

Regulatory Alignment Study

State Winery Order (SWO) Workshop



Agenda

- Regulatory Alignment Study Objectives and Upcoming Milestones
- Workshop Objectives
- Approach to Regulatory Alignment
- Proposed Regulatory Pathways by Focus Area
 - Data and Information Sharing
 - Efficiencies
 - Effectiveness
 - Equity
- Wrap-Up and Next Steps



Regulatory Alignment Study Objectives



Evaluate state regulatory requirements within the areas of water quality and food safety for the agricultural community and identify protections to public health and the environment.



Conduct listening sessions to gather input from the agricultural community relating to their experiences with the reporting requirements and process in these areas.



Convene the agricultural community and regulators to review and map existing regulatory pathways for water quality and food safety to identify opportunities to improve efficiency and information sharing.



Identify and prepare implementation plans for recommended process improvements to streamline reporting requirements.



Provide recommendations to CDFA, CalEPA, and the Water Boards for technological enhancements to streamline regulatory administrative and reporting processes for the agricultural community.

Upcoming Study Milestones

- The input gathered through these workshops will be instrumental in shaping our final recommendations and remaining study milestones:

Milestones	Identify Process Improvements & Implementation Steps	Evaluate & Recommend Technological Enhancements	Present Solutions & Recommend Implementation Plans
Timeline	Summer 2024	Fall 2024	2025
Activities	<ul style="list-style-type: none">Synthesize feedback from workshopsIdentify and prepare recommended process improvementsIdentify and prepare implementation plans for process improvements	<ul style="list-style-type: none">Identify and document opportunities for potential technological enhancementsIdentify core technological solution requirementsConduct benchmarking and market research on potential solutions	<ul style="list-style-type: none">Develop final report detailing solutions and regulatory alignment recommendationsPresent final report to CDFA, CalEPA, Water Boards, and interested partiesDevelop detailed implementation plan to implement recommended process improvements and related technological solutions
Outcomes	<ul style="list-style-type: none">Public update on workshop outcomesDevelopment of process improvements and implementation plans to support regulatory alignment	<ul style="list-style-type: none">Identification of potential technological enhancements to support regulatory alignment	<ul style="list-style-type: none">Release of Final Regulatory Alignment ReportRelease of Final Implementation Plan

Workshop Objectives

To inform the further development of the proposals, the goal of the workshops is to receive input on the following topics:

- **Effectiveness of Proposals** in meeting regulatory alignment goals. This includes assessing the practicality and potential impact of each proposal.
- **Implementation Challenges and Opportunities** that might arise during the implementation of these proposals. It is crucial to understand the feasibility of each proposal from various perspectives.
- **Unaddressed Needs or Gaps** not currently addressed in the proposals within the scope of the project. This input is vital for assuring the proposals are comprehensive.
- **Equity and Inclusivity** and how the proposals impact different groups within the agricultural community, especially small-scale, and socially disadvantaged growers and disadvantaged community members.
- **Suggestions for Improvement** of the proposals to better meet the needs of all are highly encouraged.

Development of the Regulatory Alignment Concept Paper

Preliminary Evaluation of Regulatory Requirements

- **In-Depth Sessions with Program Staff:** Crowe conducted nearly 30 sessions with CDFA and Water Boards staff
- **Mapping Regulatory Requirements and Processes:** Crowe mapped 80 distinct processes across the programs in scope of the study

Listening Sessions with Agricultural Community

- **Understanding Experiences and Opportunities:** The primary aim of these sessions was to gain insights and perspectives from the agricultural community and to identify streamlining opportunities
- **Ground-Level Insights:** These interactions provided a ground-level view of how regulations are implemented and experienced
- **Continued Engagement with Program Staff:** In addition to these listening sessions, Crowe conducted roughly 10 additional sessions with CDFA and Water Boards staff

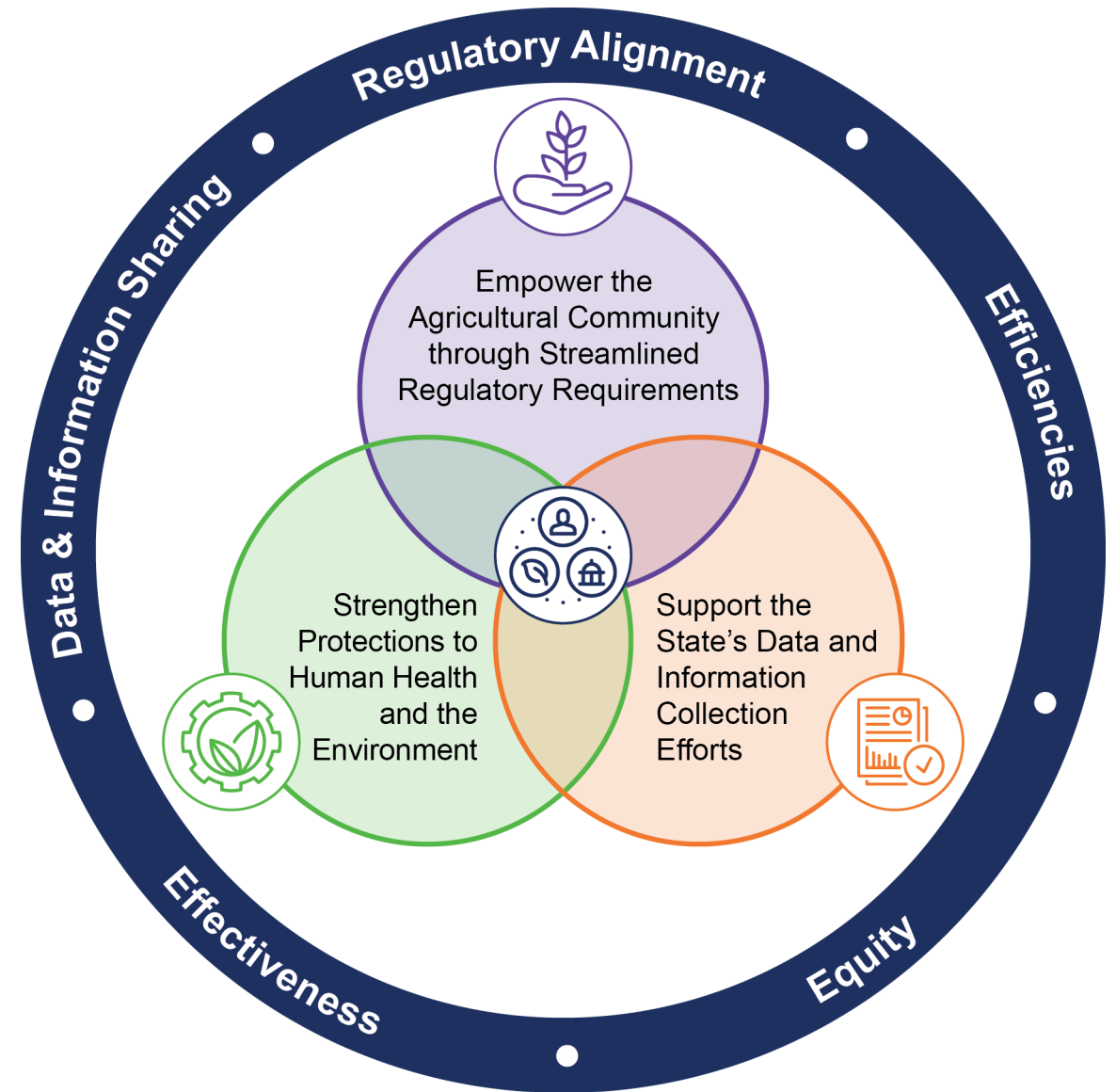
Approach to Regulatory Alignment

- **Three Goals:**

1. Empower the Agricultural Community through Streamlined Regulatory Requirements
2. Support the State's Data and Information Collection Efforts
3. Strengthen Protections to Human Health and the Environment

- **Four Focus Areas:**

1. Data and Information Sharing
2. Efficiencies
3. Effectiveness
4. Equity



Regulatory Alignment Focus Areas



Data and Information Sharing

Opportunities to improve the exchange of selected data and information between state regulatory agencies and programs.



Efficiencies

Opportunities to simplify and expedite regulatory administrative, reporting, and compliance processes.



Effectiveness

Opportunities to measure regulatory performance objectives and goals.



Equity

Opportunities to ensure the inclusion of socially disadvantaged communities, farmers and ranchers* in the development, implementation, and enforcement of regulations.

*As defined by the [Farmer Equity Act of 2017](#).

Workshop Discussion Questions

Please keep the following discussion questions in mind when reviewing the regulatory pathways:

- What are potential implementation benefits/opportunities?
- What are potential implementation challenges?
- Which regulatory pathway, within each focus area, is most important to you?
- Are there any unaddressed needs?

Proposed SWO Regulatory Pathways

We identified eight proposed regulatory pathways (RP's) for the State Winery Order (SWO):

- Two RPs related to data and information sharing
- Two RPs related to program efficiency
- Two RPs related to program effectiveness
- Two RPs related to equity

Regulatory Pathways (i.e., proposals): Include considerations, options, tools and/or recommendations for improving, streamlining, and aligning the regulatory programs and requirements in scope of the study. They are not final recommendations.

For more detailed information, refer to Section 3 of the Concept Paper

SWO Proposed Regulatory Pathways

Data and Information Sharing

RP1

Streamline Enrollment, Inspection, and Corrective Action Processes Through Strategic Cooperation and Collaboration with Regulators from Other Programs regulating Wine-Production Facilities

RP2

Increase Transparency through Preparation and Public Release of Periodic Program Status Reports

Data and Information Sharing: Regulatory Pathway 1

RP1: Streamline Enrollment, Inspection, and Corrective Action Processes Through Strategic Cooperation and Collaboration with Regulators from Other Programs regulating Wine-Production Facilities

Proposal Opportunities:

- Share SWO enrollment data with staff from other ag-related water quality programs (i.e., ILRP, Industrial Stormwater) where applicable.
- Update the NOI template (SWO, Attachment B) to ask for specific information related to other wine-production activity occurring at the site that may trigger the need for additional coverage.
- Develop an automated process to solicit enrollment data from the Industrial Stormwater Permit program.
- Coordinate site inspections and correction actions with other ag-related water quality programs.
- Invest in, implement, and encourage the use of additional collaboration tools such as message boards, listservs, shared calendars, and web maps.
- Continue to implement working group sessions with relevant cooperating program staff to discuss updates, challenges, and planning amongst water quality programs overseeing activity related to wine-making operations.



Data and Information Sharing: Regulatory Pathway 2

RP2: Increase Transparency through Preparation and Public Release of Periodic Program Status Reports

Proposal Opportunities:

- Prepare and publish program status reports that summarize data collected under the SWO.
- Develop a web-dashboard that displays graphical representations of data collected under the SWO which leverages data within the GeoTracker database so that updates can be rolled out in near-real-time.



SWO Proposed Regulatory Pathways

Efficiencies

RP3

Promote Prompt Transition to the SWO to Expedite Consolidation and Enrollment Activities

RP4

Automate a System for Tracking Winery Order Activity Statewide to Provide Consistency and Uniformity

Efficiencies: Regulatory Pathway 3

RP3: Promote Prompt Transition to the SWO to Expedite Consolidation and Enrollment Activities

Proposal Opportunities

- Continue to engage with eligible facilities to communicate existing incentives to prompt enrollment (i.e., potential for a higher degree of individual attention and support from SWO staff).
- Highlight elements of the SWO that provide flexibility in meeting Order requirements (i.e., compliance schedules extending up to five years after an NOI is issued).
- Communicate the intention and preference to oversee newly enrolled facilities in a manner that is consistent with the state's progressive enforcement policy, through collaboration with the discharger rather than through formal enforcement proceedings.
- Provide a streamlined pathway for termination of existing winery waste discharge coverage. Existing regulatory tools, such as Time Schedule Orders (TSOs) may be utilized to achieve this goal.



Efficiencies: Regulatory Pathway 4

RP4: Automate a System for Tracking Winery Order Activity Statewide to Provide Consistency and Uniformity

Proposal Opportunities

- Assess future feasibility for using a single existing state database/system for all SWO activity and/or development of a single statewide process using existing state database(s) for all SWO activity.
- Encourage the use of fillable web forms or pdf forms that can be easily converted to tabular data (e.g., MS Excel files, CSV files) and uploaded in bulk to dedicated data storage systems.
- Implement mailbox rules, automated processes, and/or other functions to improve efficiency, if using e-mail as a reporting system.
- Assess the feasibility of developing forms that can be used with handwriting recognition software or are otherwise compatible with machine-reading systems, if using paper forms.



SWO Proposed Regulatory Pathways

Effectiveness

RP5

Conduct a Periodic Review of Monitoring and Reporting Requirements to Re-evaluate Needs with Regard to Program Objectives

RP6

Develop Key Performance Indicators for the Statewide Winery Order to Meaningfully Evaluate the Effectiveness of the Program

Effectiveness: Regulatory Pathway 5

RP5: Conduct a Periodic Review of Monitoring and Reporting Requirements to Re-evaluate Needs with Regard to Program Objectives

Proposal Opportunities

- Conduct a periodic review of data gathered under the SWO to evaluate and rank actual and potential threats to water quality resulting from winery waste discharge.

Based on the results of the opportunity above:

- Revise monitoring and reporting programs to reflect the findings (i.e., increase monitoring requirements for high-risk pollutants and relax requirements for low-risk pollutants).
- As determined feasible by the Water Boards within existing Water Board authorities, streamline and/or standardize the process for requesting a reduction of monitoring requirements for low-risk pollutants on a facility-specific, regional, or statewide basis.
- Allow dischargers to submit technical documentation that supports a reduction in monitoring and reporting requirements for pollutants in their waste discharge that pose little or no risk to environmental or human health based on site-specific characteristics.



Effectiveness: Regulatory Pathway 6

RP6: Develop Key Performance Indicators for the Statewide Winery Order to Meaningfully Evaluate the Effectiveness of the Program

Proposal Opportunities

- Develop key performance indicators based on trends in the water quality of waste discharges.
- Develop key performance indicators based on trends of landscape-scale water quality.
- Review program data periodically to identify whether performance goals are being achieved.
- Implement changes to regulations when performance objectives are not met.



SWO Proposed Regulatory Pathways

Equity

RP7

Identify Opportunities to Assist Tier 1 Wineries that May be Socially and Economically Disadvantaged

RP8

Consider the Cumulative Impacts of Wineries Operating in Disadvantaged Communities

Equity: Regulatory Pathway 7

RP7: Identify Opportunities to Assist Tier 1 Wineries that May be Socially and Economically Disadvantaged

Proposal Opportunities

- Promote and disseminate information on grants that may be available to disadvantaged businesses for updates to their process waste systems (i.e., pond improvements, treatment systems, etc.).
- Utilize existing Water Board staff or develop partnerships with external groups that can provide translation services. Develop outreach and guidance materials in multiple languages.
- Assess the feasibility of lowering permitting fees for Tier 1 wineries that may be classified as disadvantaged businesses.
- Consider addressing challenges faced by disadvantaged businesses directly in future revision of the SWO through decreased fees, alternative monitoring and reporting requirements, or other provisions that reduce administrative and/or cost impacts.



Equity: Regulatory Pathway 8

RP8: Consider the Cumulative Impacts of Wineries Operating in Disadvantaged Communities

Proposal Opportunities

- Implement additional requirements for wineries applying for coverage to operate in disadvantaged communities that helps assess cumulative impacts.
- Require additional technical documentation, BMP implementation, or monitoring requirements to understand, control, and monitor for impacts that are cumulative in nature.
- Require wineries within disadvantaged communities to organize, or partner, with existing watershed-scale or groundwater-basin scale monitoring groups to evaluate changes in landscape-scale water quality that are related to winery waste discharges.



Workshop Discussion Questions

Please keep the following discussion questions in mind when reviewing the regulatory pathways:

- What are potential implementation benefits/opportunities?
- What are potential implementation challenges?
- Which regulatory pathway, within each focus area, is most important to you?
- Are there any unaddressed needs?

How to stay involved?

- Provide all written input and questions on the Regulatory Alignment Concept Paper by 5:00 PM on July 31, 2024, to:
RegulatoryAlignmentStudy@crowe.com
- Participate in Additional Workshops to be held through Summer 2024
- Monitor the Regulatory Alignment Study webpage for updates:
<https://www.cdfa.ca.gov/RegulatoryAlignment>
- Register for upcoming public workshops on the Study Website at:
<https://www.cdfa.ca.gov/RegulatoryAlignment>



Thank you

Reach out to us anytime.

RegulatoryAlignmentStudy@crowe.com

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