconsin	Public Water System Plan Review	14 days	(CY 2013) 486 permits issued		10 days
Sources: "Public Water System Plan Review," available at http://dnr.wi.gov/topic/DrinkingWater/PlanReview.html , accessed 2/15/14 "Wisconsin DNR Drinking Water data," available at http://prodoasext.dnr.wi.gov/inter1/pws170\$.startup , searched "date received 1/1/2013 - 12/31/13," accessed 2/15/14					

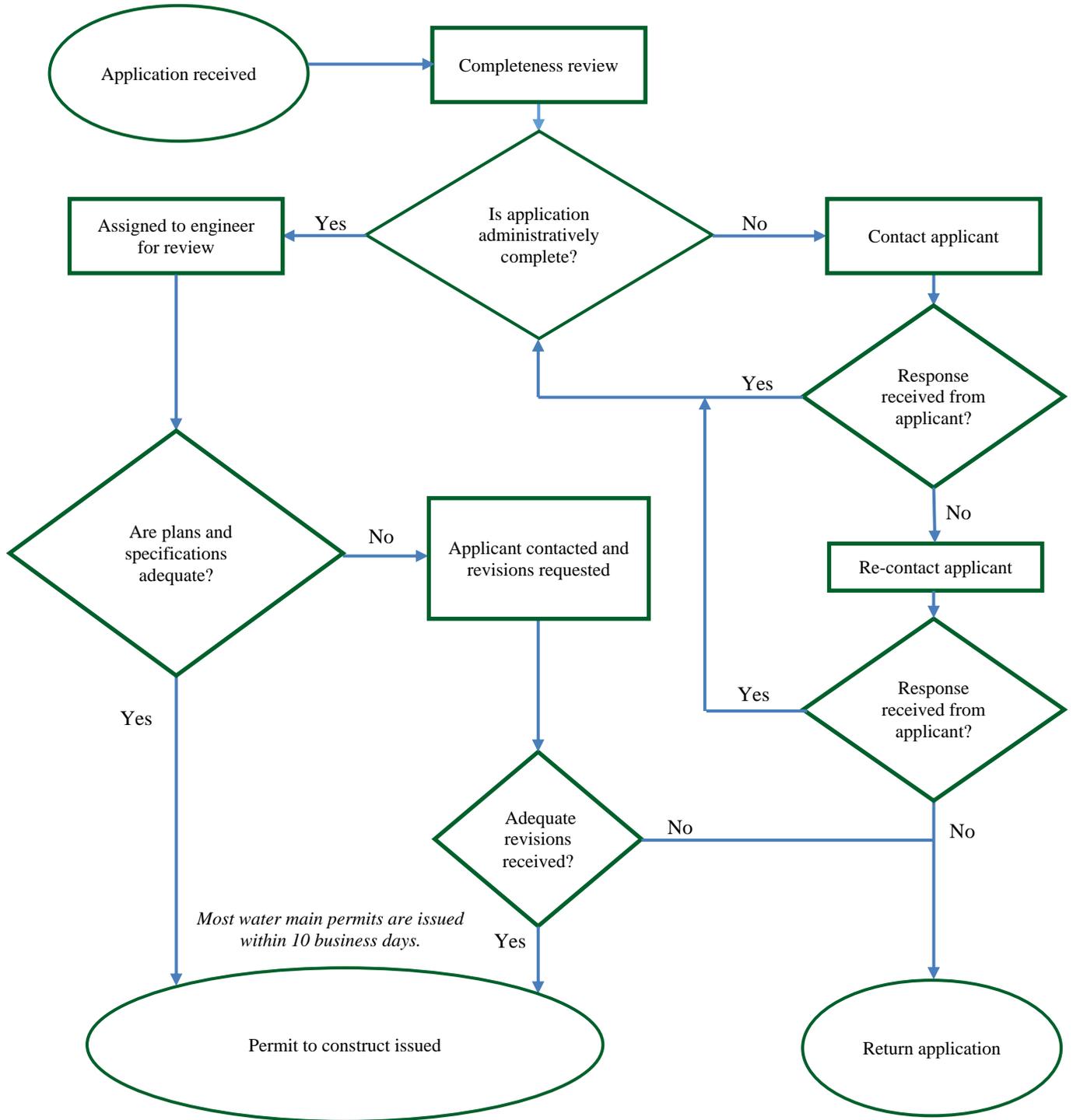
Wastewater Collection and Treatment Facilities Construction Permit - Sewer Construction

	Permit Types	Target	Volume	Performance
				Avg ProcessingTime
Michigan	Part 41 Wastewater Construction Permits - Dashboard metric applies only to permits for sanitary sewer construction	30 days	(10/1/12 - 9/30/13) 298 permits issued	(10/1/13 - 12/31/13) 23 days
Illinois	Construction/Operation Permit + Schedule C Construction Permit for Sewer Extension	45 days	(CY 2013) 1,047 permits issued (includes all types of wastewater construction and/or operating permits)	34 days
Sources: Illinois Environmental Protection Agency website, last accessed 4/21/2014 <i>Annual Electronic Posting of Permit Information</i> , "Combined Report" http://www.epa.state.il.us/permits/annual-report/combined.pdf				
Indiana	Wastewater Facility Construction Permit - Applies to sewer main extensions, but only if the construction does not otherwise have the approval of a local, publicly owned sewer authority that meets all state water pollution control rules	90 days	(10/1/12 - 9/30/13) 351 permits issued	45.5 days*
Sources: Indiana Department of Environmental Management website "Permit Guide" last accessed 4/21/2014, http://www.in.gov/idem/5907.htm Per e-mail from Don Worley, Senior Environmental Manager, Office of Water Quality, Facilities Construction and Engineering Support Section, IDEM, 7/11/14.				
Minnesota	Sanitary Sewer Modification, Additions or Extension Permit	150 days	(7/1/2012 - 12/31/2012) 944 "Priority" water permit applications received	905 issued within target 32 pending within target 2 pending beyond target
Sources: Minnesota Pollution Control Agency <i>Environmental Permitting, MPCA's Semiannual Permitting Efficiency Report</i> , (Jeff Smith and Don Smith, February 1, 2013), 1.5-7				
Ohio	Wastewater Permit to Install	35 agency days	(1/1/2012 - 6/30/2013) 1,458 applications	30 days
Sources: Ohio EPA Division of Surface Water, "Fact Sheet: Wastewater Permit-to-Install Applications - Tips for When Timing is Critical," (Columbus, OH: Ohio EPA, October 2013). Per e-mail from Mark Stump, Permit to Install/Compliance Assistance Unit, Division of Surface Water - Permits Compliance Section, 3/13/14.				
Wisconsin	Plan Review for Municipal and Other Non-Industrial Wastewater Systems - some sanitary sewer extension reviews may be eligible for fast-track approval	90 days (14 days for fast-track)	Data Not Available	Data Not Available
Sources: "Plan Review for Municipal and Other Non-Industrial Wastewater Systems," available at http://dnr.wi.gov/topic/wastewater/municipalsystems.html , accessed 2/15/14 Per e-mail from Michael Lemke, Wastewater Permit Section Chief, Bureau of Water Quality, WDNR, 4/14/14: "We do try to track many items within our wastewater NPDES process. However, we completed a review last year that showed that the data for milestone dates is not just suspect but bad. It provides little or no meaningful data. Over the next several years we will be working on improving milestone tracking."				

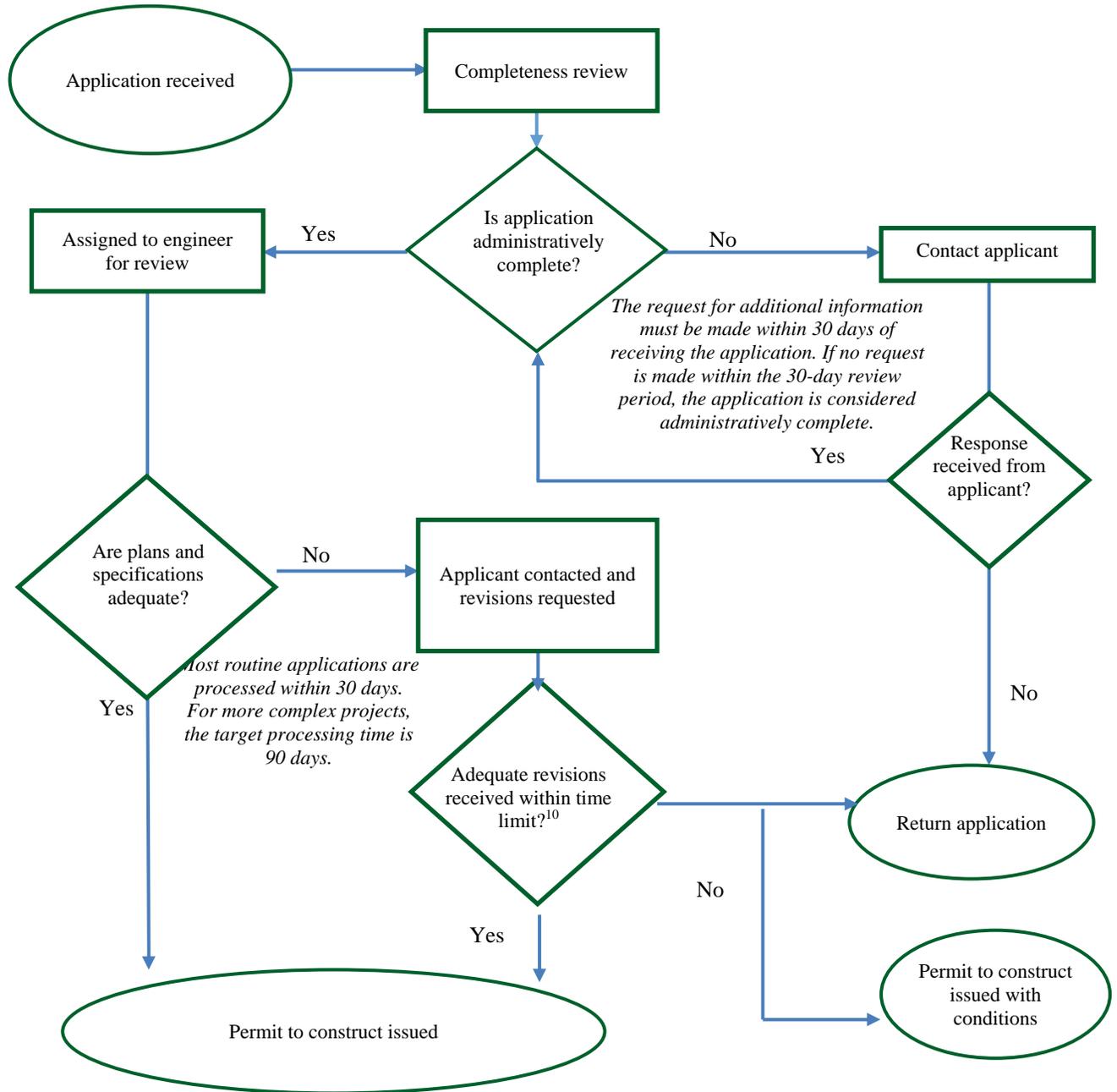
* 45.5 days was the average number of days to issue a permit without factoring in "clock stoppers." With "clock stoppers" factored in, the average number of days to issue a permit was 30 days. Per state regulations, a "clock stopper" is activated when IDEM issues a Deficiency Notice, which stops the count of processing days used. The count resumes when a satisfactory response is submitted to IDEM.

Appendix D: New Process Maps_____

MDEQ Process Map: Water Main Construction



MDEQ Process Map: Wastewater Construction



¹⁰ The determination to approve or deny an application must be made within the statutory processing period (150 days following original receipt of application). If, within the allowed processing period, the applicant does not submit an adequate response or request an extension of the processing period, the application must be approved or denied at the 150-day mark based on the plans and specifications originally submitted.

MDEQ Process Map: Wastewater Construction, Expedited Review

