

CHAPTER 1:

Agency Overview

The Nebraska Department of Environment and Energy (NDEE) marked its 50th year as a state agency in 2021. The agency was originally created with the passage of the Environmental Protection Act in 1971. At that time, the agency was named the Nebraska Department of Environmental Control; it later became the Nebraska Department of Environmental Quality in 1992. With the 2019 merger of the Nebraska Energy Office, the agency became the Nebraska Department of Environment and Energy to better reflect its new focus.

This report focuses on activities occurring in state fiscal year 2024 (July 1, 2023 to June 30, 2024). At the start of FY2024, NDEE was authorized for a staffing level of 273 full-time employees. At the end of FY2024, NDEE was authorized for a staffing level of 268 full-time employees. The reduction in FTE during SFY24 was due to the discontinuation of the Clean Water Act 404 Program.

The NDEE has an FY2023-24 annual budget of approximately \$108 million. This includes money from federal grants, state taxes, and fees.

The table below shows a breakdown of NDEE budgeted funds. The columns listed as aid represent the agency’s budget to be redistributed to other agencies, organizations, and individuals as grants and loans. The columns listed as operations represent amounts to be used for agency operation and contracts for such things as investigations and cleanups.

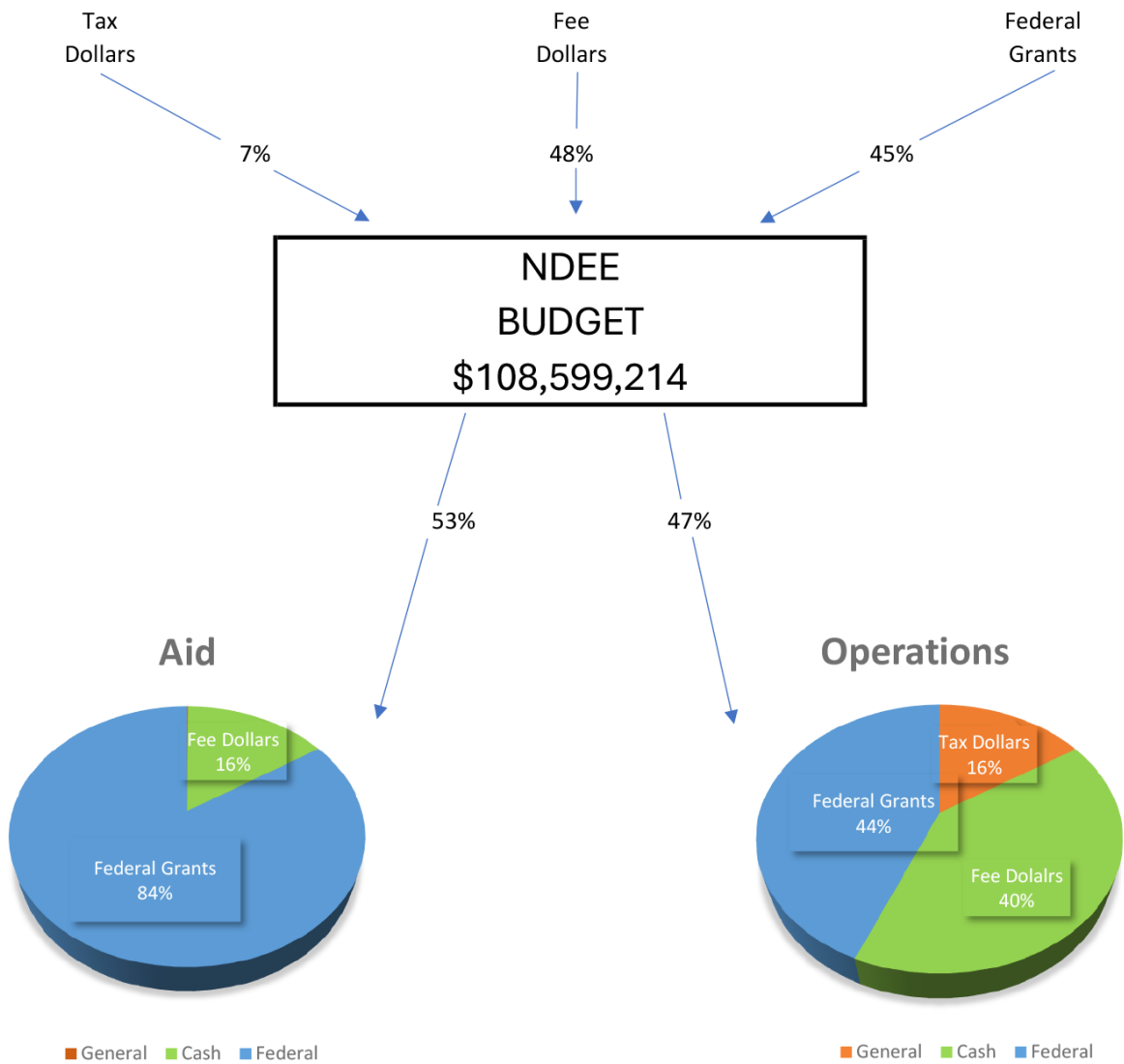
Funding Type	Operations: \$ Amount	Percent of Operations Budgeted	Aid: \$ Amount	Percent of Aid Budgeted
State General Funds (Tax \$)	\$7.9 million	15.5%	\$0.0 million	0.0%
Cash Funds (Fees)	\$21.3 million	41.7%	\$30.9 million	53.8%
Federal Funds (Grants)	\$21.9 million	42.8%	\$26.6 million	46.2%
Total	\$51.1 million		\$57.5 million	

The following graphic depicts NDEE's FY2023-24 budget by funding source and percent budgeted by fund type and activity (aid or operations).



FY 23-24 Budget

As of July 1, 2023



FTE = 268

Significant Topics in 2024

The following are some of the significant topics, challenges, and accomplishments that NDEE addressed in FY2024:

NDEE Receives \$307 million Climate Pollution Reduction Grant

In July 2024 NDEE announced the State had been selected to receive \$307 million from the U.S. EPA's Climate Pollution Reduction Implementation Grant program – the largest grant ever received by the agency to administer. NDEE will fund measures that incentivize the adoption of climate-smart and precision agriculture measures, electrify irrigation wells and fund projects to improve energy efficiency in commercial and industrial facilities and low income households.

These implementation funds follow a \$3 million planning grant the EPA awarded NDEE in FY2023. The \$3 million grant was used to develop Nebraska's first-ever priority climate action plan (PCAP), which is available to view on NDEE's website: <http://dee.ne.gov/ndecprog.nsf/onweb/pcap>. Remaining funds will be used to develop a comprehensive action plan (CAP), due in December 2025.

The action plans propose greenhouse gas reduction measures across all economic sectors, with the PCAP proposing readily implemented measures and the CAP proposing long-term measures. By developing the PCAP, NDEE was eligible to apply for the implementation funds to carry out select measures in the priority plan.

Throughout FY2024, NDEE conducted extensive public outreach to formulate ideas and create the PCAP. Here are a number of events that took place during the plan's development:

- A kickoff webinar on Oct. 17, 2023, to provide an overview of the EPA's CPRG program. This webinar was the first step in the public participation process and provided information on Nebraska's current greenhouse gas emissions, the elements the PCAP is required to cover, the economic sectors to be considered in the planning process. NDEE also proposed potential GHG reduction measures as a starting point for participants to build off of or develop their own ideas.
- Online stakeholder workgroup sessions that took place between Nov. 28 and Dec. 19, 2023, to consider greenhouse gas emission reduction measures in various sectors of the economy. There were five working groups: Transportation, Agriculture/Natural & Working Lands, Industry/Waste & Wastewater, Energy Production, and Buildings/Housing/Communities. Each group met twice to propose and discuss GHG reduction measures that impact their industries. While these were targeted toward industry stakeholders, the events were open to public attendance.
- In-person public meetings across the state to solicit feedback from the general public on ideas that were refined through the stakeholder workgroup meetings. These events took place between Jan. 30 and Feb. 12, 2024, in Alliance, North Platte, Norfolk, Lincoln, and Grand Island.

After incorporating public input into the plan, NDEE submitted its completed PCAP to the EPA on March 1, 2024, and submitted its application for implementation funding on April 1, 2024.

Along with the \$307 million implementation grant announcement, NDEE introduced the name of its new implementation program called ONE RED (Opportunity for Nebraska: Reducing Emissions and Decarbonization) which will administer the grant.

More details on the planning and implementation grants are found in Chapter 4 of this report.

Grid Resiliency

As part of the Infrastructure Investments and Jobs Act, NDEE received \$10.8 million from the U.S. Department of Energy's Grid Resilience State/Tribal Formula Grants program. This grant is designed to strengthen and modernize the United States' power grid against natural disasters.

The \$10.8 million award encompasses funding for years one and two of the five-year program. NDEE expects to receive \$5.4 million each year for the three remaining years for a total award of \$27 million.

In FY 2024, NDEE accepted preliminary proposals for grid resiliency projects in Nebraska. This allowed eligible entities to submit their ideas for assessment and feedback from NDEE prior developing a full application. Pre-proposals were accepted Dec. 14, 2023, through Jan. 31, 2024.

NDEE opened the application period from May 1 through June 21, 2024. The agency received 46 applications, which are currently under review.

Revitalize Rural Nebraska Grant Program

NDEE administered the Revitalize Rural Nebraska Grant Program established by the Nebraska Legislature during the 2023 session. The grant program funded the demolition of dilapidated commercial properties located within the corporate limits of a city of the first or second class or a village.

Through a competitive grant process, NDEE opened the application period from Jan. 15 to Feb. 29, 2024. Grant awards were announced Aug. 16, 2024. More than \$898,000 was distributed among nine communities: Bloomfield, Chester, David City, Deshler, Falls City, Oxford, Tekamah, Wakefield, and Wymore.

To be eligible, properties had to be owned by the applying municipality, abandoned or vacant for at least six months, and not on or eligible to be listed on the National Register of Historic Places. Communities were also required to provide a local match.

System Mapping/Strategic Planning

Agency leadership started strategic planning efforts in August 2019 to update NDEE's vision and mission statements and provide the agency a compass for the next one to five years.

The department's vision and mission statement are as follows:

Vision: Everyone living, working, and enjoying a healthy Nebraska environment.

Mission: To protect and improve human health, the environment, and energy resources. We will accomplish this through assessing, assisting, inspecting, educating, enforcing, funding, monitoring, permitting, and restoring.

Core Values

- **Integrity:** Honest, accountable, consistent
- **Excellence:** Customer focused; commitment to quality
- **Teamwork:** Working together towards a common goal
- **Innovation:** Open to new ideas and continuous improvement
- **Communication:** Sharing information; respectful; active listening

Strategic planning affects both internal and external components of NDEE functions. Internally, it addresses areas of potential improvement and helps teammates work more efficiently. It also allows teammates and team leaders to focus on the future and efficiencies in day-to-day tasks. On an external level, it enables NDEE to take a more proactive approach to serving Nebraskans' needs by planning and allocating resources as needed.

Changes to the Strategic Plan:

In late 2022, efforts commenced to redesign the Strategic Plan into something agency teammates could more easily connect with to see how the meaningful work completed each day moves us towards a shared vision and reflects our mission and values. Throughout 2023 and into 2024, agency leadership continued to collaborate to clarify our Key Goals and Strategic Focus Areas the agency intends to work towards and focus on.

To measure progress with the Key Goals and Focus Areas, a Systems Mapping approach has evolved and depicts the agency's current top processes and metrics each uses to operate. The Systems Mapping approach is a Results-Driven approach to prioritize, connect, enable and drive the execution of work in a way that ensures every resource is focused on the Key Goals and Focus Areas and has maximum authority to act.

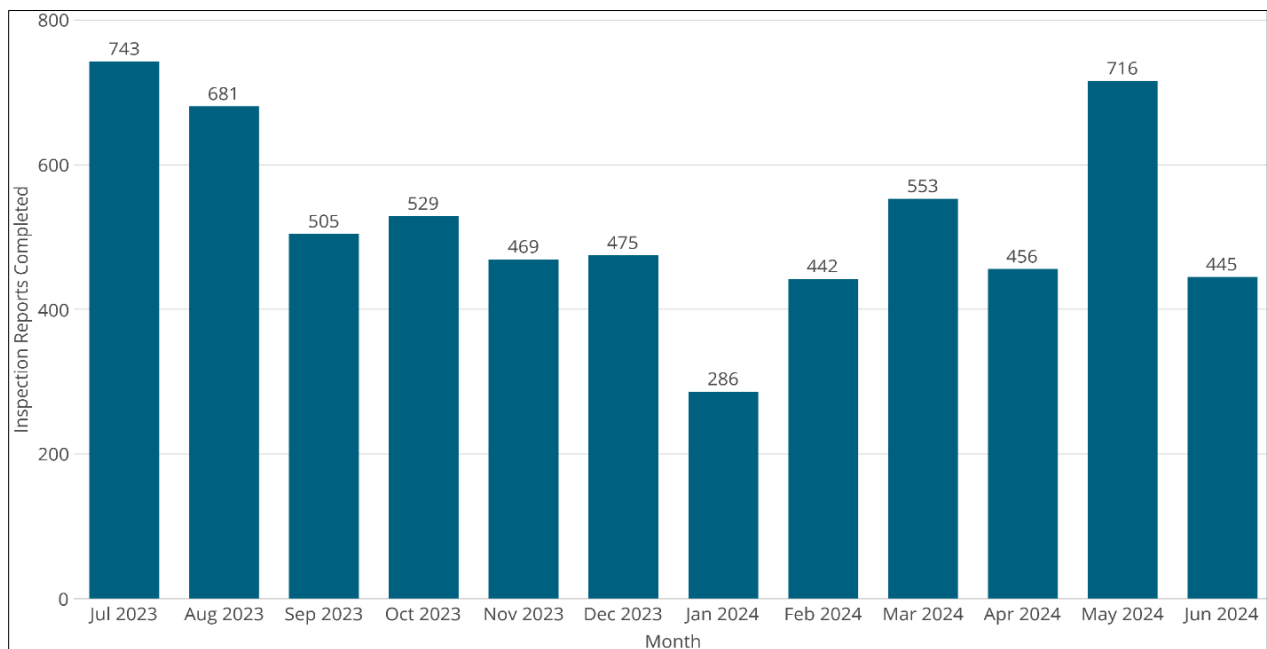


An Agency Wide Systems Map and corresponding Division and Section level maps were developed to identify the primary/core process and sub-process and the owner(s) of each along with the metrics to help us understand how the process is going. All help the agency work towards the Key Goals and Focus Areas.

Agency Annual Statistics

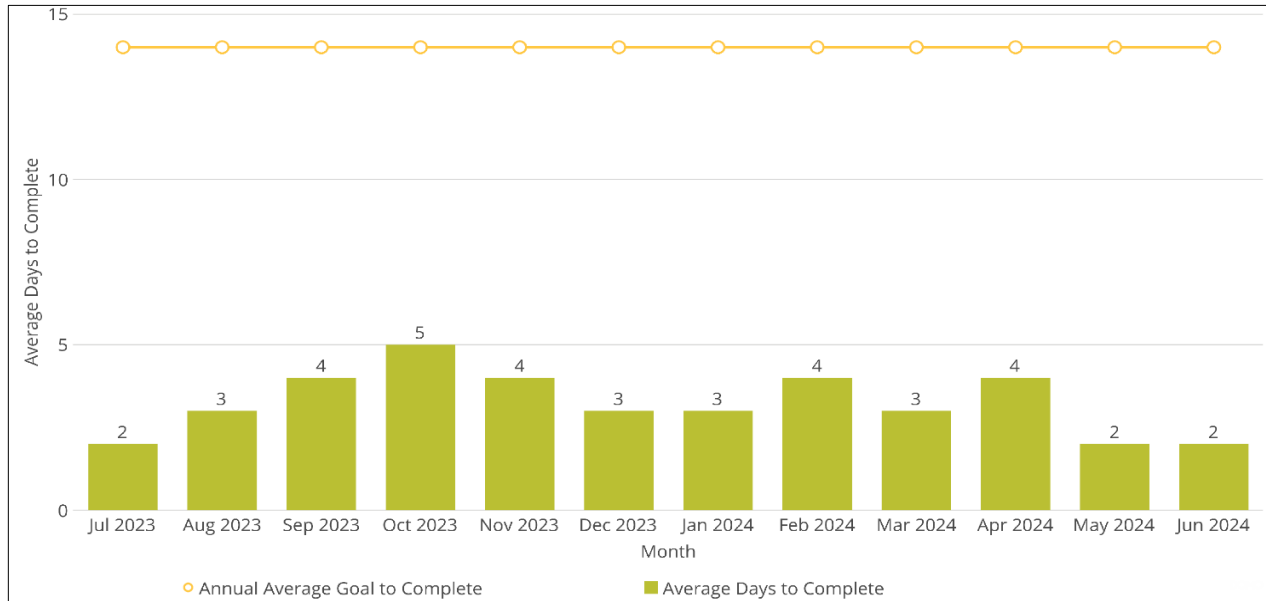
The following charts show statistics from state fiscal year 2024 (July 1, 2023 to June 30, 2024) related to Inspection Reports Completed, Time to Complete Inspection Reports, Time to Issue Livestock Construction and Operating Permits, and Water Construction Permitting. This information is updated monthly and can be found on the agency website <http://dee.ne.gov> by selecting the [Monthly Metrics](#) link.

Inspection Reports Completed



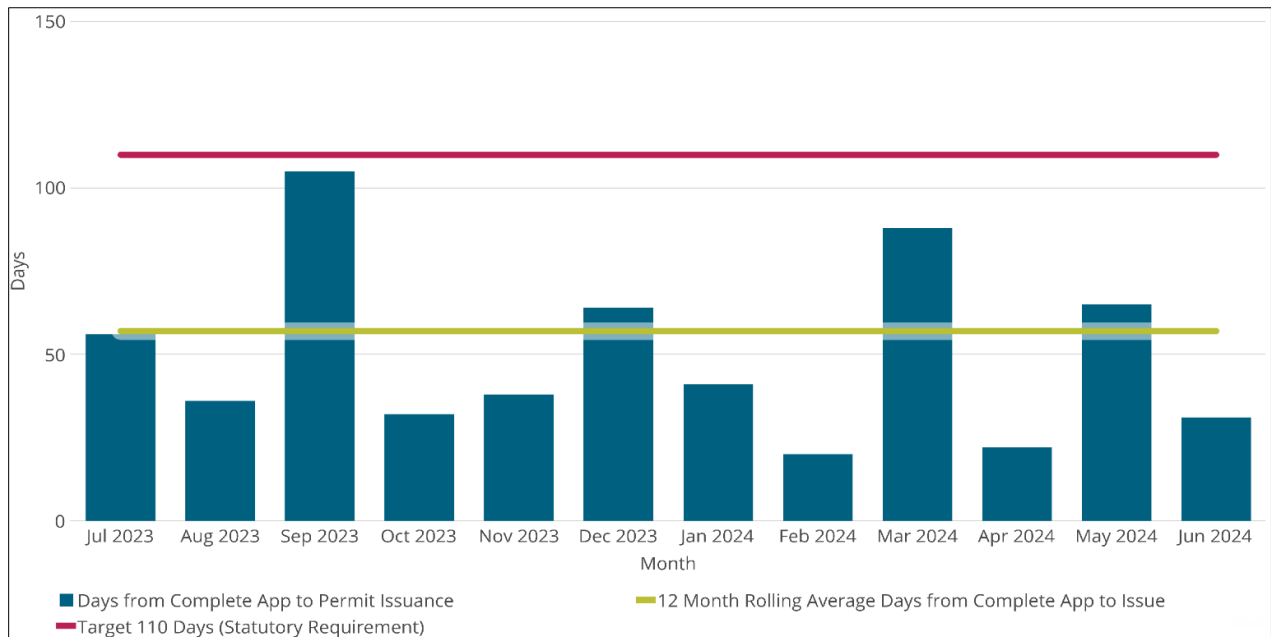
Inspectors completed all the fiscal year inspection goals set by EPA for delegated enforcement programs, while also undertaking additional inspections and complaint investigations. The jump in summer inspections is primarily due to inspections of outdoor pools by our environmental health inspectors.

Time to Complete Inspection Reports



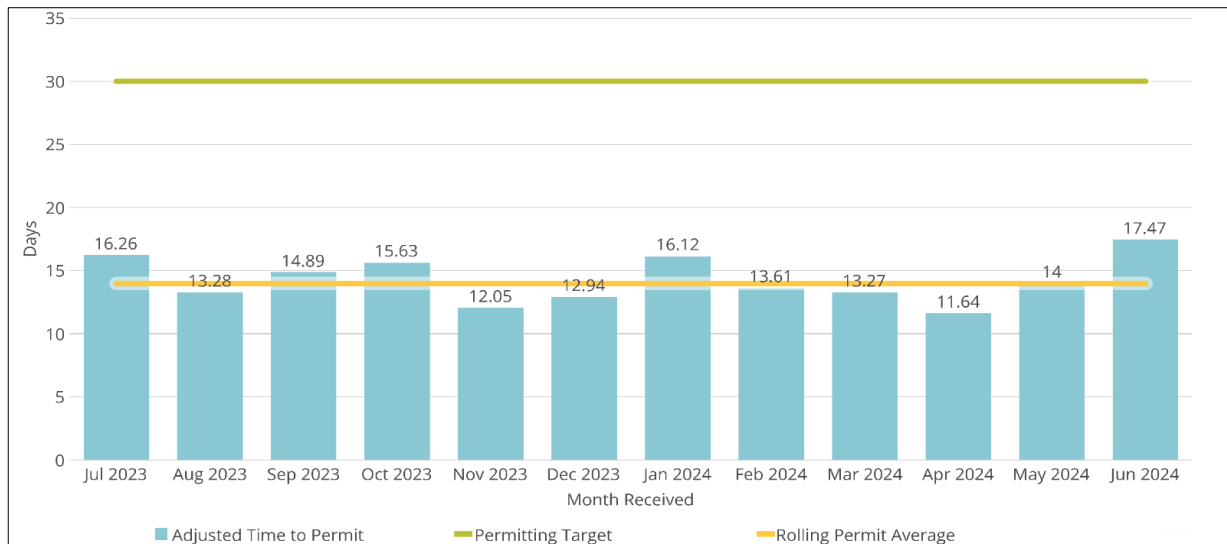
NDEE has an internal goal of no more than 14 days to complete inspection reports; that goal was met this fiscal year as shown by the chart above/below. Some inspections take a few hours while some take a few days. For purposes of consistency and timeliness of inspections, 14 days is reasonable. This enables inspectors to complete inspection reports while the details from the inspection are still fresh and allows permit holders to correct deficiencies sooner.

Time to Issue Livestock Construction and Operating Permits



NDEE meets the Livestock Waste Management Act's statutory requirement to process construction and operating permits within 110 days, and averages 50 days from a receiving a complete application to permit issuance.

Water Construction Permitting (Drinking Water, Wastewater, Onsite Wastewater, Swimming Pools)



For FY 2024 the adjusted time to process water construction permits is consistently below the department’s internal permitting target goal of 30 days. The variability in permitting time reflects the relative number of projects received in the fall/winter versus spring/summer. More projects are submitted in the early spring and summer which lines up with the prime construction season. The fall/winter months typically receive fewer applications that are broader, more complex projects planned for the following construction season.

2024 Legislative Summary

The Nebraska Legislature enacted three legislative bills in 2024 that had a direct impact on NDEE.

LB 867: The legislation extends the sunset date of the Petroleum Release Remedial Action Fund from June 30, 2024, to June 30, 2028. This fund covers the investigation and cleanup costs for facilities affected by leaking petroleum tanks. NDEE oversees the program, which addresses both underground and above-ground petroleum contamination. The legislation also directs investment interest to be credited to the fund, ensuring continued financial support for these environmental remediation efforts.

LB 880: The Drinking Water State Revolving Fund Act was amended to streamline processes within the NDEE. The amendment removes the requirement for the NDEE Director to consult with the DHHS Director of Public Health when conducting certain non-loan activities under the federal Safe Drinking Water Act. This change allows for more efficient management and planning of intended use.

LB 1317: This piece of legislation allocates \$1 million to the NDEE to enhance water quality monitoring across the state. The funding will support the installation of real-time nitrate sensors in monitoring wells. These sensors will provide critical data to prioritize nitrate management and reduction, ensuring the protection of Nebraska's water resources.