

**DEPARTMENT OF ENVIRONMENTAL PROTECTION
OFFICE OF THE SMALL BUSINESS OMBUDSMAN**

ANNUAL REPORT

**SMALL BUSINESS ENVIRONMENTAL
ASSISTANCE PROGRAMS**

JULY 1, 2010 – JUNE 30, 2011

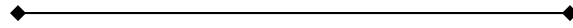


pennsylvania

DEPARTMENT OF ENVIRONMENTAL PROTECTION

Jay R. Moyer, Ombudsman

Small Business Programs



Small Business Ombudsman's Office

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Small Business Environmental Assistance Program

Environmental Management Assistance Program (EMAP)
(A Program of the Pennsylvania Small Business Development Centers)

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Introduction

The Pennsylvania Small Business Environmental Assistance Program (SBEAP) has been helping small businesses comply with environmental laws and operate more efficiently since the mid-1990s. This year, the SBEAP, the Small Business Ombudsman of the Department of Environmental Protection (department) and the Compliance Advisory Committee continued to work together to provide confidential compliance assistance, educational opportunities and financing programs to small businesses in the commonwealth.

The Small Business Ombudsman represents the department to the small business community, provides free confidential compliance assistance to small businesses, sits on the Compliance Advisory Committee and administers small business financing programs. The SBEAP, currently outsourced to the Pennsylvania Small Business Development Centers (SBDCs), provides free compliance assistance through a toll-free hotline and on-site visits. The SBDCs also provide assistance with permit applications, pollution prevention and energy efficiency assessments and can refer the small business to general business and financial assistance professionals if appropriate. The Compliance Advisory Committee meets quarterly to address issues that impact the small business community. This includes environmental regulations, as well as technical and financial assistance programs. These inter-related programs were created by the Clean Air Act and the Pennsylvania Air Pollution Control Act and originally addressed only air issues; however, all have been expanded to provide small businesses with assistance in relation to all environmental media.

Small Business Environmental Assistance Program – Technical Assistance Provider

The SBEAP provides technical assistance to small businesses through a third-party contractor. Pennsylvania has traditionally outsourced this function because many small businesses are more comfortable discussing environmental matters with someone outside the department. The contractor provides free, confidential environmental assistance to help business owners determine their regulatory requirements and the best environmental management strategies for meeting those requirements. The technical assistance provider can help business owners with grant applications, emissions calculations, regulatory paperwork, plan approvals, or operating permits. The program also offers facility site visits to help businesses look for ways to lower energy costs and reduce waste.

The department partners with the SBDCs to provide technical assistance through the SBDCs' Environmental Management Assistance Program (EMAP). Providing no-cost, confidential environmental consulting assistance since 1997, EMAP has built a considerable assistance network and presence. EMAP has five environmental professionals working through 18 college and university-based centers around the commonwealth. Assistance can be accessed directly through a toll-free hotline at 877-ask-emap (877-275-3627) or through the website, www.askemap.org.

The five-year cooperative agreement between the department and EMAP was renewed in June 2011 for \$420,000 for the 2011-12 fiscal year. This contract may be renewed for up to two additional consecutive terms. This partnership has been effective at improving the ability of the department-sponsored technical assistance program, or SBEAP, to

reach the greater Pennsylvania small business community. For the 2010-11 fiscal year, EMAP reports:

- 122 Hotline contacts
- 335 Non-hotline contacts (emails or direct calls)
- 580 Businesses provided with in-depth assistance
- 97 Site Visits

Small Business Ombudsman's Office

Activities of the Small Business Ombudsman's Office

The Ombudsman's office provides assistance to Pennsylvania small businesses through a number of avenues. The office provides direct, confidential compliance assistance to small businesses, as well as indirect assistance to small businesses through legislators, associations, small business assistance providers, and federal and state agencies. The Ombudsman's office served a total of 1,759 clients from Jan. 1, 2010 through Dec. 31, 2010. Of these, 1,633 were direct contacts with small businesses.

In the first half of 2011, the Ombudsman's office assisted 498 clients with environmental and energy matters. Of those, 456 were direct contacts with small businesses, 26 were government agencies, other assistance providers or consultants. Sixteen inquiries came from other types of entities, including large businesses and non-profits.

As described below, the Ombudsman's office administered two financing programs during the 2010-11 fiscal year.

Small Business Advantage Grant Program

The Small Business Advantage Grant (SBAG) program marked its seventh year of offering grants to Pennsylvania small businesses. This grant program provides 50 percent matching grants, up to a maximum of \$7,500, for a Pennsylvania small business to implement energy efficiency or pollution prevention projects. Energy efficiency and pollution prevention projects can help businesses cut costs and may reduce their regulatory requirements, while simultaneously protecting the environment. Each project is required to achieve at least a 25 percent increase in energy efficiency or pollution prevention. Eligible small businesses must be a for-profit business located within the commonwealth with no more than 100 full-time employees. Examples of the types of small businesses that are eligible include manufacturers, retailers, service providers, mining businesses, and agricultural interests.

The Small Business Advantage grant program awarded \$655,529 in grants during the 2010-11 fiscal year. The grant program opened Oct. 4, 2010 and closed Nov. 5, 2010. The program received 186 applications during the year and funding was approved for 103 applicants.¹

¹ During the preceding 2009-10 fiscal year, DEP received a total of 276 applications and approved 166 of those applications for funding.

The following table lists the number of approved projects per county for the 2010-11 Fiscal Year.

Project County	Number of SBAG Approved Projects	Project County	Number of SBAG Approved Projects
Allegheny	7	Lebanon	1
Beaver	1	Lehigh	1
Bedford	2	Luzerne	4
Bradford	1	Lycoming	5
Bucks	3	McKean	6
Butler	1	Mercer	1
Carbon	1	Mifflin	5
Centre	3	Monroe	1
Clarion	1	Montgomery	6
Clearfield	3	Northampton	2
Clinton	1	Northumberland	2
Crawford	3	Perry	1
Dauphin	1	Philadelphia	3
Elk	1	Pike	1
Erie	4	Schuylkill	2
Fayette	2	Snyder	2
Franklin	7	Union	1
Huntingdon	2	Venango	4
Jefferson	3	Wayne	1
Lackawanna	3	Westmoreland	1
Lancaster	1		
Lawrence	2	Total = 42 Counties	Total = 103 Projects

The department has been gathering data from projects previously funded through this grant program during the period from July 1, 2009 to June 30, 2010 -- its sixth year of operation. Data from the one-year follow-up reports detailing energy and pollution prevention savings submitted by 43 small businesses are presented in the charts on Pages 4 and 5. These 43 companies were awarded a total of \$253,700 from the grant program.

The projects generated from these 43 grant awards allowed these small businesses to save \$256,961 in energy and pollution-related expenses in just the first year since implementing their projects.

Reported Unit Savings for FY 2009/2010 SBAG Funded Projects – 43 Reports Submitted

Project Type	Annual Reports Submitted	Air Emissions (Tons)	Waste (Pounds)	Diesel Fuel (Gallons)	Heating Oil (Gallons)	Water (Gallons)	Electricity (kWh)	Natural Gas (Cubic Feet)	Propane (Gallons)
Lighting Upgrades	15						793,759		
Heating Ventilation Air Conditioning Systems	11	63			1,544		261,811		
Process Equipment	6					253,721	464,212		918
Chillers/Freezers	4						228,768		
Anti-Idling Systems	3	5		64,365					
Digital Radiography	1		37				4,055		
Food Preparation Equipment	1					4,112			
Insulation	1						525		
Solar Panels	1	3					921		
Total Savings	43	71	37	64,365	1,544	257,833	1,754,051	0	918

Reported Dollar Savings for FY 2009-2010 SBAG Funded Projects – 43 Reports Submitted

Project Type	Annual Reports Submitted	Diesel Fuel Savings (\$)	Heating Oil Savings (\$)	Utility Cost Savings (\$)	Waste Disposal (\$)	Total Savings (\$)
Lighting Upgrades	15			149,405		149,405
Heating Ventilation Air Conditioning Systems	11		5,805	23,563		29,368
Process Equipment	6			21,000		21,000
Chillers/Freezers	4			21,733		21,733
Anti-Idling Systems	3	29,885				29,885
Digital Radiography	1			247	847	1,094
Food Preparation Equipment	1			1,954		1,954
Insulation	1			1,922		1,922
Solar Panels	1			600		600
Total Savings	43	29,885	5,805	220,424	847	256,961

Small Business Pollution Prevention Assistance Account (PPAA) Loan Program

The Small Business Pollution Prevention Assistance Account (PPAA) Loan Program, created in 1999, provides low-interest, fixed-rate loans to small businesses undertaking projects that reduce waste, pollution or energy use. Loans may be used to fund up to 75 percent of total eligible project costs. The maximum loan amount is \$100,000. Small businesses located within the commonwealth with 100 or fewer full-time employees are eligible. Terms include a fixed interest rate of two percent and a maximum term of 10 years. The department and the Department of Community and Economic Development (DCED) jointly administer this program. DEP reviews the technical applications and DCED reviews the financial application, performs the credit check and handles the loan closing and maintenance.

For the 2010-11 fiscal year:

- 12 technical applications (\$788,655) have been submitted and accepted;
- 12 technical applications (\$788,655) have been approved by the department;
- 10 commitment letters (\$577,020) have been issued by DCED;
- 11 loans (\$834,766) have closed.

From program inception through June 30, 2011:

- 256 technical applications (\$13,558,325) have been submitted;
- 247 technical applications (\$13,136,225) have been approved by the department;
- 134 commitment letters (\$7,462,246) have been issued by DCED;
- 102 loans (\$5,816,607) have closed.

From plan inception to June 30, 2011, 54 small businesses have reported savings of \$11,446,093 since implementing their pollution prevention/energy efficiency project. These 54 small businesses borrowed a total of \$3,015,871 from the loan program. This equates to a \$3.80 savings for the small business on each \$1.00 borrowed. In addition, since this is a revolving loan program, the principal is repaid to the commonwealth with interest. Total actual savings reported by the 54 small businesses are as follows:

- Air Emissions – 38 Tons
- Water – 121,123,675,377 Gals.
- Waste – 74,085 Tons
- Energy – 439,918,701,266 BTUs
- Amount of money saved - \$11,446,093

DEP Bureau of Air Quality, Compliance Assistance & Monitoring Section (BAQ CAM)

This section oversees the planning, development, coordination, implementation and evaluation of the statewide air quality compliance assistance & pollution prevention program. It develops compliance assistance outreach tools and materials and pollution prevention programs.

Mercury Switch Program

On Nov. 9, 2004, the department announced the creation of the Pennsylvania Mercury Automobile Switch Removal Program (PA MASRP). The MASRP was a voluntary program that encouraged the removal of mercury switches from automobiles in a safe,

effective and relatively easy manner. In December 2005, Pennsylvania Automotive Recyclers Trade Society (PARTS) was awarded a sole-source grant from the Department to administer the voluntary program until Sept. 30, 2007. The program offered a reimbursement of \$2 per switch to participating auto recyclers at least until the grant's expiration date. On Aug. 11, 2006, the U.S. Environmental Protection Agency announced the creation of the National Vehicle Mercury Switch Removal Program (NVMSRP). In the fall of 2006, the PA MASRP was merged with the NVMSRP. There are 333 Pennsylvania recyclers registered in the program. A total of 84,719 mercury-containing switches, or 186.38 pounds of mercury, have been removed since the inception of the program.

2011 Dry Cleaner Calendar

The 2011 Dry Cleaner Compliance Calendar was distributed in November 2010 to approximately 825 dry cleaners in Pennsylvania. The 2011 calendar is available on the Department's website. The calendar is a convenient way for dry cleaners to maintain required federal and state records. The department has distributed this compliance assistance tool since 2001. The 2011 calendar includes a five-page Korean translation of the instructions.

Emerging Technology Applications Center (ETAC) – ETAC helps small businesses gain a competitive advantage by applying alternative technologies to improve heating, drying, coating and curing processes, as well as reducing their energy usage and carbon footprint. With support from the department, ETAC helps businesses investigate new equipment, materials and processes before making large investments or production changes. The following chart summarizes the assistance that the BAQ CAM has provided through its grant with ETAC.

Summary of ETAC Activities and Benefits

Calendar Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010*	Total
Companies Consulted	68	68	72	122	104	107	47	100	68	48	43	52	899
Different Industry Types	20	5	4	5	3	1	17	14	4	2	2	2	79
Demonstration Projects Completed	15	16	11	14	9	11	5	7	10	12	7	13	130
Emissions Reductions (tons per year) of Volatile Organic Compounds	3,383	10,356	5,260	7,373	5,655	2,207	293	13,977	4,761	2,438	1,151	19	56,873
Emissions Reductions (tons per year) of Hazardous Air Pollutants	0	251	438	4,146	0	0	0	60	0	600	0	0	5,495
Emissions Reductions (tons per year) of Particulates	70	0	0	0	2,000	0	0	1	0	0	52	0.1	2,123

*In addition, ETAC assisted small businesses in reducing their emissions by 68,661 tons of CO₂, 596 tons of SO_x and 157 tons of NO_x during 2010.

For more information, visit
www.depweb.state.pa.us, keyword: Ombudsman.

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