



*Our mission is to champion a healthy environment for a thriving Montana.*

# DEPARTMENT OF ENVIRONMENTAL QUALITY

## ANNUAL PLAN—PERFORMANCE REPORT

Fiscal Year 2024 (FY 24)

Updated September 1, 2024

The [Montana Department of Environmental Quality](#) is responsible for regulating air quality, water quality, underground storage tanks, automobile wrecking facilities, hazardous waste facilities, solid waste management systems, and mining operations; and for the siting and needs analyses of large-scale energy facilities. In addition, the department is the lead agency for reclamation and cleanup activities related to the federal and state superfund programs and leaking underground storage tanks, and for regulation and permitting of mining conducted on private, state, and federal lands. This work is completed through four programs - Central Management, Water Quality, Waste Management & Remediation, and Air, Energy, & Mining. The Petroleum Tank Compensation Board and the Libby Asbestos Superfund Oversight Committee are also attached for administrative purposes.

The department works in partnership with the federal Environmental Protection Agency (EPA), the Department of Energy, and the Department of the Interior's Office of Surface Mining Reclamation and Enforcement. Congress gave the EPA the initial responsibility for development and implementation of environmental protection, but many federal statutes contain preference for delegation of the program to the states when the state can demonstrate capacity to carry it out. This arrangement establishes state-federal environmental goals and priorities with the funding and flexibility to achieve desired results. These joint activities become the basis of future agreements and long-term strategic planning.

## CENTRAL SERVICES

The department's central services programs are responsible for agency-wide administration, management, planning, evaluation, and support. They include the director's staff, a centralized legal pool, the Montana Environmental Policy Act and the Montana Facility Siting Act functions, public affairs, the enforcement program, human resources, information management and technology, financial services, records management, safety, emergency management, and continuous process improvement.

## AIR, ENERGY, & MINING DIVISION


The Air, Energy, & Mining Division (AEMD) permits and regulates environmentally protective and productive operations in air, hard rock mining, openpit mining, and coal mining industries according to program statutory authority. The permitting and regulatory work includes extensive coordination with other programs to develop environmental review documents that comply with the Montana Environmental Policy Act (MEPA), including environmental assessments and environmental impact statements. AEMD includes the State Energy Office, or Energy Bureau, which promotes and improves Montanan's access to energy efficiency and alternative energy sources while improving the state's energy security by offering financing mechanisms, technical assistance, and education for public and private entities.

## WATER DIVISION

The Water Quality Division protects public health and water quality in the state of Montana. This is accomplished through the financing and technical assistance provided for community water and wastewater systems; the development of water quality restoration plans; managing a State-wide monitoring network; subdivision review; monitoring compliance of public water systems; and water discharge permitting. The division achieves this through coordination with the public and regulated community by proposing rules, drafting policy, and developing water quality standards.

## WASTE MANAGEMENT & REMEDIATION DIVISION

The Waste Management & Remediation Division protects human health and the environment by preventing exposure to contaminants, working with Montana communities and businesses to implement effective material management and cleanup strategies, and overseeing compliance with state and federal laws and regulations. It oversees and conducts or supports remedial investigation and efficient, cost-effective cleanup activities at state and federal Superfund sites; supervises voluntary cleanup activities; reclaims abandoned minelands; implements corrective actions at sites; and administrators regulatory waste management programs.

 <p>Strategic Outcome</p> <p>#1</p>	<p><b>CITIZEN SERVICE, ACCOUNTABILITY, &amp; EFFICIENCY</b></p>	
	<p>DEQ is shifting the agency’s approach regarding routine activities to include more enterprising interactions with customers and stakeholders; and efforts internally to cooperate, share information, and be increasingly efficient in the work we do.</p> <p>This is measured by accounting for proactive outbound touches -- which center on improving the citizen experience—for example, making it easier to complete a transaction in a timely manner—ultimately improving voluntary compliance, making the delivery of services more cost effective, and strengthening our customers’ trust in government.</p>	
	<p><b>Key Measures</b></p>	<ul style="list-style-type: none"> <li>• Sustain over 10 proactive outbound touches/employee/month (50,000/year for the agency); Learn lessons from them, improve.                             <ul style="list-style-type: none"> <li>○ Monthly report outs from each Program and Division accounting for proactive outbound touches – Monthly (4,167 agency proactive touches)</li> <li>○ Review of proactive outbound touches (numbers) and success stories to foster relationships with citizens, to ensure continued satisfaction with the work we do, and to prevent problems before they arise – Annually (complete 50,000 agency proactive touches)</li> </ul> </li> </ul>
<p><b>FY 24 Performance Report Update</b></p>	<ul style="list-style-type: none"> <li>• During FY 24, DEQ was successful in meeting the annual goal of 50,000 proactive outbound touches. DEQ was also successful in meeting the monthly goal of 4,167 proactive outbound touches each of the 12 months of the fiscal year. The agency ended the fiscal year in June 2024, by completing a record 11,161 outbound touches for the month – driven largely by outreach in the Water Quality Division, which completed individual phone calls to applicants to provide updates on subdivision review and rule changes. The Energy Bureau also contributed to this outreach by hosting a large-energy customer workshop, attended by upwards of 70 people, to connect industry with energy developers and move Montana forward on new energy development.</li> <li>• DEQ is having success in our initiative to improve the citizen experience and strengthening stakeholder trust in the agency.</li> </ul>	

## BUILD AND MAINTAIN A WORKFORCE THAT MAINTAINS AGENCY VALUES

Sustain strong and growing employee wellness initiative, employee mentorship program, conduct monthly staff technical trainings.

DEQ's Senior Leadership will continue to transition and lead agency regarding remote work initiatives; lead performance management efforts with on-time quarterly check-ins, annual reviews and increased employee flexibility, happiness, and retainment. Improvement in these areas for employees will translate into better experience and interactions with stakeholders.

- Create a culture of high development by using a strengths-based strategy to design employee experience, from recruitment, retention personnel development to performance.
- Continue to develop and shift manager mindsets from being bosses to being a coach who develops employee performance and has regular coaching conversations to provide meaningful feedback.



Strategic Outcome

#2

### Key Measures

- Assess recruitment/retention plans and execution—days to fill vacant positions to <21 days.
- Reduce employee turnover/vacancy rates to <10%.
- Complete 6-month and 12-month employee performance evaluations –100% completion
- Monthly Wellness trainings –1 per month
- Technical trainings offered to all staff – 1 per month

### FY 24 Performance Report Update

- DEQ did not meet the goal of <21 days to fill vacant positions for all recruitment efforts in FY 24 (due to some very hard to fill positions) but did significantly reduce days-to-fill for most recruitment efforts.
- DEQ continues to focus on reducing our vacancy rate to below 10% – at the end of FY 24, the agency's vacancy rate for HB 2 positions dipped to 10.5%. This was the lowest rate the agency has seen in several years but didn't quite meet the goal. The vacancy rate for all DEQ positions was approximately 12%. Throughout calendar year 2024, DEQ has recorded more positions filled each month than vacated by departures or retirements. This is a move in the right direction.
- DEQ's turnover rate averaged 26% during FY 24. HB 13 pay increases during the past biennium should help retain staff, but increases to employee pay in the next two years is equally important to stay competitive, and not fall behind, while allowing us to meet the needs of Montanans by retaining staff.

	<ul style="list-style-type: none"> <li>• DEQ didn't quite meet the goal of 100% completion of employee evaluations for FY 24. Consistent feedback is important in creating a culture of accountability and driving continual improvement of employee performance. DEQ completed well over 90% of 6-month and 12-month performance evaluations during FY 24.</li> <li>• DEQ met the wellness training goal of 1 training per month. The Wellness Committee facilitated 20 trainings/events this past fiscal year (the majority held over employees' lunch hour). Some of the topics covered were "Financial Planning," "Parental Burnout," and "Relaxation Techniques."</li> <li>• The agency was successful in meeting our goal to offer one technical training per month during FY 24. Some of the topics covered included: "Stakeholder Relationships," "Hazardous Waste 101," and "Incident Command Systems."</li> </ul>
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## DELIVER ON eGOV INITIATIVES

**Press forward to identify outdated systems and processes that can be improved using technology. Prioritize system updates or process updates that will bring the largest benefit to groups of the agency's stakeholders.**

- **Drive proactive customer service, accountability, and customer service through improved use technology.**
- **Develop efficient processes using technology that save staff and the public time over the status quo.**
- **Educate users of the systems on the new, more efficient ways of interacting with the agency.**



Strategic Outcome

#3

### Key Measures

- Opencut mining application system improvements in place this FY.
- Subdivisions application "go-live" July 1, 2024.
- Underground storage permit system in place this FY.
- Records management system upgrade with public portal this FY.
- Develop public facing enforcement program dashboard this FY.
- Develop and begin testing use of electronic field forms for underground storage tank facility inspections.
- 54% of lead service line inventories submitted via ServiceNow portal (98 via ServiceNow/82 via email).
- 25% of water quality field season work done electronically in 2024

**FY 24  
Performance  
Report  
Update**

- Beginning Fiscal 2024, DEQ IT experienced a substantial transition with the Chief Information Officer departing and other IT supervisor staffing vacancies. This was followed by a 46% vacancy rate of remaining IT staff. This impacted the delivery of several items. Staffing has improved in IT, but there is still a 20% vacancy rate
- Opencut mining application system improvements did not occur as planned in FY 2024. A vendor has since been selected for the permit solution, contracted, and the project is underway.
- Subdivisions application went live June 2024 with a program soft launch starting July 1, 2024. The agency will focus on plans submitted online in FY25.
  - Training County Reviewers Sept. 2024
  - Training Consulting Engineers Oct. 2024
- The Underground Storage Tank (UST) Permit system project was not put into place in FY 24. The work was started (led by DLI) with an expected go live in summer 2025. UST construction permit applications are under revision, and the department is looking for options to streamline and make the construction permit process more efficient and transparent for owners and contractors.
- DEQ continues to make advancements on records management system upgrades with a public portal. We are engaging with SITSD and a vendor to refactor an application.
- Developing a public-facing enforcement program dashboard is a long-term DEQ goal and has not been explored at this time due to limited staffing.
- Digitization of the Underground Storage Tank inspection process was successfully completed in FY 24 (May 2024) creating significant efficiencies for the program.
- A Lead Service Line inventory online submission was successfully rolled out in December 2023.
- Work continues in 2024 to create digital Water Quality Collect Forms with Chain of Custody. The records management system upgrade stalled with the contractor, and a new path forward is under review. DEQ programs continue to make progress scanning hard copy records, so files will be ready to migrate into a new system in the coming years.



Strategic Outcome

#4

## RED TAPE RELIEF & REGULATORY REFORM

Continue to make common sense regulatory reform measures through FY 24 through prioritization of rules reviewed by the agency. Evaluate rules that are ripe for advancement through the legislative/executive streamlining efforts with a focus on effectiveness and boldness. This would also include passing rule updates to successfully implement 2021 and 2023 legislation before the 2024 blackout period.

### Key Measures

- Evaluate agency rulemaking needs and calendar timelines to successfully update identified and required rules prior to 2025 legislative session.
  - Monthly meeting of agency rule review team to discuss priorities, timelines and stay on track –monthly occurrence.
  - Identification and development of red tape relief concepts to ensure proposed legislation is worked out prior to 2025 legislative session—this FY.

### FY 24 Performance Report Update

- Monthly meetings were held with agency rule review team. DEQ continues to review and prioritize agency circulars, rules, and statues for reform using ranking criteria and complexity analysis as applied to a master inventory list.
- Periodic meetings with Lt. Governor and staff occurred and will continue to be held to review R2 progress and priorities. Development of rulemaking package ‘hours to accomplish’ table to daylight resource commitment moved forward.
- **Calendar 2023 R2 metrics.** Rules adopted final = 3 new, 55 amend, 9 repeal, and 7 transfer. Circulars adopted final = 1 new, 5 amend, and 2 repeal.
- **Calendar 2024 R2 metrics (to date).** Rules adopted final = 3 new, 445 amend, 9 repeal, and 7 transfer. Circulars adopted final = 1 amend.



## Strategic Outcome

# #5

## STAKEHOLDER RELATIONSHIP DEVELOPMENT & COMMUNICATION

Prioritize the development of relationships with stakeholders across the state of Montana. Listen to diverse interests and consider perspectives in evaluating how the agency does its work. Tell the DEQ story in various ways through proactive communication strategies.

### Key Measures

- Celebrate DEQ successes and wins. Establish, enhance and maintain relationships with federal, state, local, tribal agencies and consistent, involved respectful stakeholders.
  - Communicate positive information to the public by one positive, proactive press release per month — monthly.
  - Visit Montana’s tribes — each tribe annually.
  - Implement agency-wide professional, consistent external communications — 10 trainings in FY 24.

### FY 24 Performance Report Update

- In FY 24, DEQ issued 48 press releases, at least 12 of which were sharing positive/proactive news. We shared information on wildfire smoke and air quality awareness; provided resources for identifying harmful algal blooms; celebrated positive EPA action in Libby, forward progress on soil cleanup in Deer Lodge, celebrated new federal grant funds; recognized high school students’ environmental projects; announced streamlining efforts; highlighted career opportunities through water and wastewater operator certification; and solicited applications for various grant opportunities.
- DEQ leadership visited the Confederated Salish and Kootenai, Northern Cheyenne, Fort Peck Assiniboine and Sioux, and Chippewa Cree Tribes in FY 24. Outreach and engagement at the staff level occurred with all tribes on various projects.
- At least 10 trainings were provided in FY 24. Communications staff gave live trainings at regular new employee orientation sessions and provided live and recorded trainings by request, covering topics like website management, working with the media, branding, email etiquette, and records management.





Strategic Outcome

#6


## INSPECTION & PERMITTING EFFICIENCY AND IMPROVEMENT

Produce accurate, complete, and clear documents that withstand legal scrutiny, including thorough and consistent Montana Environmental Policy Act (MEPA) analysis.

Documents and related analysis will be developed collaboratively with the support of management, will identify and confirm underlying authority for review and decision-making, and will undergo appropriate and consistent legal review. We will increase and maintain site inspections, by establishing goals to meet or exceed numbers reached in 2023.

<p><b>Key Measures</b></p>	<ul style="list-style-type: none"> <li>• Meet all annual inspection goals.                             <ul style="list-style-type: none"> <li>○ Opencut = 300</li> <li>○ Coal = 195</li> <li>○ Hard Rock = 125</li> <li>○ Field Services = 180</li> </ul> </li> <li>• MEPA templates and process outline.                             <ul style="list-style-type: none"> <li>○ Each Bureau will provide a report-out from each applicable section supervisor on number of inspections completed in 2023 and scheduled for 2024 – December 2023.</li> <li>○ Air Quality and Mining Bureau will prepare work plan/guidance to be consistent in appropriate communication of violations and noncompliance, issuance of appropriate written notifications, and timely resolution. – 2<sup>nd</sup> Quarter 2024.</li> <li>○ Develop and implement a Mining Bureau MEPA template that is largely consistent across each mining section, unless directed differently by the underlying statute – March 2024.</li> </ul> </li> </ul>
<p><b>FY 24 Performance Report Update</b></p>	<ul style="list-style-type: none"> <li>• The Air Quality Bureau is on track to meet or exceed its inspection goals for both state and Federal targets for calendar year 2024.</li> <li>• The Mining Bureau refined its inspection goals as part of its 2024 Strategic Objectives. The refined goals were Opencut: 250, Coal: 134, Hard Rock: 125, and Field Services: 180. The Mining Bureau has made good progress on its inspection goals and is on track to meet its inspection goals, with the potential exception of Opencut inspections.                             <ul style="list-style-type: none"> <li>○ Opencut has completed 150/250 inspections</li> <li>○ Coal has completed 95/134 inspections</li> <li>○ Hard Rock has completed 74/125 inspections</li> <li>○ Field Services has completed 73/100 SMES/Explo inspections and 43/80 Opencut/SME inspections</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• The Air Quality Bureau and Mining Bureau are actively preparing work plan/guidance on violations/noncompliance/ enforcement. For this type of activity, AEMD is on track in developing consistent processes for air and mining in these areas.</li> <li>• The Mining Bureau successfully completed its MEPA template, and it is being used across the various mining sections. The template has been updated, as needed, to address necessary changes. The template will be reviewed periodically to ensure it remains current.</li> </ul>
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 <b>Strategic Outcome</b>  <b>#7</b>	<b>ADVANCE EMPLOYEE LEARNING AND CERTIFICATION</b>	
	<p><b>As technology advances and workplace strategies evolve, there is a need for staff to align with these changes in terms of knowledge and skills. We support staff growth and will continue to set the stage for learning opportunities by discussing goals, areas of focus, and opportunities for training, certification, etc. There are a growing number of new employees (100% turnover in Air Quality Field Services), and training will directly impact our productivity and performance.</b></p>	
	<b>Key Measures</b>	<ul style="list-style-type: none"> <li>• Provide 10 training opportunities per Bureau in FY2025. <ul style="list-style-type: none"> <li>○ Report on training and staff impacted for FY 2024 – July 2024.</li> <li>○ Develop budget to sustain training, while maintaining existing staff development and retention – July 2024.</li> </ul> </li> </ul>
<b>FY 24 Performance Report Update</b>	<ul style="list-style-type: none"> <li>• Safety training is an integral part of the work of the Mining Bureau and the Bureau incorporates that training into its strategic objectives. The Bureau has achieved its goal of training 100% its staff on OSHA/MSHA topics.</li> <li>• The Air Quality Bureau and the Mining Bureau have sent staff to specific training to advance the skill sets of the staff/work units.</li> </ul>	

## RECORDS MANAGEMENT



Strategic Outcome

#8

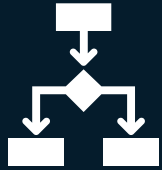
Records management ensures that institutional records of vital historical, fiscal, and legal value are identified and preserved, and that non-essential records are discarded in a timely manner according to established guidelines. Mining is one of the oldest and most important industries to Montana – which results in voluminous records. The Bureau continues to transition from traditional methods to technology enabled business processes.

### Key Measures

- Establish electronic file naming conventions per Bureau and ensure that those naming conventions are used by staff – December 2023
- # of boxes QA/QC'd and shredded in FY2023 – July 2024.
- # existing electronic Hard Rock Mining Section records transitioned into Google Docs – 2<sup>nd</sup> Quarter 2024.
- Hard Rock Mining to remove all remaining official record boxes from the Garden Level office space, condense the material (as appropriate), and send the resulting boxes out for scanning – Dec. 2023.

### FY 24 Performance Report Update

- Electronic file naming conventions are in place for the Air Quality Bureau and the Hard Rock Mining Section of the Mining Bureau. The naming conventions for the Coal Mining Section and the Opencut Mining Section are not yet complete, but underway.
- Approximately 90 boxes of Hard Rock records were scanned, QA/QC'd, and shredded in by the end of FY24.
- The GoogleDoc Warehouse project for records management has not met the requirements of DEQ. We are working with SITSD and Google to ensure DEQ's needs are met and are looking toward reengagement on the project.
- All official paper records from the lower level of the Metcalf building have been processed and scanned. Five boxes from the "Cage Area" remain in progress. The Hard Rock Mining section will work through those boxes by the end of October 2024.



Strategic Outcome

#9

**INCREASE CUSTOMER SERVICE WITH TOOLS DESIGNED FOR BETTER STAKEHOLDER ENGAGEMENT**

Develop and use in FY 24 two tools for better stakeholder engagement in two WMRD challenge/priority areas:

- **Butte One-map.** This will show all superfund projects in the Butte area. The interactive map will allow users to zoom in on a specific project area and will link to status. All agencies involved in remediation will use the map and logos will be incorporated to demonstrate collaboration.
- **Petroleum tank release cleanup process flow map and illustration of roles and responsibilities.** This will be used with stakeholders and with owners of new releases to illustrate the cleanup process and who is responsible for what. This will reduce confusion among our stakeholders.

**Key Measures**

- # of Butte public meetings where Butte One Map is used
- # of agencies and organizations that use the Butte One Map
- # of times petroleum process flow brochure is shared
- # of meetings held with owners of new releases to explain process and roles and get positive, proactive face time with our customers

**FY 24 Performance Report Update**

- DEQ has met this measure. Robust tools are fully developed and approved for use. Key measures will be tracked in FY25 as we begin to introduce and roll out those new tools.



Strategic Outcome

#10

**MOVE A MINIMUM OF TWO LEGACY SITES FORWARD TO THE NEXT STEP IN THE CLEANUP PROCESS**

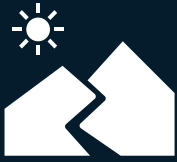
Identify and select at least two sites to deliberately move forward in FY 24. These are challenging sites with barriers to remediation. Moving them forward in the process will achieve DEQ’s mission to champion a health environment for a thriving Montana, will uphold our values of accountability, and will take a burden of DEQ staff

**Key Measures**

- # of sites moved
- # of steps advanced

**FY 24 Performance Report Update**

- DEQ exceeded this goal, and four sites moved:
  - Belt water treatment plant – DEQ broke ground on a treatment plant that will treat mine impacted waters being discharged into Belt Creek after years of delays.
  - Arrowstone Park – Cleanup plans are underway for a contaminated park in Deer Lodge. Remediation planning has started and will go to construction in FY25.
  - Streamside Tailings Operable Unit funding transfer – DEQ had committed to a \$5 million transfer of excess funds for restoration projects in the Butte area. An unfavorable market and higher costs of remediation made the possibility of this transfer unlikely. DEQ has now communicated this to our stakeholders, and we are working with the Natural Restoration Damage Program to track spending on a remedy, and DEQ continues to communicate the status to stakeholders.
  - Upper Tenmile Superfund Site - The City of Helena receives most of the City's potable water from Upper Tenmile Creek via a series of diversions. Effluent from the Helena water treatment plan exceeds aquatic life standards for zinc and cadmium. DEQ was awarded a federal grant and remediation work to address metals contamination is occurring on the superfund site.
- An additional seven sites advanced, including:
  - Legacy Petroleum Releases – DEQ streamlined work plan request letters to request more work and to close more sites.



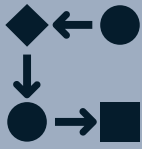
Strategic Outcome

#11

**CROSS PROGRAM SITE VISITS TO INFORM OUR WORK AND CREATE FEEDBACK LOOPS FOR MEANINGFUL REGULATION**

DEQ administers the Clean Water Act, Montana Water Quality Act, and the Safe Drinking Water Act. This oversight uniquely positions the division to be able to connect engineers who review design standards with the inspectors, technical assistance providers, and regulated community to take a deeper look at regulations for drinking water and wastewater. By looking deeper at the standards and processes, the division hopes to make meaningful updates and changes that continue to protect human health and the environment, while also eliminating or reducing red tape.

<p><b>Key Measures</b></p>	<ul style="list-style-type: none"> <li>• Number of Water Quality Division staff that participate in a site visit with other DEQ programs.                             <ul style="list-style-type: none"> <li>○ Division Administrator meet with each Section Supervisor to explain vision and develop plan by October 2023.</li> <li>○ Begin implementation in field season of 2023, and complete during field season 2024.</li> <li>○ All sections (14) participating in one site visit by December 2024.</li> </ul> </li> </ul>
<p><b>FY 24 Performance Report Update</b></p>	<ul style="list-style-type: none"> <li>○ The Division Administrator met with each Section Supervisor (14) to explain this initiative by October 2023.</li> <li>○ 53% of Engineering Bureau staff have participated in an onsite inspection/site-visit.</li> <li>○ 50% of sections are participating in one site visit as of August 2024.</li> </ul>



Strategic Outcome

#12

**EACH SECTION ENGAGE IN A BUSINESS PROCESS MAPPING EXERCISE WHICH INCLUDES A FISCAL OVERVIEW**

There are 14 sections in the Division.

Each one will engage in a process mapping session to document and standardize processes, as well as map the value stream for customer service.

**Key Measures**

- Number of sections participating in process mapping session.
- Number of process improvement initiatives.

**FY 24 Performance Report Update**

- Ten out of 14 sections participated in a process mapping session/exercise resulting in efficiencies and documentation of standard operating procedures for consistency and training.
- Approximately \$300,000 in outstanding invoices were collected because of improved business processes, which resulted from process mapping sessions.