EXTERNAL ADVISORY GROUP

Remediation and Redevelopment Program





AGENDA

Remediation and Redevelopment External Advisory Group

Thursday, July 13, 2023 | 9:00 a.m. – noon DNR La Crosse Office | Room B-19 3550 Mormon Coulee Rd | La Crosse, WI 54601

In-person attendees should RSVP to <u>Jody.Irland@wisconsin.gov</u> by noon on Wednesday, July 12, 2023.

Register for Zoom meeting:

https://us02web.zoom.us/meeting/register/tZAvc-CsqTotGN2mPijwcCV4AHCtVDCEZWA0

Roll Call and Community Building

20 minutes

Upcoming Meetings and Reflection (small group discussion)

20 minutes

- Time and Location Discussion
 - What has been successful and what needs fine tuning?

DNR Updates

5 minutes

• State Budget Updates (tentative) – Jenna Soyer

DNR Rulemaking

20 minutes

• Rulemaking Process – Molly Schmidt

Subgroup Updates and Reflection

30 minutes

- Environmental Justice Subgroup Jodie Peotter
 - Work Plan
- Funding Sustainability Subgroup Mark Rutkowski
 - o Work Plan
- NR 700 Subgroup Bill Nelson
 - o Work Plan

Annual Reflection (small group discussion)

60 minutes

- Subgroups Proposals and Reflections
 - Contaminated Sediments
 - o Engagement
 - Technical Outreach
 - o Vapor Intrusion

Assignments

Adjourn

STATEMENT OF SCOPE

Department of Natural Resources

Rule No.: RR-14-23

Relating to: Revisions to chs. NR 700, 708, 714, 722, 724, 725, 726, 727, and 749 related to

definitions, notifications, fees, agreements, reports, and procedures for interim action

and remedial action continuing obligations

Rule Type: Permanent

1. Finding/nature of emergency (Emergency Rule only):

The rules will be proposed as permanent rules.

2. Detailed description of the objective of the proposed rule:

Chapters NR 700 to 799, Wis. Adm. Code, establish standards and procedures for the identification, investigation, and cleanup of hazardous substance discharges and environmental pollution under chs. 289 and 292, Wis. Stats. Several administrative code chapters address the limitations and requirements that the Department of Natural Resources (department) may impose at contaminated properties under s. 292.12, Wis. Stats., to protect public health and the environment. These requirements, called "continuing obligations," continue to apply after a property title is transferred. 2005 Wis. Act 418 added continuing obligations language to ch. 292, Wis. Stats., as a replacement for the institutional controls previously used in Wisconsin. In 2013, the department promulgated a rule to implement these changes in code.

2015 Wis. Act 204 revised ch. 292, Wis. Stats., in several ways affecting continuing obligations. 2015 Wis. Act 204 authorized the department to require continuing obligations during interim action approvals. It created an option to transfer continuing obligation responsibilities via legal agreement, and it required certain continuing obligation information to be entered into the department's database, the Bureau of Remediation and Redevelopment Tracking System (BRRTS).

The proposed rule would revise administrative code to implement changes made to statute by 2015 Wis. Act 204 and to provide sufficient procedures and requirements for continuing obligations imposed prior to site closure, specifically at the time of interim or remedial action approval.

The rule would affect chs. NR 700, 708, 714, 722, 724, 725, 726, 727, and 749, Wis. Adm. Code, and relates to definitions, notifications, fees, agreements, reports, and procedures for continuing obligations that are imposed by the department at the time of approving an interim action or remedial action. The rule would implement sections of 2015 Wis. Act 204 pertaining to continuing obligations. The rule would clarify continuing obligation requirements during interim action and remedial action approvals, including clarification of procedures, timelines, required reports, department report review and response, database entry and removal, fees, and continuing obligation compliance and modifications. The rule would also clarify requirements for notifying affected off-site parties of continuing obligations imposed prior to closure. These chapters were last revised in 2013 or earlier.

Rule revisions related to continuing obligations for interim and remedial actions may include:

- Incorporation of procedures and timelines for reports that are submitted during or after interim actions and remedial actions;
- Procedures and clarification of when ch. NR 749 fees are required for department review of related reports;
- Required database information and clarification of when ch. NR 749 fees relating to recording continuing obligations are required;
- Requirements relating to responsibility for and compliance with continuing obligations;
- Requirements and procedures relating to the modification of continuing obligations, including database modifications or removals and clarification of when ch. NR 749 fees are required; and
- Required notifications to affected landowners and occupants regarding continuing obligations and public notification and participation requirements.

Rule revisions related to continuing obligations at all stages of site cleanup, including interim actions, remedial actions, and closure, may include:

- Re-definition and relocation of the term "continuing obligations" and other related terms;
- Procedures and database requirements for transferring continuing obligation responsibilities through legal agreement;
- Requirements and procedures for long-term management of continuing obligations; and
- Requirements and procedures for continuing obligation database listings and removals, including clarification of when ch. NR 749 fees are required.

Additional rule changes or clarifications may be pursued which are reasonably related to those discussed here.

3. Description of the existing policies relevant to the rule, new policies proposed to be included in the rule, and an analysis of policy alternatives:

Many of the proposed rule revisions reflect existing policies and practices for continuing obligations and the proposed rule would provide additional clarification, including procedures for continuing obligations imposed prior to closure, and would implement recent statutory updates. The proposed rule would provide clear, streamlined procedures, and clarify regulatory expectations with the goal of creating efficiencies for regulated parties. The proposed rule would update chapters which have not been updated since 2013 or earlier.

The department evaluated the option of not pursuing rule revisions at this time. While this option allows for continued regulation of the investigation and remediation of contaminated sites that has proved effective in protecting the environment and public health, it limits the department's ability to create more efficient regulatory processes. Without this rule, the department would continue to evaluate and communicate continuing obligation requirements at the interim and remedial action stages on a more time consuming, site-specific basis.

4. Detailed explanation of statutory authority for the rule (including the statutory citation and language):

Section 292.31(2), Wis. Stats., requires the department to promulgate rules relating to investigation and remedial action for sites or facilities and other properties at which the air, land, or waters of the state have been affected by the discharge of a hazardous substance or other environmental pollution. Section 292.12(2)(c), Wis. Stats., requires the department to promulgate rules to identify limitations or other conditions related to property, to ensure that conditions at the site remain protective of public health, safety, and welfare and the environment, and, as applicable, to promote economic development. Section

227.11(2), Wis. Stats., also confers rulemaking authority to the department to promulgate rules that are necessary to perpetuate the purpose of ch. 292, Wis. Stats.

The proposed rule includes revisions to chs. NR 700, 708, 714, 724, 725, 726, 727, and 749, Wis. Adm. Code, which were promulgated under these statutory authorities.

5. Estimate of amount of time that state employees will spend developing the rule and of other resources necessary to develop the rule:

The department estimates that approximately 2,000 hours of staff time will be required to complete the proposed rule.

6. List with description of all entities that may be affected by the proposed rule:

The proposed rule will primarily affect persons that are performing investigation and cleanup of contaminated sites, and those affected by contaminated sites, in Wisconsin. These persons include "responsible parties" that are liable for the cleanup of a hazardous substance discharge or environmental pollution under statute, as well as voluntary or exempt persons conducting cleanup under state law. Proposed changes, including procedures and reports, database requirements, and clarifications regarding ch. NR 749 fees may affect landowners and persons cleaning up contamination. The proposed rule will not increase fee amounts, rather, it will clarify when the existing ch. NR 749 fees are required. Environmental consultants and businesses that assist with cleanup may be indirectly impacted by changes to procedures and report requirements. All state residents and businesses may benefit from human health and environmental protections provided by improved continuing obligations and notification requirements.

As of April 1, 2023, there were 2,622 sites with active cleanups in Wisconsin. During 2022, continuing obligations were applied at 99 sites statewide. [update numbers before final]

Residents and businesses are affected by continuing obligation regulations and the cleanup of hazardous substance discharges and environmental pollution because they rely on state cleanup laws to provide protection from risks to public health and the environment.

7. Summary and preliminary comparison with any existing or proposed federal regulation that is intended to address the activities to be regulated by the proposed rule:

Many of the proposed rule revisions are clarifications or updates that are specific to Wisconsin's system of imposing continuing obligations and are not readily comparable to federal approaches; however, available comparisons are provided below.

The U.S. Environmental Proteciton Agency (U.S. EPA) uses "institutional controls," which are administrative and legal controls that help minimize the potential for human exposure to contamination and/or protect the integrity of the remedy. Like Wisconsin's continuing obligations, federal institutional controls are used before cleanup is complete, and after cleanup is complete at sites where residual contamination remains at a level that does not allow for unlimited use of the property and exposure after cleanup. Unlike Wisconsin, the U.S. EPA uses a broad suite of institutional controls, such as propriety land controls (*e.g.*, restrictive covenants) and local government land use controls. Unlike Wisconsin, the U.S. EPA may incorporate institutional controls into administrative orders and permits.

While these systems have similar goals, the different methods of implementation do not allow for comparisons at the level of state procedures, reports, database requirements, and notification requirements.

8. Anticipated economic impact of implementing the rule (note if the rule is likely to have an economic impact on small businesses):

The proposed rule is expected to result in both economic benefits and costs due to changes to requirements.

Overall, the rule is expected to have a moderate cost impact (\$50,000 to \$5 million) on responsible parties and others conducting cleanup of contaminated sites, as well as the environmental consulting industry, including costs relating to actions tied to compliance with procedures, timelines, reporting, and modifications to continuing obligations, as well as fees.

Portions of the rule may have a positive economic impact on responsible parties and environmental consulting firms due to increased clarity in procedures or other efficiencies. The benefits will likely vary for each site based on size, complexity, and contaminants. Increased costs are not expected to be significant and may be offset by benefits realized from other changes within the proposed rule. The benefits and impacts will be evaluated in more detail during the economic impact analysis based on the requirements in the draft rule. These impacts will be evaluated based on site size, complexity, and contaminants.

An unknown number of responsible parties may meet the definition of a small business that would be subject to changes in plan review and licensing fees. It is projected that the economic impact of this rule would be minimal or moderate for small businesses. Additional information will be collected during the economic impact solicitation period.

9. Anticipated number, month and locations of public hearings:

The department anticipates holding one public hearing in the month of March 2025. The hearing will be held in Madison, WI.

The department will hold the hearing in-person as well as virtually to allow for as many people to attend as possible. Comments may be provided by mail, phone and email as well as in-person.

Contact Person: Molly Schmidt, Department of Natural Resources, Remediation and Redevelopment Program, PO Box 7921, Madison, WI 53707-7921; (608) 219-2153; MollyE.Schmidt@wisconsin.gov.

For Adam N. Pag	yne, Secreta	iry	
Date Submitted			

STATEMENT OF SCOPE

Department of Natural Resources

Rule No.: RR-15-23

Relating to: Revisions to chs. NR 700, 720, and 722 related to definitions, land use

classifications, procedures for identifying environmental standards for soil, and soil cleanup standards used to investigate and remediate environmental contamination

Rule Type: Permanent

1. Finding/nature of emergency (Emergency Rule only):

The rules will be proposed as permanent rules.

2. Detailed description of the objective of the proposed rule:

Chapters NR 700 to 799, Wis. Adm. Code, establish standards and procedures for the identification, investigation, and cleanup of hazardous substance discharges and environmental pollution in Wisconsin under chs. 289 and 292, Wis. Stats.

The proposed rule revisions affect chs. NR 700, 720, and 722, Wis. Adm. Code, which provide definitions, standards, and procedures for soil cleanup as well as direction for selecting remedial actions during soil cleanup. Currently under these chapters, there are different procedures and standards that may be applied when contaminated soil is cleaned up. One soil cleanup option is to apply Residual Contaminant Levels (RCLs), which are amounts of contamination that may be left in place after cleanup is complete. These RCLs are calculated based on human health risk and other variables. Another option is performance standards, in which a specific type of remedial action (*e.g.*, a concrete cap) is deemed to be protective to the extent that RCLs are not needed. Some sites may also be eligible for a risk assessment approach that allows for standards that are specific to a particular site. These rule chapters also provide requirements relating to future land use of properties with residual soil contamination to help ensure that future uses of the remediated property are protective of human health. These rule chapters were last updated in 2013.

The proposed rule changes would revise these chapters to provide updates and increase consistency, including revisions to:

- Increase consistency in code between the descriptions of soil standards and the descriptions of cleanup standards for other media;
- Remove outdated soil cleanup standards or requirements while maintaining standards protective of human health and safety;
- Create consistency between state and federal approaches to calculating allowable residual levels of soil contamination;
- Increase consistency between rule chapters, including rules related to land use classification requirements and update land use classifications to allow further flexibility and to better reflect the risk of exposure at different types of cleanup sites; and

• Clarify when certain methods of calculating residual contaminant levels may be applied to other media such as floodplain soils and sediment.

Rule revisions related to soil standards may include:

- Addition of a "soil cleanup standard" definition and creation or revision of other terms closely relating to soil cleanup standards;
- Clarification of language relating to procedures for establishing soil performance standards and procedures for determining default and site-specific residual contaminant levels, including terminology corrections, added citations to applicable authorities, and added cross-references to clarify other applicable portions of administrative code;
- Clarification of the process for identifying environmental standards for soil that are protective of groundwater and provid additional information on site-specific evaluation;
- Clarification of the process for identifying environmental standards for human health risk from direct contact with contaminated soils and provide additional information on site-specific evaluation;
- Specification of cumulative cancer risk target as the applicable RCL to use for polycyclic aromatic hydrocarbons;
- Revisions that allow direct contact RCLs to be derived utilizing the U.S. Environmental Protection Agency (EPA) Residual Screening Level calculator and the identified default exposure assumptions unless the department approves a site-specific RCL;
- Removal of provisions relating to the default exposure assumptions and soil parameter values that are used to calculate RCLs;
- Clarification of the point of compliance (*i.e.*, the depth of application) over which soil standards apply; and
- Changes to administrative code rules that cross-reference rules affected by the proposed rule or relate to soil cleanup standards.

Rule revisions related to land use classifications applied during soil remediation may include:

- New definitions and revised definitions for terms relating to land use classification, including "industrial land use" and "nonresidential setting," and insertion of references to these terms;
- Clarifications that describe which exposure scenario (*i.e.*, the extent to which a particular person may be exposed to contamination) to utilize when calculating RCLs in connection with land use classification;
- Other clarifications of the requirements and procedures for the selection of land use classification during the remedial action phase of cleanup; and
- Changes to administrative code rules that cross-reference rules affected by the proposed rule or relate to land use classifications.

Rule revisions related to contaminated sediment may include revisions to clarify that direct contact residual contaminant levels for soil may be applied to floodplain soils and sediment when there is human health risk from direct contact with contaminated sediment or floodplain soils.

Rule revisions related to environmental risk assessments may include revisions to clarify the procedures for implementing a risk assessment and to allow use of the risk assessment approach for contaminated media other than soil.

Rule revisions may include corresponding revisions to provisions relating to standards for selection of a remedial action within ch. NR 722, Wis. Adm. Code, to create consistency between soil cleanup standards and standards for selecting a remedial action.

Additional rule changes or clarifications may be pursued which are reasonably related to those discussed here.

3. Description of the existing policies relevant to the rule, new policies proposed to be included in the rule, and an analysis of policy alternatives:

The proposed revisions would update provisions related to soil cleanups to reflect current DNR policies and to ensure improved consistency and clarity. Certain rule revisions would increase the ability of regulated parties to self-implement portions of code and reduce the number of regulatory reviews required. Many of the proposed rule revisions would create consistency between code chapters, the ways that standards for different media are organized in code, and federal and state approaches for determining standards for soil remediation.

The proposed revisions would make it easier to understand the requirements for soil cleanups in Wisconsin, create additional efficiencies, increase code self-implementation, and reflect DNR experience and methodological changes over the last decade. The proposed rule revisions would include updates to chs. NR 720 and 722, Wis. Adm. Code, which have not been updated since 2013.

The department evaluated the option of not pursuing rule revisions at this time. While this option allows for continued regulation of contaminated soil cleanup that has proved effective in protecting the environment and public health, it limits the department's ability to incorporate recent data on contaminant background levels or create more efficient and flexible regulatory processes that provide cost savings to persons conducting soil cleanup. Without this rule, the department would continue to evaluate requests for exceptions on a more time consuming, case-specific basis.

4. Detailed explanation of statutory authority for the rule (including the statutory citation and language):

Section 292.31(2), Wis. Stats., requires the department to promulgate rules relating to investigation and remedial action for sites or facilities and other properties at which the air, land, or waters of the state have been affected by the discharge of a hazardous substance or other environmental pollution. Section 292.12(2)(c), Wis. Stats., requires the department to promulgate rules to identify limitations or other conditions related to property, to ensure that conditions at the site remain protective of public health, safety, and welfare and the environment, and, as applicable, to promote economic development. Section 227.11(2), Wis. Stats., also confers rulemaking authority to the department to promulgate rules that are necessary to perpetuate the purpose of ch. 292, Wis. Stats.

The proposed rule includes revisions to chs. NR 700, 720, and 722, Wis. Adm. Code, which were originally promulgated under these statutory authorities. Other rule revisions may be necessary outside chs. NR 700, 720, and 722 to ensure consistency in the administrative code rules regarding soil cleanups.

5. Estimate of amount of time that state employees will spend developing the rule and of other resources necessary to develop the rule:

The department estimates that approximately 1,600 hours of staff time will be required to complete the proposed rule revisions.

6. List with description of all entities that may be affected by the proposed rule:

The proposed rule will primarily affect persons that clean up contaminated soil and other contaminated media in Wisconsin. These persons include "responsible parties" liable for the cleanup of a hazardous substance discharge or environmental pollution; as well as voluntary or exempt persons conducting

cleanup under state law. Property owners are also impacted by soil cleanup standards. Proposed changes to soil cleanup standards, land use classification requirements, and risk assessment procedures and requirements may affect landowners and persons cleaning up contamination. Although this rule does not directly affect environmental consultants and businesses that assist with cleanup, changes to methods and requirements for calculating standards may decrease the amount of time needed to prepare certain reports and submissions.

As of April 1, 2023, there were 2,622 sites with active cleanups in Wisconsin. Many of these sites involve some degree of investigation and remediation of contaminated soil. [update number before final]

7. Summary and preliminary comparison with any existing or proposed federal regulation that is intended to address the activities to be regulated by the proposed rule:

Many of the proposed rule revisions are clarifications or updates that are specific to Wisconsin's response action process and are not readily comparable to federal approaches; however, available comparisons are provided below.

- Revisions to allow the state's direct contact RCLs to be derived utilizing the U.S. EPA Residual Screening Level calculator will provide consistency between federal and state approaches.
- Revisions to allow a risk assessment approach to developing standards for all contaminated media will provide more consistency between federal and state approaches.

8. Anticipated economic impact of implementing the rule (note if the rule is likely to have an economic impact on small businesses):

The proposed rule is expected to result in both economic benefits and costs due to changes to requirements. Overall, the rule is expected to have a moderate cost impact (\$50,000 to \$5 million) on responsible parties, including changes to procedures, requirements, and reporting requirements.

Portions of the rule may have a positive economic impact on responsible parties due to reduced stringency of requirements or other efficiencies such as eliminating the need to seek site-specific review for standards in some cases, and increased consistency with federal requirements for soil remediation. The benefits will likely vary for each site based on size, complexity, media, and contaminants. Increased costs are not expected to be significant and may be entirely offset by benefits realized from other changes to the rules. The benefits and impacts will be evaluated in more detail during the economic impact analysis based on the requirements in the draft rule. These impacts will be evaluated based on site data and environmental consulting industry input.

An unknown number of persons conducting cleanup may meet the definition of a small business. It is projected that the economic impact of this rule would be minimal or moderate for small businesses. Additional information will be collected during the economic impact solicitation period.

9. Anticipated number, month and locations of public hearings:

The department anticipates holding one public hearing in the month of March 2025. The hearing will be held in Madison, WI.

The department will hold the hearing in-person as well as virtually to allow for as many people to attend as possible. Comments may be provided by mail, phone and email as well as in-person.

Contact Person: Molly Schmidt, Department of Natural Resources, Remediation and Redevelopment Program, PO Box 7921, Madison, WI 53707-7921; (608) 219-2153; MollyE.Schmidt@wisconsin.gov.

For Adam N. Payne, Secretary

Date Submitted



Remediation and Redevelopment Program





Objective	Expected outcomes	Deliverables & Milestones
(Strategic Goal)		
FY 2023 Subgroups		
Funding Sustainability	 Gaps in funding bridged (e.g., PECFA, DERF, innocent landowners) Existing grant programs enhanced (Wisconsin Assessment Monies and Ready for Reuse RLF) Marketing of grant programs improved Funding of DNR RR Program staff is sufficient and sustainable 	 List of funding gaps List of additional recommended resources for investigation and cleanup of brownfields, and resources for innocent landowners and stalled sites, as appropriate Evaluation of NR 749 fees and implementation, with recommendations for revisions, if any
NR 700	 Clarification of existing NR 700 rules and statutory authority under Wis. Stat. ch. 292 Regulatory uncertainties reduced Consistency and efficiency of NR 700 rule implementation improved Long-term stewardship addressed Frustrations of stakeholders, DNR Staff, consultants and responsible parties reduced 	 Evaluation of current chs. NR 700-799: what works well as is, what works well but could be improved, what is not utilized and could be eliminated, what is not utilized any could be improved. List of policies that are outdated, unclear or inconsistent Outline of a framework for regulatory decision making based on site complexity Summary of issues and recommendations for consistent assessment and cleanup of PAHs Summary of issues and recommendations to ensure long-term stewardship of remedial actions
Environmental Justice	 Increased participation by and representation of disadvantaged, environmentally burdened and underserved communities within the RR EAG and its subgroups and meetings Increased consideration and incorporation of environmental justice needs identified by partners in subgroup recommendations, deliverables, milestones and outcomes Framework for the RR EAG for cultivating meaningful involvement from a diverse group of stakeholders and community partners Integrated approach for environmental justice considerations throughout the work of the RR EAG and its subgroups 	 Common understanding of environmental justice concepts within Wisconsin and its intersections with the NR 700 process Identification of disadvantaged, environmentally burdened and underserved communities who are disproportionally exposed to and impacted by environmental hazards and may have interest in participating or providing input to the RR EAG and its subgroups Outreach and communication plan, and invitation to potentially interested parties to participate in and build the EJ subgroup Recommendations for other RR EAG subgroups on cultivating meaningful community involvement within subgroup work planning, decision-making, and deliverable development Resources/framework/expectations for RR EAG subgroups to routinely evaluate, consider and address environmental justice issues within subgroup work planning, decision-making, and deliverables, including review by the EJ subgroup. This will include guidance and support for other RR EAG subgroups on funding, policy, and practice strategies to address environmental justice concerns and needs raised by community partners and best practices for managing partnerships when those needs are out-of-scope for subgroups.

Work Plan - RR External Advisory Group

Remediation and Redevelopment Program

July 2023 - Draft





Objective	Expected outcomes	Deliverables & Milestones	
(Strategic Goal)			
FY 2023 Subgroups			
Contaminated Sediment	 Regulatory uncertainties for the management of contaminated sediment reduced Consistency in NR 700 rule implementation for sediment cleanup improved Long-term stewardship of sediment remedies addressed Frustrations of DNR staff, consultants and responsible parties reduced 	 List of items in NR 700 rules for sediment that are unclear or inconsistent Summary of issues and recommendations for consistent approach to sediment remediation Summary of issues and recommendations to ensure long-term stewardship of sediment remedial actions 	
Tabled in FY 2023	, .		
Engagement with Public	 Environmental justice policies initiated and grown Barriers (perceived and real) to redevelopment of contaminated properties reduced Participation of disadvantaged and underserved communities increased Diverse audience meaningfully engaged 	Suggestions for new or improved outreach materials and approaches to reach diverse audiences to include: Recommendations for meaningful engagement with disadvantaged and underserved communities to learn how DNR can improve outreach and accessibility New or revised DNR outreach materials New or revised RR Program webpage(s)	
Technical Outreach	 Issues and Trends training series enhanced Environmental professionals educated on current and emerging issues NR 700 process and submittal requirements followed Frustrations of DNR Staff and consultants reduced 	 List of training topics Evaluation of current training options (e.g., Issues and Trends and Consultant's Day), with recommendations for change or improvement New training option(s), if needed Recommendations for development or revision to RR Program guidance 	
Proposed for FY 202			
Vapor Intrusion	 Awareness of VI risks and reduced exposure to humans Long-term stewardship of vapor mitigation systems Increased identification of high risk sites Increased coordination with partners/stakeholders at sites with risk of exposure 	 Outreach strategies and materials Summary of issues and recommendations to ensure long-term stewardship of vapor mitigation systems Partnership and communication strategies with state and local health, and local governments to prevent human exposure to VI 	