

US EPA ARCHIVE DOCUMENT

Quarterly Report – July 2007 - September 2007
STATE INOVATION GRANT PROGRAM (SIG)

**A. PROJECT TITLE: MICHIGAN ENVIRONMENTAL RESULTS PROGRAM (MERP) – DRY
CLEANING SECTOR**

B. APPLICANT INFORMATION:

Lead Agency:

Michigan Department of Environmental Quality (MDEQ)
Environmental Science and Services Division (ESSD)
P.O. Box 30457
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Geographic Focus:

Michigan - Statewide

C. FUNDING REQUESTED: \$199,200

D. PROJECT PERIOD: January 2005 through May 2008

I Synopsis of Accomplishments During the Reporting Period

During the 3rd Quarter of 2007 (July 1 - Sept 30) the MDEQ implemented and completed several important tasks associated with this project. A summary of relevant project milestone/tasks considered to be ongoing and completed during this quarter are presented below.

Milestone/Task	Status	Completion Date	Comments
<p>Development of ERP software tool <i>Develop and implement an approach to cost-effectively input and manage the MERP data, including primary and secondary data. Primary data consists of data from inspection reports and facility forms (including self-certification forms). Secondary data sources include lists of facilities from regulatory and private-sector databases.</i></p>	Ongoing	<p><u>Original</u> 10/2006</p> <p><u>Projected</u> 5/2007 8/2007 3/2008</p>	<p>During the previous quarter the contractor provided us with the first version of the software. Soon after testing began several issues were identified that needed to be resolved before testing could continue. A patch was given to us in July and testing resumed. We continued to identify numerous critical issues and have been logging them into the tracking system. We have had a couple of group testing sessions with the inspectors to identify issues. We have also had some sessions via teleconference with the contractor to discuss software issues.</p> <p>Most testing has been delayed until many of the critical issues can be fixed. We anticipate a new patch to be release in October/November.</p> <p>Due to significant delays in the development of the software it will be necessary to delay the completion of this task. I anticipate that this project will not be complete until Feb/March 08.</p>
<p>Facility Assistance <i>Delivery of compliance/technical assistance to facilities, which is expected to take the form of workbooks, fact sheets, and/or workshops.</i></p>	Complete	<p><u>Original</u> 6/2006</p> <p><u>Projected</u> 8/2007</p>	<p>The audit forms and workbook were finalized in July. The audit form was translated into Korean by one of our inspectors. Also an electronic template version of the audit forms was created.</p> <p>In August we created an on-line tutorial that walks users through the audit and provides detailed information on many of the questions. The on-line training and the rest of the guidance materials can be accessed at http://www.michigan.gov/deq/0,1607,7-135-3307_36106-11400--,00.html.</p> <p>In July we attended the annual meeting of the Michigan Institute of Laundering and Drycleaning (MILD). At that meeting we introduced the self-certification concept and provided them with copies of the audit forms and workbook. In September we did presentations in Grand Rapids and Farmington Hills. In August we met with sales representatives from the main dry cleaning supplier in the state to discuss the audit to help them answer any questions there clients may have about it. In September, one of the dry cleaning inspectors attended events hosted by the Korean Dry Cleaners Association to discuss the self-certification.</p>

<p>Self-Certification <i>Implementation of a voluntary facility self-certification approach. Self-certification refers to the submission of a record of a facility's compliance and beyond compliance practices.</i></p>	<p>Complete</p>	<p>9/2007</p>	<p>On August 1, 2007 a self-certification packet was sent to all the dry cleaners in the state. The packet included a cover letter, workbook, and both English and Korean versions of the audit form. The packet also included a self-addressed pre-paid envelope to use to return the audit. Facilities were instructed to return the audit by Sept 30, 2007.</p> <p>During the self-certification period we attended several meetings and developed an on-line training tool, which are discussed in the previous task.</p> <p>The inspectors and myself responded to numerous calls from facilities with questions about completing the audit (see narrative discussion form more information)</p> <p>At the beginning of September, about halfway through the self-certification window, we sent a reminder card to all cleaners.</p> <p>323 certification forms were returned by the 9/30 deadline and another 173 were received in the two weeks following the deadline. The final count was 496 self-certification forms returned, which is approximately 58% of the dry cleaners in Michigan.</p>
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II Narrative Discussion

A lot of activity occurred during this quarter and I will discuss the major tasks/accomplishments/setbacks below:

Compliance Assistance Materials Finalized: In July we finalized the Self-Certification Workbook and Forms. The Michigan Dry Cleaning program is fortunate to have an inspector that is fluent in Korean so we were able to create a Korean version of the form. A Korean version of the workbook was not created due to time constraints and the availability of the inspector to do the translation. Future revisions of the workbook will most likely include a Korean version. The Korean Drycleaning Association expressed their appreciation for our willingness to address the language barriers that are often present by providing a Korean version of the certification. The printing of the workbook and audit forms were funded under the SIG. Once the documents were finalized we had very little trouble with the printing and distribution of the documents. We printed 1,100 copies of each item, which is enough to provide each dry cleaner in the state with a copy as well as some extras to have available for the associations and inspectors and workshops. An electronic version of all the self-certification material was posted at the following website http://www.michigan.gov/deq/0,1607,7-135-3307_36106-11400--,00.html, including a template version of the audit forms, which facilities could use to electronically complete the forms and e-mail them back to us. Copies of the self-certification materials have been attached to this Quarterly report. They can also be found at the following website identified above.

Self Certification Completed: The self-certification period began on August 1. All dry cleaners in the state were mailed a packet of material that included a cover letter, workbook, forms, and a self-addressed, postage paid return envelope. Electronic versions of all these items are included with this report. Facilities were asked to submit their completed self-certification forms to us by September 30. This date gave the cleaners exactly two months to review the material and submit the form. We believed that the two-month window would allow enough time to provide outreach to the sector while also giving some amount of urgency to the response (i.e. we felt that giving

cleaners more than two months would increase the likelihood that they would lose the material or put off doing it indefinitely). During the self-certification period I responded to 47 phone calls from facilities and our inspectors answered many calls as well. I have summarized some of the interesting issues that came up in the "Self-Certification Highlights" section below.

It was decided that we would not organize any formal workshops to accompany the self-certification. This decision was made based on our experience with conducting workshops with this sector in the past. During past attempts at outreach through workshops, a lot of time and money was invested in attempting to provide training only to have few facilities participate. As an alternative, we developed an on-line training program that facilities could view at their leisure, at no cost, and anonymously. The on-line training was completed and posted on the internet in September (half-way through the certification window). The availability of the on-line training was advertised in a reminder card that was mailed to all facilities during the first week of September as well as through the Michigan Institute of Laundering and Drycleaning (MILD) website. Although we were not able to provide the training until September we believe that facilities still had ample time to view the information. Unfortunately, we were not able to track how many facilities actually used the on-line training. The next time we offer this training on-line we will add a function that will allow us to track the number of users and even include an online survey that users can complete. In addition to the on-line training, MILD volunteered to organize two training workshops on the audit, which was our hope when we had initial discussions about the project with them. A dry cleaning inspector and I attended a training in Grand Rapids (west side of Michigan) on September 11 from 6-8 PM. Approximately 25 people were in attendance. We attended another meeting in Farmington Hills (Southeast side of Michigan) on September 26 from 6-8 PM. Approximately 20 people attended. At each of these sessions we walked attendees through the self-certification forms and answered any questions that came up. I have summarized several of the issues in the "Self-Certification Highlights" section below. In addition, to these two sessions, we conducted a presentation at MILD's Annual Meeting in Port Huron on July 27 and one of the inspectors was present at two of the Korean Drycleaners Association Meetings to answer questions about the audit in September. Another meeting was held with the major drycleaning supply distributors on August 7. The purpose of this meeting was to educate their sales representatives about ERP and how it will impact their customers. This meeting was recommended and arranged through one of the MILD members.

Many more audits were returned than anticipated. Approximately 323 were returned by the 9/30 deadline and another 173 were received in the two weeks following the deadline. The final count was 496 self-certification forms returned, which is approximately 58% of the dry cleaners in Michigan. Since our new database system has not been completed yet, data from each submittal has to be entered manually into a Microsoft Access database that we developed. The database will not only capture the response to each question but also the information provided on the return to compliance plan and makeup of the self-certification pool (e.g., location, Korean or English version completed, etc.), and when the certifications were submitted (e.g. did most wait until the last week to submit or were they evenly dispersed throughout the certification window). More information about analyzing the results will be contained in the next quarterly report.

One of the biggest lessons learned was in regards to how we collected the self certification data. We spent a great deal of time developing the forms so that they could be read by an optical scanner. We had anticipated that this portion of our new software would be complete by that time. Unfortunately, the software program is not yet available so it wasn't necessary that we do this. Also, after we received the first few response back we discovered that using an optical scanner would be a lost cause anyway due to the fact that many respondents wrote all over the forms and had numerous stray marks, even though we provided detailed instructions on how to complete the forms. If we were to choose to use a scanning device we would have to provide even more explicit instructions or use a bubble sheet to record answers so as to limit any stray marks. During

meetings with our Department of Information Technology over other matters we also learned of a new tool they had available that would allow us to collect the self-certification data over the internet using web based survey software. We were unaware of the availability of this software during the early development stages of the certification forms. If were to do another self-certification, I would recommend collecting the data using the web based software.

In general, we received positive comments about the self-certification questions (i.e., easy to understand and follow); however, we also discovered some certification questions that needed to be improved/changed as a result of discussions we had with drycleaners and the association. The suggestions were very helpful and will be easy to implement in future versions of the self-certification forms and workbook.

Self-Certification Highlights: During the self-certification phase we made several observations directly associated with the self-certifications that may not be captured in the data sent to us. I have included some of the highlights below, because I think they are both interesting and important. I believe these data points are fairly common among ERPs. Unfortunately there is probably no way to measure the compliance changes associated with them.

1. Drycleaner contacted MDEQ asking if submitting audit was mandatory. When he was told that it was voluntary, he explained that he didn't think he was complying with one of the air requirements related to air pollution control equipment and therefore didn't want to submit the form. Even if the cleaner did not submit the form he became aware of requirement and will hopefully make changes. I believe this may be a very common scenario. When a facility does not submit the form or chooses to not answer truthfully, there is no way of capturing whether or not a change was actually made due to their findings. I assume that if any change were made it would be positive (i.e. a person would not choose to start not complying with a requirement if they were already complying with it).
2. Some facilities needed to be walked through audit. For the most part, these were people that were new to the business and had very little knowledge of the requirements they were subject to or why they were doing some of the recordkeeping they have always done (many establishments are handed down to different family members who do not know very much about dry cleaning regulations). In doing the audit, they learned more about their requirements and were able to do so anonymously. The self-certification does not capture how much additional knowledge is gained by the respondent, just whether or not they are complying. We don't ask for their knowledge level of the requirements or dry cleaning system prior to completing the self-certification nor do we capture what additional things they may have learned as a result of completing the forms, such as what a halogenated hydrocarbon detector is or why they have to check certain gauges on their machine.
3. A couple inquiries came in regarding Q 1.19, which is a requirement to do a weekly temperature reading of refrigerated condenser. One had been doing readings but didn't know why and wasn't keeping the records in a log. The other cleaner hadn't been doing it at all and wanted to know more. I sent both a recordkeeping guidance form that explained the requirements and how to keep the log. The self-audit introduced the requirement to them and provided them with the opportunity to ask for more information anonymously.
4. During the presentation in Farmington Hills I showed a picture of waste containers that were placed on a secondary containment pad. One attendee asked what it was and where he could get one of those pads. Several people in the audience provided some resources. I recommended that MILD help to find them. Here the ERP provided an opportunity for some unexpected synergy between the MDEQ, facilities, and the trade association. Not to mention the potential implementation of a best management practice.

5. Prior to the self-certification, almost all sources were unaware that to be considered a conditionally exempt small quantity generator (CESQG), and consequently subject to less regulation, you had to be able to show that your monthly hazardous waste generation is below 220 lbs. After doing the audit or attending a presentation, facilities learned how to demonstrate their waste generation in a way that would be satisfactory to inspectors.
6. Several questions came in regarding getting approval to dispose of process wastewater to the sewer system. Discharges to sewer system are regulated by local wastewater treatment plants, not DEQ, so very few knew about this requirement. Because of the audit dry cleaners have initiated contact with their local sewer authority to verify if any permits or authorizations are required to dispose of wastewater.
7. The revised federal NESHAP requires that all cleaners conduct monthly leak detection using a halogenated hydrocarbon detector. While some cleaners new about this upcoming requirement, many did not. The workbook and training sessions (on-line and live) provided cleaners with information on this new requirement.
8. During the workshops we experienced some possible unintended negative outcomes that may result from educating facilities. Specifically, many facilities are unaware that legally they are allowed to dispose of their "solid" hazardous waste in their dumpster if they generate less than 220 lbs haz waste/month. A lot of facilities assumed that all hazardous wastes from their dry cleaning process must be disposed of by a hazardous waste hauler, which is a best management practice (recommended). We explained the particulars of what was considered a "solid" hazardous waste and that some landfills may still not accept it; however, we felt that some facilities still left with impression that this was a cheaper (better) disposal option. As a result of educating them on the regulations, we may have actually deterred some facilities away from a best management practice they were unknowingly doing already.
9. During a phone call with one facility, he noted that he did not understand what we meant when we said "recommended" under the response to some of the questions. He asked if this meant that we recommend the activity or recommend he answer "No" to the question (see below). This was a great observation that I had not thought of. I will most likely change this in future versions.

3.1. Are you doing any of the best management practices listed in Table 3.1 of the Self Audit Workbook? Yes No
Recommended

Software Development: The 3rd quarter of 2007 saw some gains in the software development stage. We were given a new patch to the software for testing that addressed some critical issues. Unfortunately, we continue to find a lot of deficiencies in the software as we continue to test. We are also having trouble getting staff to test the software due to many of the problems they have encountered. Staff have become frustrated with the functionality and have stopped testing until those issues are fixed so they can work on other priorities. Currently, I am the main tester and have found numerous problems, which have been sent to the contractor. Between the short amount of time our staff is able to devote to testing and slow turn-around time on the part of the contractor, the result has been significant delays to the process. We were informed in July that the main programmer for our project had left the employ of our contractor, which has been the cause of a lot of the delay in getting our issues resolved. Although the process is taking much

longer than anticipated we continue to work on this task and hope to have this task complete in the first quarter of 2008.

III Projection of Activities, Accomplishments, and Major expenditures for Next Quarter Report

We anticipate the following tasks to occur in the fourth quarter of 2007 (Oct 1 - December 31)

- Complete entry of self-certification data
- Analysis of self-certification data
- Develop sampling methodology for follow-up inspection to be conducted with 2008.
- Continue testing of database system
- Releasing payment to enfoTech for completion of specific deliverables associated with development of system.

IV Financial Summary

Financial information deleted by EPA as confidential business information.