



Report 16-6

June 2016

State Auditor

[Joe Chrisman](#)

Wastewater Permitting and Enforcement

Department of Natural Resources

Background

The Department of Natural Resources (DNR) administers the Wisconsin Pollutant Discharge Elimination System (WPDES) program, which regulates the discharge of pollutants to surface water and groundwater. As part of its responsibility, DNR is required to ensure that approximately 1,250 municipal wastewater treatment plants, industrial wastewater treatment facilities, and large livestock farms, known as concentrated animal feeding operations (CAFOs), are complying with the terms of their permits. Permits are issued for five-year periods.

Key Findings

Expenditures for the WPDES program increased from \$9.3 million in fiscal year (FY) 2005-06 to \$10.4 million in FY 2014-15. We also found:

- Permits that are not reissued before they expire are administratively extended and become part of a backlog, which staff of the federal Environmental Protection Agency (EPA) identified as one indicator of how well a state's wastewater program is administered. From 2005 through 2015, DNR met its backlog goals in 4 of these 11 years for municipal permits, in 9 of these 11 years for CAFO permits, and never met its goal during these 11 years for industrial permits.
- Turnover has been an issue, especially for DNR staff responsible for CAFO permitting and oversight.
- It is DNR's goal to inspect major municipal and industrial permittees at least once every two years, inspect minor municipal and industrial permittees at least twice during each five-year permit term, and inspect CAFO permittees at least twice during each five-year permit term. Among DNR's five regions, there were significant differences in the extent to which DNR achieved its inspection goals.
- Only 36 of approximately 1,900 reports required to be submitted by CAFO permittees had been electronically recorded as being received.
- Before DNR reissues a WPDES permit, DNR is required by statute to determine that the permittee is in substantial compliance. However from 2006 through 2014, DNR did not do so for 17 CAFO permittees.
- DNR did not consistently follow its policies when issuing enforcement letters, known as notices of violation, to municipal and industrial permittees. DNR issued a notice of violation for only 33 of the 558 instances (5.9 percent) for which such a notice should have been issued based on its policies. Of the 33 notices of violation that DNR issued, 17 (51.5 percent) did not address all of the violations for which a notice of violation should have been issued.
- The extent to which DNR took at least one enforcement action for CAFO permittees varied among its five regions and ranged from 17.6 percent to 56.8 percent.

Recommendations

We make recommendations for DNR to improve program administration, better align DNR's enforcement practices with its policies, and increase regulatory consistency among its regions. We also recommend that DNR report to the Joint Legislative Audit Committee by November 1, 2016, on the status of its efforts to implement our recommendations.

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