

# REPORT HIGHLIGHTS

## A Study Pursuant to HR 2021 – 149: Proposed Revisions to Biosolids Permits

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House Resolution (HR) 149, adopted by the Pennsylvania House of Representatives on December 15, 2021, directed the Legislative Budget and Finance Committee (LBFC) to conduct a study on the costs associated with proposed revisions to Pennsylvania's biosolid land application permits, and to assess the ability of permit holders to practically comply with these changes. Key highlights include the following:

- ❖ **Pennsylvania monitors land application of biosolids through three general permits.** In 1997, the Pennsylvania Department of Environmental Protection (DEP) updated the state's biosolids land application regulations under *Title 25, Pa. Code, Chapter 271, Subchapter J* to align with newly created federal standards. DEP subsequently administered three general permits to govern the beneficial use by land application: PAG-07 for exceptional quality biosolids; PAG-08 for non-exceptional quality biosolids; and PAG-09 for residential septage. Last issued in 2009, these permits have been administratively extended nine times since 2014 and are currently set to expire on November 30, 2023.
- ❖ **DEP is proposing four key permit revisions.** These changes include a prohibition on blending hauled-in waste, a requirement to use a "P-Index" when land applying biosolids to control for excess phosphorus, PFAS ("forever chemical") monitoring requirements, and changes to storage requirements for biosolids. Two of DEP's proposals apply to only PAG-07 and PAG-08, while the others apply to all three permits.
- ❖ **Proposed permit revisions will impact each permit holder differently.** Wastewater treatment is a localized industry. The costs incurred by permit holders, typically wastewater treatment facilities (PAG-07 and PAG-08) or residential septage haulers (PAG-09), are influenced by site-specific factors like operation size, facility age, wastewater treatment procedures used, storage capacity, land availability to disperse biosolids, landfill fees, and transportation costs, among others. While this variability makes determining the full cost of the permit changes difficult, our report provides a series of cost estimates for DEP's four key revisions based on our independent research, interviews with industry/topic experts, and a survey of a selection of permit holders. Regarding PFAS testing costs, which was a specific focus of our study, we found that permit holders could spend anywhere from \$900 to over \$13,000 annually. Through our survey, permit holders expressed their belief that other permit requirements could cost anywhere from a few thousand to several hundred thousand dollars per year, based on the specific needs of the facility. These costs are likely to be more manageable for larger facilities, whereas smaller, more rural facilities may experience difficulties in updating the infrastructure needed for compliance.
- ❖ **Permit changes may create unintended consequences for biosolids management, which could result in higher fees for ratepayers.** While our report provided estimates for the direct costs related to permit changes, we also identified several indirect costs that could follow compliance with DEP's proposed permit revisions. Changes to land application requirements could impact other biosolids management practices, including land-filling, incineration, and the availability of additional land application sites. Although the cost of these unintended consequences will be site-specific, we believe these costs could be passed along to local ratepayers in the form of increased fees.
- ❖ **We recommend DEP update the underlying regulations on the beneficial use of biosolids to provide better consistency between the regulations and DEP's proposed general permits.** Our report outlines the potential complications with DEP's proposed permit revisions. There continues to be a plethora of "unknown" conditions, which are particularly problematic for PAG-07 and PAG-08 permit holders. DEP is rightly trying to uphold its mission to protect the environment and public health and the department has the authority to revise the general permits. However, we believe a more collaborative approach that focuses on updating the regulations governing the beneficial use of biosolids under *Title 25, Pa. Code, Chapter 271, Subchapter J* will best achieve this common goal. We also encourage the General Assembly to consider establishing a grant program similar to the Dairy Investment Program to aid municipal authorities in developing innovative uses for biosolids.

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