

**ENVIRONMENTAL QUALITY COUNCIL
ANNUAL REPORT
2005-2006**

Results Statement: Wyoming state government is a responsible steward of State assets and effectively responds to the needs of residents and guests.

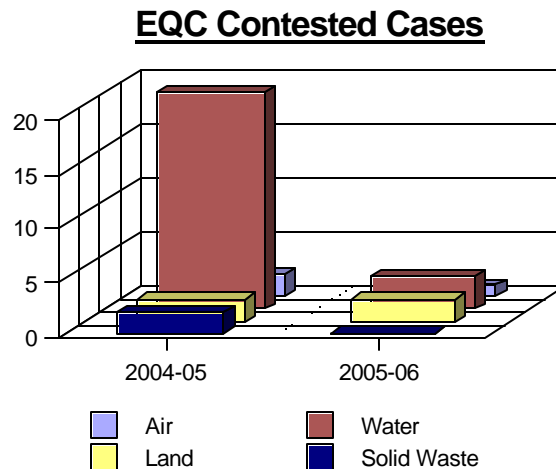
Wyoming natural resources are managed to maximize the economic, environmental and social prosperity of current and future generations.

Our Contribution to Wyoming Quality of Life: The purpose of the Environmental Quality Council (EQC) is to adjudicate environmental disputes and enact regulations to implement the Environmental Quality Act to protect the health of the people of the state and the environment of the state of Wyoming.

Basic Facts: The council is a citizen council with seven members who have varied schedules and workloads. There are three staff members to assist the council. The council is entirely funded by the State general fund for a total of \$534,388. The functions of the council include contested case hearings; rulemaking hearings to enact regulations for air, land, water and waste programs; and designating special areas of the state as rare or uncommon or unsuitable for coal mining. The Council receives training and informational materials on an ongoing basis. All contested cases or rule hearings are a result of the Department of Environmental Quality's (DEQ) work. Therefore, the EQC does not have complete control of the content of the docket. The Council's schedule is a function of case complexity, member's schedules and statutory deadlines. There is a limit to the number of days and places the citizen Council can work. The following are ways the primary functions can be tracked:

- * Contested Case hearings include disputes over the implementation of DEQ regulations and policies and also include bond forfeitures, permit disputes and DEQ orders approved by the Council.
- * Rulemaking hearings to enact regulations for DEQ programs and designations of special areas.
- * The Environmental Quality Council's number of days worked are those days spent in hearings or meetings. This number does not include travel days.
- * Places across the state worked. The Council works to hold hearings and meetings across the whole state to allow Wyoming citizens to interact with the Council.

Performance Measure #1



Story behind the performance:

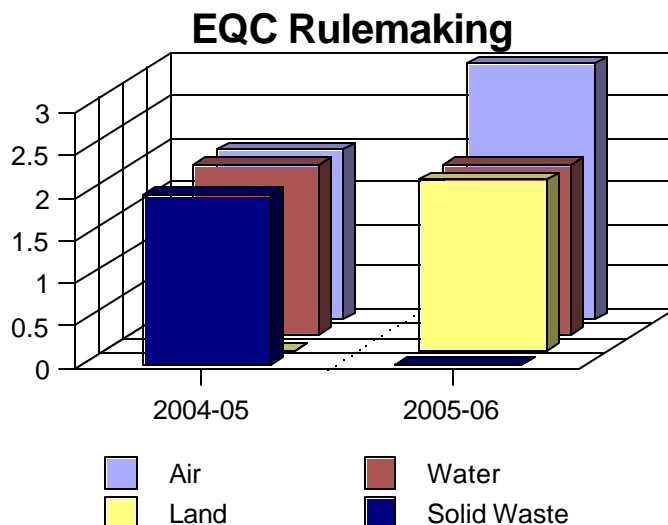
Citizens who serve on the Environmental Quality Council attend meetings, contested case hearings, motion hearings, and pre-hearings. Council members attend forums and seminars that present information on environmental issues and trends to keep abreast of scientific developments and policy discussions.

The EQC holds three types of hearings-contested case, rulemaking, and designation. Contested case hearings arise from the implementation of the Environmental Quality Act (the Act) by the Department of Environmental Quality (DEQ), and the hearings are formal trial type proceedings. These cases include disputes such as enforcement actions; disagreements over permit issuance or denial, or forfeiture of performance bonds. At the conclusion of a contested case hearing, the EQC issues a formal decision document. EQC decisions can be appealed to a state district court. The EQC can award attorney's fees and levy penalties in enforcement cases involving surface coal mines. Contested hearings in 2005-2006 ranged from 1-5 days in length and these cases also required motion hearings, pre-hearings, conferences, and site visits.

What will be done to improve performance in the next two years:

In order to improve the trend as shown in Performance Measure 1, we have set up a tracking system to determine if contested cases are being completed in a timely matter. We have made all documents in the cases filed available on the EQC web-site for public view. The only cost associated with this tracking system will be minimal staff hours. The computer software needed to perform the tracking has already been purchased and installed.

Performance Measure #2



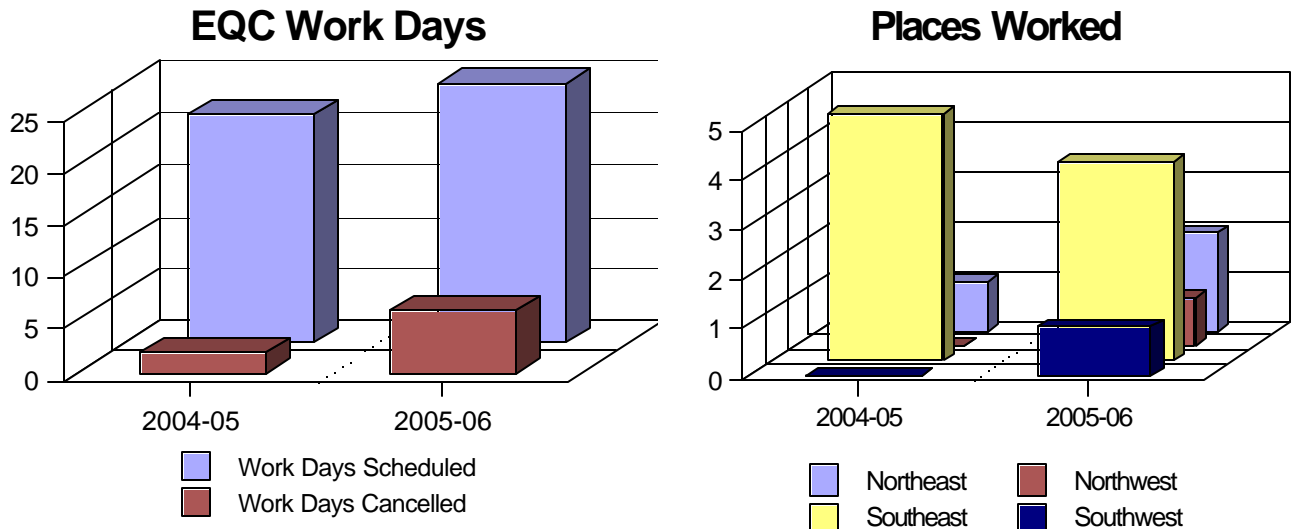
Story behind the performance:

The EQC holds rulemaking hearings when DEQ or a citizen has come to the EQC for promulgation of new or revised rules, regulations, or standards (referred to generically as regulations). The EQC decides on the content and format of the regulations for all DEQ programs with the exception of Abandoned Mine Lands and Industrial Siting. Thus all air, water, land, and solid waste regulations are promulgated by the EQC after formal hearings where public comment is received. Members of the public may also challenge decisions on regulations and the Council regularly has a citizen petition for rulemaking on its docket. In the past year, the Council considered a citizen petition proposing revisions to the Water Quality Standards and Regulations. The proposed rules seek to better regulate the discharge of large volumes of produced water from coal bed methane development. In the 2005-2006 year, the Council conducted hearings on and adopted proposed changes to air, land, and water quality regulations. The Council is anticipating an increased workload in the next two years due to increased rulemaking hearings.

What will be done to improve performance in the next two years:

In order to improve the trend as shown in Performance Measure 2, we will continue to expand the electronic docket and update all cases on the EQC web-site for public view.

Performance Measures #3 and #4



Story behind the performance:

The Council tracks the number of days worked in hearings and meetings in an effort to have better control over the docket of contested cases and rulemaking. The areas of the state where the Council holds hearings and meetings are tracked to ensure all citizens of the state have access to the Council. Due to the geographic nature of the state, it is oftentimes difficult for a citizen who has filed an appeal to the Council to attend a hearing. The Council holds contested case hearings throughout the state based on the area where the case has originated. Various meetings during the year are held in conjunction with hearings to make better use of the Council and citizen's time.

What will be done to improve performance in the next two years:

In order to improve the trend as shown in Performance Measures 3 and 4, we recommend meeting with the Council annually during the first scheduled Council meeting of the year to evaluate the prior work year and recommend any changes. This would be a no cost idea due to combining this evaluation meeting with a regularly scheduled meeting.

The EQC will review the core values and performance indicators in an internal audit annually. All cases will be reviewed, assessments will be made and timelines, procedures and gaps in the system will be adjusted based on those assessments. The Department of Environmental Quality, EQC staff and the Attorney General's office are partners in the hearing process and can work with the EQC to propose any remedial actions necessary.

Environmental Quality Council

Appendix A: Link to budget.

The Council continues to evaluate whether to hire additional staff due to the increase in workload. The cost for hiring a full-time attorney would be approximately \$71,090 a year. The Council is currently contracting with private attorneys. Although a decision requesting a new position has not been made, it is a possibility. It is also possible the request might be made for a part-time position.