

US EPA ARCHIVE DOCUMENT

**State Innovation Grant Program:**  
**Arizona Department of Environmental Quality**  
**Grant ID: EI-96988501-0**

**Project Title:** Arizona Environmental Performance Track: Increasing Membership by Lowering Membership Hurdles, Building a Broader Base, and Improving Key Incentives.

**Applicant:** Arizona Department of Environmental Quality (ADEQ)

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**Project Period:** September 29, 2006 to September 28, 2009 (3 years)

### **Project Overview**

This project is intended to broaden the range of business sectors involved in Arizona's newly formed Performance Track Program through both existing and new initiatives designed specifically for small business, small communities and agricultural enterprises. Arizona proposes to develop guidance and templates for Small Community Environmental Protection Plans (very similar to EMS's) under a new ADEQ policy that is based on EPA's recently modified Small Community Policy. The project will also create an agricultural performance track. Arizona will partner with air quality departments of Maricopa, Pima, and Pinal Counties who have EPA delegation to implement Title V of the Clean Air Act. The project proposes to significantly reduce one of the burdens of applying for membership in Arizona's program and PT by developing comprehensive EMS guidance and templates (meeting standards set by Performance Track) with plans to make them generally available to the regulated community. The project also proposes to further develop incentives which streamline the permitting process and reduce reporting obligations.

## Section 1 – Summary of Activities

(Narrative text, short summary of grant activities that have taken place during the quarter)

First draft revisions of the *Small Community Environmental Protection Plan (SCEPP) template* are nearing completion and should be ready for management review in the second quarter of 2008. The SCEPP template is a *less robust EMS* designed to assist small communities in developing a SCEPP manual using the self-assessment questionnaires in the [A Guide for Developing and Implementing a Small Community Environmental Protection Plan \(SCEPP\)](#). ADEQ issued a press release to announce [Willcox and Safford Become First Communities to Join ADEQ's Small Communities Compliance Assistance Program](#). Three additional small communities have notified ADEQ of their interest in participating in the program. The PowerPoint for [Arizona's Small Community Environmental Compliance Assistance Program](#) has been completed and posted to our website. ADEQ Air Quality Permits Section Manager is drafting a memorandum for division approval to grant flexibility in Air Permitting to Performance Track members. This should provide immediate incentives that will not require changing current state statutes. A Strategy Meeting has been scheduled for the second quarter to determine interest in developing a Ptrack Agricultural component to Arizona's program. ADEQ's incorporation of the *RCRA Reduced Self-Inspections* incentive became effective March 8, 2008. Additionally, ADEQ is in the process of redesigning its webpage to better reflect the various incentives that are available to Performance Track members. Work continues with our Ptrack partners in developing an annual member, partnership and agency staff survey followed by an annual conference tentatively scheduled for late summer or early fall with Performance Track members and collaborative partnership agencies and trade associations to evaluate the effectiveness of the program and discuss future incentives designed to benefit existing and future members and to encourage mentoring programs. Staff is working to schedule ADEQ Director Steve Owens as the featured speaker at the annual meeting.

## Section 2 – Accomplishments/Problems

(Narrative text, short summary of performance to date, major milestones, problems that have occurred or expected, and steps to resolve problems)

### Accomplishments:

ADEQ's *Small Communities Environmental Compliance Assistance Program* is fully developed and the outreach PowerPoint presentation is in use by our Community Liaisons and posted to the ADEQ website. The towns of Willcox and Safford have been accepted into the program with three additional small communities expressing an interest in participating. First draft revisions to the SCEPP template are nearing completion. ADEQ facilitated a meeting between new Arizona PTrack members Freescale Semiconductor, Inc., (Chandler and Tempe locations), and Maricopa County Air Quality Division on February 8, 2008. The purpose of the meeting was to explore opportunities for a simplified air permit renewal process as an incentive for

participation in the Arizona Performance Track program. While no official agreement was reached, the discussion was very productive and Freescale has submitted a formal request to Maricopa County for approval. Upon approval of the MOA between EPA and ADEQ, we will meet with county Air Quality Divisions to discuss incentives for Ptrack members and enter into a written agreement with our county partners.

ADEQ continues to participate in EPA monthly State Conference Calls and teleseminars, and continues to work with EPA to review new member applications, annual reports and renewal applications. Effective in the first quarter 2008, ADEQ is now inviting other staff to participate in Ptrack teleseminars of interest to their specific programs.

Problems:

ADEQ's draft MOA is currently under a second review by EPA. ADEQ is awaiting receipt of the signed MOA by EPA so we can contact and meet with other county and state agency representatives to discuss Performance Track, permit flexibility, reduced reporting incentives, and to develop additional requirements needed to receive multi-agency incentives.

**Section 3 – Schedules**

(Compare completed milestones against agreed project schedule, explain discrepancies)

**NOTE:** ADEQ has added new dates in **Blue** font which reflects revised dates in the Workplan/Project Schedule to meet the three-year Grant dates beginning October 1, 2006 and ending September 30, 2009.

**Key Activities, Milestones and Outcomes**

Task - Description	Start	End	Current Status/Outcome
<b>General</b>			
Develop Quality Assurance Project Plan with performance measures (to be modified continuously as additional performance measures are identified)	60 days after project approval		ADEQ is awaiting management comments on the draft <u>Quality Assurance Project Plan</u> (QAPP) for this grant. Once approval is received, ADEQ intends to make use of Larry Woods' offer for EPA's contractor to review and comment on the draft QAPP.
Submit Revised Workplan for EPA Approval	60 days after project approval		Unknown

Task - Description	Start	End	Current Status/Outcome
Finalize MOA between ADEQ, EPA, and the air quality departments of Maricopa, Pima, and Pinal Counties regarding Arizona Environmental Performance Track	03/06 10/06	06/06 01/07	ADEQ is awaiting receipt of the signed MOA by EPA.  The MOA is under a second review by Region IX attorneys. Once finalized, ADEQ will obtain the necessary signatures from the partnering agencies and ADEQ Director Steve Owens, and will then forward the signed copy to EPA for the Regional Administrator's signature. Once the MOA is finalized, ADEQ can enter into discussions on an MOA with the county air quality departments.
Adoption of federal performance track incentives for MACT.	03/06 10/06	04/07 11/07	<u>Air Quality Division MACT Rule</u> : In February, the Ptrack Administrator sent a memorandum to the Air Quality Section Manager requesting a review and comments on the MACT rule and proposed Ptrack incentives.
Quarterly review and report to EPA on the project status.	06/06 01/07	04/09 09/09	All Quarterly Reports including Financial are up-to-date and filed with EPA.
Annual member, partnership and agency staff survey followed by an annual conference with Performance Track members and collaborative partnership agencies and trade associations to evaluate the effectiveness of the program and discuss future incentives designed to benefit existing and future members and to encourage mentoring programs	09/06 10/06	09/08 04/09	ADEQ is in the process of developing a first draft of the survey questions based on EPA's survey of National members. Once the survey is approved and distributed, and completed surveys returned, ADEQ will hold its annual conference tentatively scheduled for late summer or early fall 2008. Staff is working to schedule ADEQ Director Steve Owens as the featured speaker.
Develop and track quarterly performance measures for Performance Track.	03/06 10/06	04/09 09/09	ADEQ has developed performance measures within the context of the <u>Quality Assurance Project Plan</u> (QAPP) for this grant and is awaiting management review and comments. Upon ADEQ management approval, ADEQ intends to make use of Larry Woods' offer for EPA's contractor to review and comment on the draft QAPP.

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Task - Description	Start	End	Current Status/Outcome
Review with EPA all National and Arizona Environmental Performance Track applications and current members' annual reports.	03/06 10/06	04/09 09/09	<p><b>Ongoing Commitment:</b></p> <p>We continue to participate in this process.</p> <p>ADEQ is awaiting the submittal of the member's annual reports as well as any new applications and will participate in the review process with EPA.</p>
Participate in EPA Performance Track weekly (monthly) state conference calls and national and regional Performance Track conferences	03/06 10/06	04/09 09/09	<p><b>Ongoing Commitment:</b></p> <p>We continue to participate in the State conference calls and special teleseminars.</p> <p>Effective in the first quarter 2008, ADEQ is now inviting other staff to participate in Ptrack teleseminars of interest to their specific programs.</p>

Task - Description	Start	End	Current Status/Outcome
<p>Ongoing public outreach on performance track through speaking engagements at seminars</p>	<p>03/06 10/06</p>	<p>03/09 09/09</p>	<p><b>External Outreach Presentations</b>  <u>January 10, 2008</u> – Strategizing Green Tourism Roundtable at NAU  <u>January 17, 2008</u> - RCRA Seminar at ASU  <u>March 26, 2008</u> – Southern Arizona Environmental Management Society (SAEMS)</p> <p><b>One-on-One Outreach</b>  <u>February 8, 2008</u>: ADEQ facilitated a meeting between EPA and AZ Ptrack member Freescale Semiconductor, Inc. (Chandler &amp; Tempe locations) and Maricopa County Air Quality Department to explore opportunities for a simplified air permit renewal process as an incentive for participation in the Arizona Performance Track program.</p> <p><b>Internal Outreach Presentations</b>  <u>January 29, 2008</u> "Habitat Is Where It's At" Performance Track's National Habitat Challenge Goal.   ADEQ staff from the <i>Children's Health Initiative</i> and <i>P2</i> participated.</p> <p><b>Ongoing Internal Outreach:</b>  Continued communication and program support for ADEQ's Community Liaisons who have the lead on the ADEQ <i>Small Community Compliance Assistance Program</i>. The ADEQ Ptrack program has the lead on development of the SCEPP template.</p>

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Task - Description	Start	End	Current Status/Outcome
<p>Conduct training for all agency enforcement staff on requiring the development of an EMS as part of a Compliance Schedule when negotiating Consent Orders and Judgments when appropriate including sample text utilizing the four EMS templates as a guidance resource.</p>	<p>03/06 10/06</p>	<p>03/09 09/09</p>	<p>Ahead of schedule.</p> <p><b>New Guidance Posted to AZ Ptrack Website 1<sup>st</sup> Quarter 2008:</b></p> <p>PowerPoint presentation explaining the <i>Small Communities Environmental Compliance Assistance Program</i> is now posted to our website at <a href="http://www.azdeq.gov/function/compliance/download/Final_SCEPP_Presentation-02-20-08.pdf">http://www.azdeq.gov/function/compliance/download/Final_SCEPP_Presentation-02-20-08.pdf</a></p> <p>August 27, 2008: ADEQ in-house staff training scheduled on EMSs and EPA/AZ Ptrack programs including a presentation on legal language to be inserted in consent orders requiring the development and implementation of an EMS as part of a Compliance Schedule.</p> <p><b>Completed in the 4<sup>th</sup> Quarter 2007</b>  <a href="http://www.azdeq.gov/function/about/track.html">http://www.azdeq.gov/function/about/track.html</a>                  Links to ADEQ developed <a href="#">EMS Templates</a> and Ptrack staff developed <a href="#">A Guide for Developing and Implementing a Small Community Environmental Protection Plan (SCEPP)</a> guidance now posted for easy access by staff and the regulated community.</p>



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Task - Description	Start	End	Current Status/Outcome
<p>Enhance the ADEQ Performance Track Web Page by providing "one-stop" access to the National and Arizona Environmental Performance Track programs and incentives; recognize and profile members and their continuous improvement projects; provide direct links to current members; guidance documents and resources to encourage and promote Performance Track membership supplemented by ongoing public education and outreach.</p>	<p>06/06 01/07</p>	<p>10/06 5/08</p>	<p>ADEQ is working with our Communication's Office on a complete redesign of our Ptrack website which should be unveiled in the 3<sup>rd</sup> quarter 2008, focusing on the incentives that are available to Performance Track members.</p> <p>ADEQ continues to improve our webpage at <a href="http://www.azdeq.gov/function/about/track.html">http://www.azdeq.gov/function/about/track.html</a></p> <p>PowerPoint presentation explaining the <i>Small Communities Environmental Compliance Assistance Program</i> is now in use and posted to our website at <a href="http://www.azdeq.gov/function/compliance/download/Final_SCEPP_Presentation-02-20-08.pdf">http://www.azdeq.gov/function/compliance/download/Final_SCEPP_Presentation-02-20-08.pdf</a></p> <p>Revisions to the first draft of the SCEPP template (a "less robust" EMS) are nearing completion. The template is designed to help small communities and special districts develop an environmental management system for their growing communities with the goal of expanding Ptrack membership and will be posted to our website upon management approval.</p> <p><b>Completed in the 4<sup>th</sup> Quarter 2007</b>                      we added links to our new ADEQ <i>Four Module EMS Templates</i> at <a href="http://www.azdeq.gov/environ/waste/p2/index.html">http://www.azdeq.gov/environ/waste/p2/index.html</a> and the <i>new Small Community guidance A Guide for Developing and Implementing a Small Community Environmental Protection Plan (SCEPP)</i></p>

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Conduct annual site visits of a minimum of 10% of Arizona Performance Track member facilities.	03/06 <b>10/06</b>	03/09 <b>9/09</b>	ADEQ's new Ptrack Administrator has not yet attended Site Visit Training. ADEQ has been in contact with EPA Region IX staff regarding scheduling future site visits.
<b>EMS Guidance and Templates</b>			
Review existing ADEQ developed EMS guidance and templates	09/06 <b>10/06</b>	11/06 <b>11/06</b>	<b>Project Completed 4<sup>th</sup> Quarter 2007:</b> ADEQ's <i>Four Module EMS template</i> is now posted on the ADEQ website at <a href="http://www.azdeq.gov/environ/waste/p2/index.html">http://www.azdeq.gov/environ/waste/p2/index.html</a> with a link from our AZ Ptrack web page.
Develop EMS survey to be distributed to small businesses during inspections	9/06 <b>4/07</b>	11/06 <b>6/07</b>	The P2 staff member with whom the Ptrack Administrator was working in developing an EMS Survey has retired and is no longer with ADEQ. State budget constraints and a hiring freeze will not permit filling the staff position at this time.  The Ptrack Administrator is exploring other options for accomplishing this task with the P2 program manager. ADEQ hopes to complete the survey during the second quarter as planned.
Conduct training of ADEQ inspectors on EMS's and use of the survey	12/06 <b>7/07</b>	01/06 <b>8/07</b>	The P2 staff member with whom the Ptrack Administrator was working in developing an EMS Survey has retired and is no longer with ADEQ. State budget constraints and a hiring freeze will not permit filling the staff position at this time.  The Ptrack Administrator is exploring other options for accomplishing this task with P2 program manager.  ADEQ hopes to complete the survey during the second quarter as planned and schedule staff training.

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Distribute EMS surveys during inspections	1/06 8/07	12/06 7/08	<p>The P2 staff member with whom the Ptrack Administrator was working in developing an EMS Survey has retired and is no longer with ADEQ. State budget constraints and a hiring freeze will not permit filling the staff position at this time.</p> <p>The Ptrack Administrator is exploring other options for accomplishing this task with P2 program manager.</p> <p>ADEQ hopes to complete the survey during the second quarter as planned and schedule staff training so inspectors can begin distributing the surveys no later than the beginning of the third quarter of 2008.</p>

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Task - Description	Start	End	Current Status/Outcome
<p>Hold two meetings with small businesses regarding EMS's to gauge interest in EMS's and discuss ADEQ's EMS guidance development</p>	<p>1/06 9/06</p>	<p>06/06 1/07</p>	<p><b>Ongoing Commitment:</b></p> <p><b>External Outreach Presentations</b>                      January 10, 2008 – Strategizing Green Tourism Roundtable at NAU                      January 17, 2008 - RCRA Seminar at ASU                      March 26, 2008 – Southern Arizona Environmental Management Society (SAEMS)</p> <p><b>One-on-One Outreach</b>                      February 8, 2008: ADEQ facilitated a meeting between EPA and AZ Ptrack member Freescale Semiconductor, Inc. (Chandler &amp; Tempe locations) and Maricopa County Air Quality Department to explore opportunities for a simplified air permit renewal process as an incentive for participation in the Arizona Performance Track program.</p> <p><b>Internal Outreach Presentations</b>                      January 29, 2008 "Habitat Is Where It's At" Performance Track's National Habitat Challenge Goal.                      March 11, 2008 "Alternate Goals in Healthy Schools, and Green Electronics" EPA Teleseminar</p> <p>ADEQ staff from the <i>Children's Health Initiative</i> and <i>P2</i> participated</p> <p><b>Ongoing Internal Outreach:</b>                      Continued communication and program support for ADEQ's Community Liaisons who have the lead on the ADEQ Small Community Compliance Assistance program. The draft SCEPP template is part of this assistance program.</p>

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Task - Description	Start	End	Current Status/Outcome
Modify EMS guidance to meet standards set by EPA's National Performance Track program	12/06 7/07	04/07 11/07	ADEQ staff is conducting workshops and providing one-on-one assistance to the regulated community in developing an EMS using ADEQ's <a href="#">Four Module EMS Template</a> which is now posted on the ADEQ Ptrack website at <a href="http://www.azdeq.gov/environ/waste/p2/index.html">http://www.azdeq.gov/environ/waste/p2/index.html</a> with a link from our AZ Ptrack web page.
Modify EMS templates to meet EPA's standards as needed	04/07 07/07	06/07 1/08	<p><b>Projects Completed in 1<sup>st</sup> Quarter 2008:</b></p> <p>1) The PowerPoint for <a href="#">Arizona's Small Community Environmental Compliance Assistance Program</a> has been completed and posted to our website. Posted to our website at <a href="http://www.azdeq.gov/function/compliance/download/Final_SCEPP_Presentation-02-20-08.pdf">http://www.azdeq.gov/function/compliance/download/Final_SCEPP_Presentation-02-20-08.pdf</a>.</p> <p>2) First draft revisions of the <i>Small Community Environmental Protection Plan</i> (SCEPP) template are nearing completion and should be ready for management review in the 2nd quarter of 2008.</p> <p><b>Two Projects Completed in 4<sup>th</sup> Quarter 2007:</b></p> <p>Both have been posted to our ADEQ Ptrack website with links on our AZ Ptrack web page.</p> <p>1) <a href="#">ADEQ Four Module EMS Templates</a></p> <p>2) <a href="#">A Guide for Developing and Implementing a Small Community Environmental Protection Plan (SCEPP)</a>.</p>

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Post revised guidance and templates on ADEQ Performance Track web page	06/07 1/08	09/07 4/08	<p><b>Projects Completed in 1<sup>st</sup> Quarter 2008:</b></p> <p>1) The PowerPoint for <a href="#">Arizona's Small Community Environmental Compliance Assistance Program</a> has been completed and posted to our website. Posted to our website at <a href="http://www.azdeq.gov/function/compliance/download/Final_SCEPP_Presentation-02-20-08.pdf">http://www.azdeq.gov/function/compliance/download/Final_SCEPP_Presentation-02-20-08.pdf</a>.</p> <p>2) First draft revisions of the <i>Small Community Environmental Protection Plan</i> (SCEPP) template are nearing completion and should be ready for management review in the 2<sup>nd</sup> quarter of 2008. Upon approval, this too will be posted to our webpage.</p> <p><b>Two Projects Completed in 4<sup>th</sup> Quarter 2007:</b></p> <p>Both have been posted to our ADEQ Ptrack website with links on our AZ Ptrack web page.</p> <p>1) <a href="#">ADEQ Four Module EMS Templates</a></p> <p>2) <a href="#">A Guide for Developing and Implementing a Small Community Environmental Protection Plan (SCEPP)</a>.</p>
Revise Performance Track application and written literature to reflect web availability	09/07 04/08	12/07 07/08	<p>Ahead of schedule.</p> <p>ADEQ is working with our database staff and has converted our Ptrack application to MS Word format. Draft revisions to the Ptrack application and to the redesigned Ptrack webpage will add more details on program incentives. Once completed, we will coordinate with EPA to link our revised application to the National EPA application process.</p>

Task - Description	Start	End	Current Status/Outcome
<p>Hold three meetings/training sessions with small businesses to explain EMS guidance and templates</p>	<p>09/07 04/08</p>	<p>12/07 07/08</p>	<p><b>Ongoing Commitment:</b></p> <p><b>External Outreach Presentations</b>  <u>January 10, 2008</u> – Strategizing Green Tourism Roundtable at NAU  <u>January 17, 2008</u> - RCRA Seminar at ASU  <u>March 26, 2008</u> – Southern Arizona Environmental Management Society (SAEMS)</p> <p><b>One on One Outreach</b>  <u>February 8, 2008</u>: ADEQ facilitated a meeting between EPA and AZ Ptrack member Freescale Semiconductor, Inc. (Chandler &amp; Tempe locations) and Maricopa County Air Quality Department to explore opportunities for a simplified air permit renewal process as an incentive for participation in the Arizona Performance Track program.</p> <p><b>Internal Outreach Presentations</b>  <u>January 29, 2008</u> "Habitat Is Where It's At" Performance Track's National Habitat Challenge Goal.  <u>March 11, 2008</u> "Alternate Goals in Healthy Schools, and Green Electronics" EPA Teleseminar</p> <p>ADEQ staff from the <i>Children's Health Initiative</i> and <i>P2</i> participated</p> <p><b>Ongoing Internal Outreach:</b>            Continued communication and program support for ADEQ's Community Liaisons who have the lead on the <i>ADEQ Small Community Compliance Assistance Program</i>. The draft SCEPP template is part of this assistance program.</p>

Task - Description	Start	End	Current Status/Outcome
<b>Agriculture Performance Track</b>			
Hold three meetings with members of the agricultural community and other state and federal agencies to discuss applicability of the existing Performance Track program to agricultural operations	01/07 8/07	04/07 11/07	<p>Early conversations between the Agricultural community and ADEQ Director Steve Owens showed minimal interest by the Agricultural community in pursuing an Arizona Performance Track program. ADEQ will attempt to reestablish communication with the Agricultural community to see if new found interest exists.</p> <p>ADEQ has scheduled a <u>Strategy Meeting</u> on late April to discuss the viability of an Arizona Ptrack Agricultural Component.</p> <p>In addition, ADEQ continues to work with our P2 staff on other incentive programs to promote environmental stewardship.</p>
Modify existing program or explore options for new comparable program based on input received in open meeting	02/07 09/07	09/07 04/08	<p>Although early conversations between the Agricultural community and ADEQ Director Steve Owens showed minimal interest by the Agricultural community in pursuing an Arizona Performance Track program, staff continues to investigate and compile information needed to develop an optional Agricultural program in anticipation of conducting an open meeting with interested members of the AG community.</p> <p>ADEQ is working with our P2 staff on other incentive programs to promote environmental stewardship.</p>
Develop guidance documents for agricultural program	09/07 4/08	11/07 6/08	<p>If support for a program is received from the Agricultural community and/or P2, ADEQ will compile the information gathered into guidance documents in support of an Agricultural component to our Arizona Ptrack program.</p>



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Post program description/guidance on ADEQ Performance Track web page	12/07 7/08	02/07 9/08	If support for a program is received from the Agricultural community and/or P2, ADEQ will compile the information gathered into guidance documents in support of an Agricultural component to our Arizona Ptrack program. ADEQ will post all guidance on our Ptrack website.
<b>Improvements to Flexibility in Permits and Reduced Reporting Incentives</b>			
Develop list of contacts of other state agencies that regulate facilities eligible for Performance Track	07/06 2/07	08/07 3/07	ADEQ has identified seven Arizona agencies that regulate facilities eligible for Performance Track. ADEQ will meet with each agency to discuss the Ptrack program and attempt to gain a commitment for developing incentives and on partnering with ADEQ and the participating Counties.
Review <i>EPA White Paper #3 on the Design of Flexible Air Permits</i> to further develop Arizona's flexibility in permits as an incentive	08/07 03/08	09/07 04/08	ADEQ's Air Quality Permits Section Manager is drafting a memorandum for division approval to grant Performance Track member's flexibility in Air Permitting which upon approval should provide immediate incentives that will not require changing current state statutes. These new incentives will be added to our program webpage.
Meet with state agency representatives to discuss Performance Track, permit flexibility, and reduced reporting incentives	09/07 4/08	10/07 5/08	ADEQ has identified seven Arizona agencies that regulate facilities eligible for Performance Track. ADEQ will meet with each agency to discuss the PT Program and attempt to gain a commitment for developing incentives and on partnering with ADEQ and the participating Counties.

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Develop additional requirements needed to receive multi-agency incentives	11/07 6/08	03/08 10/08	ADEQ has identified seven Arizona agencies that regulate facilities eligible for Performance Track. ADEQ will meet with each agency to discuss the PT Program and attempt to gain a commitment for developing incentives and on partnering with ADEQ and the participating Counties.
Post additional agencies offering incentives on ADEQ Performance Track web page	04/08 11/08	06/08 1/09	ADEQ will include all approved incentives in the new redesigned Ptrack website.
Draft external guidance on permit flexibility and reduced reporting incentives	04/08 11/08	08/08 3/09	Awaiting ADEQ Air Quality Division approval of proposed incentives for Ptrack members. Once approved, EPA and AZ Ptrack members will be notified and guidance developed.
Post external guidance on ADEQ Performance Track web page	09/08 4/09	12/08 7/09	Awaiting ADEQ Air Quality Division approval of proposed incentives for Ptrack member. Once approved, the incentives will be added to our redesigned webpage and guidance developed and posted.
Revise application and other written literature to reflect web availability of guidance on permit flexibility and reduced reporting incentives	01/09 8/09	03/09 9/09	Draft revisions to the Ptrack application and to the redesigned Ptrack webpage will add details on all program incentives. Once completed, we will coordinate with EPA to link our revised application to the National EPA application process.

#### **Section 4 - Financial Report – January 1, 2008 through March 31, 2008**

Confidential business information removed by EPA.

#### **Section 5 - Estimates**

(Narrative, estimate of time and funds necessary to complete the project compared to time and funds remaining)

ADEQ continues to work within the approved annual funding plan for this grant.

#### **Attachment**

##### **Reporting Requirements**

1. ADEQ will submit Quarterly Progress Reports. (The Quarterly Progress Reports will include: a comparison of accomplishments with workplan objectives, identification of cost overruns, reasons for slippage in project schedule (if applicable), and itemized costs for travel and supplies.)
2. Detailed follow-up Case-Study Report that will be prepared and submitted at the end of the grant period. (The case study report will include: a summary of the project, reductions achieved (if applicable), a cost analysis, any problems encountered, successes achieved, and lessons learned.)

##### **Environmental Outcomes and Performance Measures**

###### Environmental Management System Development Guidance and Templates

- ADEQ will survey small businesses and small communities during routine inspections to determine their knowledge of, and interest in, EMS's.
- ADEQ will meet with those small businesses and small communities having an interest in EMS's to identify how guidance and templates might increase the likelihood of developing an EMS.
- Further develop the existing EMS guidance and templates.
- ADEQ will make guidance and templates available on ADEQ's web page devoted to Performance Track.
- Increase membership in Arizona Performance
- Measure quantified pollution reductions of members.

###### Agriculture Performance Track

- Invite appropriate members of the agricultural community, along with other state and federal agencies (e.g., Arizona Department of Agriculture and EPA), to participate in an open dialogue about the existing Performance Track program and whether it is applicable to agricultural operations in Arizona.
- Discuss with the group what modifications to the program might increase the likelihood of participation
- Explore a new program better suited to agricultural operations while still meeting the spirit and intent of Performance Track.

- Program description will be available on ADEQ's web page.
- ADEQ will track the number of participants along with the quantifiable environmental improvement projects of its members.

#### Improvements to Permitting Flexibility and Reduced Reporting Incentives

- ADEQ will contact other state agencies which regulate facilities eligible for performance track (e.g., Arizona Department of Water Resources).
- ADEQ will meet with these agencies to discuss the benefits and goals of Environmental Performance Track and explore permit flexibility or reporting incentives that might be offered by the other State agencies.
- Develop additional requirements needed to receive the benefits.
- Incentives will be posted on ADEQ's web page and included in Arizona's Performance Track application and associated literature.
- Development of external guidance on the permit flexibility and reduced reporting incentives
- Engage the assistance of the group which helped ADEQ in the development of the Arizona program.
- Improve the permitting flexibility and reporting reduced reporting incentives
- Asking applicants why they applied, and whether the new guidance on these incentives played a role in their decision.
- Measure results of the quantified environmental improvement project as a success of the incentive improvements.