

Department of Energy and Environment Act 413 of 2021 Report

Update on Entities

Environmental Quality

The Office of Land Resources has returned 671.18 contaminated-acres back to clean and protective land available for use/reuse.

The Office of Energy continues its efforts in regard to the Low Income Home Energy Assistance Program (LIHEAP). Round two of the Extended Winter program and the Summer Cooling program both began in July.

Through the Level 2 Electric Vehicle (EV) Supply Equipment Rebate Program, the Office of Air Quality and the Office of Energy have awarded \$95,000 to 23 applicants, resulting in thirty EV chargers installed throughout Arkansas.

Oil & Gas Commission

The Oil and Gas Commission (OGC) regulates the bromine industry located in Southern Arkansas. Arkansas's brine resource has been identified as a potential world-class source of lithium—critical for the build-out of the U.S. electric vehicle industry. OGC issued an Order authorizing the operation of a pilot plant necessary to establish and prove the commercial viability of the lithium extraction project, which has been in operation for the past twelve months. In December of this year, OGC, in accordance with the Arkansas Brine Act, anticipates reviewing and evaluating results of the pilot plant project. If the project is commercially viable, OGC will have a public hearing to establish royalty payments due for the lithium extracted, processed, and sold.

Liquefied Petroleum Gas Board

Due to this year's winter storms, the Liquefied Petroleum Gas Board (LPGB) has seen heightened interest from individuals exploring the possibility of opening retail propane locations. LPGB has accepted applications on five new class-one permits, which, collectively, cover almost every county in Arkansas.

LPGB is responsible for licensing the safe delivery of propane. Most recently, LPGB successfully completed the first post-COVID 40-hour training school for the states propane suppliers with new classes and curriculum scheduled for this fall. Approximately 100 million gallons serving 120,000 residential households are safely delivered annually by the LPGB licensed suppliers.

Geological Survey

The Geological Survey completed detailed geologic mapping and sampling on approximately 450 square miles in northern Arkansas to identify sources of critical minerals through a grant from the United States Geological Survey and continues work, through a FEMA grant, to conduct a landslide inventory in several Counties in northwest Arkansas and provide information to update "All-Hazard Mitigation Plans" for counties and the emergency response.

Significant Department Projects

• Low Income Household Water Assistance Program

E&E's Office of Energy has been designated to administer the Low Income Household Water Assistance Program (LIHWAP) in Arkansas. The federally funded emergency assistance program has allotted Arkansas \$13.1 million to assist low-income residential households with drinking water and wastewater utility bills and to operate the program. Priorities for LIHWAP are restoration of household drinking water and waste water services, including helping low-income households reduce arrearages and pay current bills.

Energy Resources Planning Task Force

The Energy Resources Planning Task Force has reviewed testimony from regulators, fuel suppliers and transporters, utilities, and energy users. The Task Force has identified opportunities for improved communication in advance of and during energy disruptive events and opportunities for improving the reliability of energy infrastructure. If outages are necessary to ensure the reliability of the electricity grid or curtailment is necessary due to limited fuel supply, the Task Force recommends prioritizing energy to occupied dwellings, food supply production, and other commercial and industrial facilities whose operations are necessary to preserve human life, health, and safety. To the extent possible after ensuring energy resources are adequate to sustain human needs, energy provided to businesses and industry that would otherwise incur damage to equipment or experience severe economic harm should be prioritized.

State of the Air Report

E&E's Office of Air Quality (OAQ) has released its annual State of the Air report for the public to view online. The report presents data about the air quality in Arkansas and achievements in OAQ program implementation during federal fiscal year (FFY) 2020. Arkansas is meeting all health-based standards for air quality throughout the state, and reduced pollution is resulting in visibility improvement at our scenic wilderness areas.

At a time of improving air quality, OAQ also has realized greater efficiencies in its permitting program. Arkansas remains among the top states in the nation in timeliness for processing Title V Permit renewals and significant modification permit actions.

Transformation Examples

Colocation of Offices and Inspectors

<u> 2016</u>

• Synergy of E&E Programs

Staffing

2017

445 413 420 414 405 388 398

<u> 2018</u>

2019

2021

2020

Legislative Initiatives

2015

• 404 Program—Authorization to Administer the Permitting Program for Section 404 of the Federal Clean Water Act

Act 285 authorizes E&E's Division of Environmental Quality to seek and accept delegation of Section 404 of the Federal Clean Water Act (CWA) program. Section 404 requires permitting of any activities that would cause discharge to Waters of the Unites States (WOTUS), including dredge and fill activities.

Licensing of Operators of Solid Waste Management Facilities

Act 773 reduces the licensing burden on Solid Waste Management Facilities Operators—increasing the licensing period from one to two years and to remove the exception for apprenticeship licenses to allow them to be renewable.