

US EPA ARCHIVE DOCUMENT

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

Project Title: Arizona Environmental Performance Track (AzEPT): 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) – **Extension Granted to September 30, 2010**

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)

The Arizona Performance Track Administrator attended two meetings (June 30-July 1 and August 18-19) of the Subcommittee on Promoting Environmental Stewardship (SPES), which was formed under the National Advisory Council for Environmental Policy and Technology (NACEPT), during this quarter. The meetings thus far have covered the charge and operating procedures of the SPES; identification of the members' perspectives and their desired outcome of the SPES's work; key lessons learned from past and current EPA partnership programs; factors that motivate organizations to pursue stewardship activities; and models used by organizations to integrate stewardship into their core programs. The SPES continues to review and analyze innovative ways for promoting and implementing stewardship activities.

On August 20, 2009, following the second SPES meeting, the Arizona Performance Track Administrator attended the inaugural meeting of the Business Stewardship Council, in Washington D.C. This Council seeks to drive sustainable business practices and results through the design and implementation of a sustainability index and standard; and is multi-based stakeholder coalition that includes academics, state and federal government, NGO's, investment groups and industry representatives. Currently the Council is revising its business plan and overview; exploring potential funding mechanisms; and looking to attract more NGO's.

On July 14, 2009, the Arizona Performance Track Administrator accompanied ADEQ's RCRA inspectors on an inspection of Ping, an Arizona Environmental Performance Track Program member facility. While this was not an audit of the facility's EMS, the Administrator was able to gain a sense of and witness the effectiveness of Ping's EMS. The inspection revealed two minor divergences from the RCRA requirements, both of which were able to be rectified while we were on site. No enforcement action was warranted as a result of this inspection.

Arizona's Performance Track Administrator continued to work with the Arizona Environmental Strategic Alliance to provide EMS training. A PowerPoint presentation has been developed which details how member organizations have developed objectives, targets, and goals related to their identified environmental impacts; and presents any results they have achieved and some lessons learned. Two presentations were conducted during this reporting period: July 22, 2009 at an [Arizona Technology Council](#) meeting; and September 30, 2009 at a meeting of the [Southern Arizona Environmental Management Society](#). We have been requested to make a presentation at an upcoming meeting of the [Environmental Professionals of Arizona](#) (EPAZ).

On September 16, 2009, the Arizona Performance Track Administrator gave a brief talk on EMS's at a meeting of the [Sustainable Cities Network](#); a network of local cities convened by Arizona State University.

On September 18, 2009, the Arizona Performance Track Administrator gave a similar talk on EMS's at a conference sponsored by [Namastera Community](#), an organization that promotes the triple bottom line philosophy: People, Planet,

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and Profit. The conference, [Celebrate Your Business](#), was geared towards providing insight, examples and tools for incorporating sustainable practice into ones business.

On July 29, 2009 ADEQ submitted the Quality Assurance Project Plan (QAPP) to EPA for AzEPT program.

On July 29, 2009, ADEQ submitted a request to EPA to extend the Innovation Grant for one-year to September 30, 2010. EPA granted the extension. No additional funding was requested. Only the remaining balances for Travel and Supplies funds are included in the one-year extension.

On September 29, 2009 AzEPT and the Small Community Compliance Assistance program welcomed the Town of Eagar as a seventh participating community under ADEQ's Small Community Policy.

AzEPT continues to participate in the monthly State calls now hosted by David Guest, EPA in Washington, DC. AzEPT will be sending a CD to David Guest of all the training materials developed under the Innovation Grant to promote the AzEPT program. The CD will include all the training materials listed in this report under **NEW Guidance & Training Materials** in this report. State call participants were interested in learning more about [A Guide for Developing and Implementing a Small Community Environmental Protection Plan \(SCEPP\)](#); [Appendix B Template Small Community Environmental Protection Plan Instructions, Examples, & Forms](#); [ADEQ Environmental Management System \(EMS\) Modules](#), Module One: [Launching an EMS](#), Module Two: [Developing an EMS](#), Module Three: [EMS Implementation](#), and Module Four: [EMS Feedback](#); and related training PowerPoint presentations.

Arizona's Performance Track Administrator continues to work with representatives of agricultural community to develop a voluntary program that recognizes and rewards environmental leadership and to encourage the agricultural community to go above and beyond the minimum requirements of the law. Ongoing meetings with representatives of the agricultural community suggest that future success requires Arizona to develop a separate but similar program to AzEPT. The agricultural program will remain the responsibility of the Arizona's Performance Track Program Administrator and support staff.

AzEPT has completed a draft of a new Arizona Environmental Performance Track program brochure and a new web page with only minor revisions suggested. ADEQ information technology (IT) support has completed adapting the Microsoft Excel version of the application, renewal, and annual progress reports prepared by EPA for AzEPT to use after the national program was terminated. AzEPT hopes to complete and post the new web page during the 4th quarter 2009 in preparation for our members to file their annual progress reports (APR).

On March 18, 2010, AzEPT will host its annual Spring Conference for Members and Guests. The annual conference focuses on member achievements through Best Management Practices and the importance of operating under a vibrant EMS. Prospective AzEPT members are invited to the conference. Arizona's Performance Track Program Administrator is working with our AzEPT members and the Arizona Environmental Strategic Alliance in developing the program. ADEQ

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Director Benjamin H. Grumbles will open the conference. AzEPT has extended an invitation to Tom Kelly, EPA Region IX, to attend the conference. At the 2009 Spring Conference, Tom Kelly led a discussion on establishing future commitments, including challenge commitments which remain a primary interest of our members.

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:

With the termination of the national program, AzEPT, like other state programs, required a reassessment of the program’s direction and structure. AzEPT appreciates EPA granting a one-year extension of this Innovation Grant to allow completion of the Workplan. A review of Section 1 – Summary of Activities above in this report demonstrates Arizona’s ongoing commitment to fully develop and expand our AzEPT program. Despite the challenges, Arizona’s Performance Track Program Administrator and support staff continue to meet the *Key Activities, Milestones and Outcomes* under this Innovation Grant.

Problems:

The transition from the EPA National Environmental Performance Track program to an independent state run program has slowed progress for AzEPT’s program expansion plans. However, ongoing support from EPA and AzEPT’s continued participation in NACEPT/SPES, as well as State calls, has been beneficial in easing the transition. AzEPT expects to complete all transitional issues during the 4th quarter 2009 with the posting of the new web page with includes the new member application and Annual Progress Report (APR).

Section 3 – Schedules

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

NOTE: Dates in the *Key Activities, Milestones and Outcomes* reflects revised dates in the Workplan/Project Schedule to meet the three-year Grant dates beginning October 1, 2006 and ending September 30, 2010.

Key Activities, Milestones and Outcomes

Workplan: Task - Description	Start	End	Status	Comments/Outcome
General				

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Workplan: Task - Description	Start	End	Status	Comments/Outcome
Develop Quality Assurance Project Plan (QAPP) with performance measures (to be modified continuously as additional performance measures are identified)	10/01/06	12/01/06	In Process	JULY 29, 2009 – AzEPT QAPP COMPLETED and SUBMITTED to EPA.
Submit Revised Workplan for EPA Approval	10/01/06	12/01/06	Completed	Resolved
Finalize MOA between ADEQ, EPA, and the air quality departments of Maricopa, Pima, and Pinal Counties regarding Arizona Environmental Performance Track	10/2006	01/2007	In Process MOA Signed 12/11/2008 In Phoenix	MOA signed by EPA and ADEQ on 12/11/2008. Incentives – Case By Case Basis AzEPT continues to work with our participating Air Quality counties and other regulatory agencies to promote the AzEPT program and to gain a commitment to develop benefits for our members. AzEPT offers incentives on a case-by-case basis as members request an incentive specific to their needs. AzEPT will then negotiate directly with regulatory agency staff rather than rely on legislation.

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Workplan: Task - Description	Start	End	Status	Comments/Outcome
Adoption of federal performance track incentives for MACT.	10/2006	11/2007	No Longer Applicable	<p>AzEPT has completed revisions to eliminate all incentives previously adopted and granted to members by EPA through federal regulations. The AzEPT program brochure and the web page have been revised and should be posted during the 4th Quarter 2009.</p> <p>AzEPT continues to work with our participating Air Quality counties and other regulatory agencies to promote the AzEPT program and to gain a commitment to develop benefits for our members. AzEPT offers incentives on a case-by-case basis as members request an incentive specific to their needs. AzEPT will then negotiate directly with regulatory agency staff rather than rely on legislation.</p>
<p><i>NEW Report Format 4th Quarter 2008:</i></p> <p>Quarterly review and report to EPA on the project status.</p>	01/2007	09/2009	<p>Completed</p> <p>Quarterly Report Format Revised 12/31/08</p>	<p>November 19, 2008 Teleconference Call with Tom Kelly, EPA Region IX</p> <p>Reporting format changed to add a <u>GRANT WORKPLAN GOALS SECTION</u> to provide a section that tracks all grant accomplishments to date. A <u>STATUS COLUMN</u> was added to track progress of Grant Workplan Goals.</p> <p>All Quarterly Reports including Financial Reports are up-to-date and filed with EPA.</p>

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Workplan: Task - Description	Start	End	Status	Comments/Outcome
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.	10/2006	04/2009	Spring Conference 03/18/2010 Completed Member Survey and Member Conference 09/10/08 Spring Conference 04/09/2009	March 13, 2010 Third Annual Spring Conference for members and invited guests. Planning has begun on our 2010 Spring Conference. ADEQ Director Benjamin H. Grumbles will provide Welcome and Opening Comments. AzEPT has invited Tom Kelly, EPA Region IX and is awaiting his response.
Develop and track quarterly performance measures for Performance Track. ADEQ Quality Assurance Project Plan (QAPP)	10/2006	09/2009	Completed July 2009	JULY 29, 2009 - QAPP Completed and submitted to EPA.
Grant Workplan Goals	10/2006	09/2009	12/31/08	NEW REPORTING SECTION 4th Quarter 2008
EPA/ADEQ Innovation Grant Cooperative Agreement	10/2006	11/06/06	Completed 11/06/2006	The MOA <i>Cooperative Agreement</i> between EPA and ADEQ was finalized November 6, 2006.
AZ PERFORMANCE TRACK MEMBERS:	10/2006	09/2009	As of 09/30/2009	NEW Member Application: Frito-Lay submitted an application for AzEPT membership. The application is under review by AzEPT.
1) PING, Inc.	05/11/06		Ongoing	
2) City of Scottsdale	05/11/06			

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3) Intel Arizona – Ocotillo Campus	05/11/06			EPA has provided a DOJ contact person for state programs. AzEPT will be contacting our Region IX representative to finalize requirements to expedite the review process on new and renewal applications to AzEPT.
4) Xanterra South Rim, LLC	02/06/07			
5) Mormon Lake Lodge	06/10/08			
6) Freescale Semiconductor, Inc. - Chandler	08/08/08			
7) Freescale Semiconductor, Inc. - Tempe	08/09/08			
8) Forever Resorts at Grand Canyon Lodge, North Rim	01/20/09			
9) Frito-Lay	2 nd Qtr 2009			Application Under Review
AZ Small Community Compliance Assistance Project – Participating Communities:				
	01/2008	09/2009	As of 09/30/2009 Ongoing Project	<p>TOWN OF EAGAR was welcomed on September 29, 2009 as the newest participating community.</p> <p>Project officially began November 2005. The <u>SCEPP Guidance Manual</u> was completed 12/2007, and the <u>SCEPP Template</u> (a “less robust” EMS) in 12/2008, under this Innovation Grant. Once accepted into the program, ADEQ issues a Certificate to the community. ADEQ Community Liaisons work directly with our participating small communities.</p> <p>Participating Members <i>must</i> develop a SCEPP and provide a copy to ADEQ no later than one-year after acceptance into the program.</p>
1) City of Willcox	04/14/08			Formal Certificate Issued
2) City of Safford	04/18/08			Formal Certificate Issued

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3) Town of Pima	04/18/08			Formal Certificate Issued
4) Town of Springerville	06/18/08			Formal Certificate Issued
5) City of Winslow	08/18/08			Formal Certificate Issued
6) Town of Miami	08/25/08			Formal Certificate Issued
7) Town of Eagar (NEW)	09/25/09			Formal Certificate Issued
NEW Guidance & Training Materials:	10/2006	09/2009	As of 09/30/2009	Guidance created by ADEQ AzEPT support staff.
<p><i>PowerPoint Presentations:</i></p> <p>Environmental Management Systems (EMS), and EMS and Enforcement</p> <p><i>Copies were provided to EPA with 4th Quarter 2008 Report</i></p>		<p>Training Dates</p> <p>09/2005 08/27/08 03/18/09 09/23/09</p>	Annual Internal Staff Training	Two PowerPoint Presentations were created for ADEQ staff training. The training focuses on the elements of an EMS; ADEQ guidance documents, templates and checklists for development of an EMS; and how to effectively incorporate EMS language into administrative and civil consent orders.
<p><i>Click on the Link to view the EMS Modules/Template:</i></p> <p>ADEQ Environmental Management System (EMS) Modules</p> <ul style="list-style-type: none"> - Module One: Launching an EMS - Module Two: Developing an EMS - Module Three: EMS Implementation - Module Four: EMS Feedback 		<p>Module Completion Dates</p> <p>07/26/05 07/26/05 12/28/06 04/03/07</p>	All Completed & Posted to Website 4 th Quarter 2007	<p><u>All Four Modules (templates)</u> are now completed and posted to ADEQ's website. The END dates listed are the completion dates for each module.</p> <p>AZ Performance Track staff completed a review of the EMS templates to ensure compliance with EPA program requirements.</p>

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Workplan: Task - Description	Start	End	Status	Comments/Outcome
<p>ADEQ Performance Track and EMS Internal Training PPT:</p> <p>What Is Arizona Environmental Performance Track?</p> <p><i>Copy was provided to EPA with 4th Quarter 2008 Report</i></p>		<p>Training Dates</p> <p>05/16/07 08/27/08 03/18/09 09/23/09</p>	<p>Annual Internal Staff Training</p>	<p>Developed to introduce ADEQ staff to the EPA and AZ Environmental Performance Track Programs and the importance of developing an Environmental Management System.</p>
<p><i>Click on the Link to view the SCEPP:</i></p> <p>A Guide for Developing and Implementing a Small Community Environmental Protection Plan (SCEPP)</p> <p>A SCEPP is a "less robust" EMS.</p> <p><i>Copy was provided to EPA with 4th Quarter 2008 Report</i></p>		<p>12/2007</p>	<p>Completed & Posted To Website 12/12/2007</p>	<p>This manual was originally written to be used by small communities and special districts in identifying, prioritizing, correcting, and preventing future environmental compliance problems by addressing all levels of infrastructure.</p> <p>The manual is being used by both the regulated community in general, and ADEQ staff, since it covers ADEQ's regulatory authority.</p>
<p><i>Click on the Link to view the PPT:</i></p> <p>SCEPP Presentation</p> <p><i>Copy was provided to EPA with 4th Quarter 2008 Report</i></p>		<p>02/20/08</p>	<p>Completed & Posted To Website 02/20/2008</p>	<p>A <i>Quick Reference</i> to the SCEPP as part of the AZ Small Community Policy to promote the development of management tools to be used to identify, prioritize, correct and prevent future environmental problems.</p>

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<p><i>ADEQ Training PPT:</i></p> <p>Arizona's Small Community Environmental Compliance Assistance Project – SCEPP Template</p> <p><i>Copy was provided to EPA with 4th Quarter 2008 Report</i></p>		<p>06/23/08 03/02/09</p>	<p>Specialized Training</p> <p>Ongoing Support</p>	<p>Specialized Training for ADEQ's Community Liaisons and the Director's Office staff on the SCEPP Appendix B Template released in the 4th Quarter 2008.</p> <p>Refresher Training 03/02/2009</p>
<p><i>ADEQ Performance Track Member Survey:</i></p> <p>2008 Members Survey</p> <p><i>Copy was provided to EPA with 4th Quarter 2008 Report</i></p>	06/24/08	07/31/08	Completed 07/31/2008	<p>The results of this survey were used to improve the benefits and services for our members and assist us in identifying new benefits. The results of this survey were presented at the upcoming <u>2008 Arizona Environmental Performance Track Annual Members Conference</u> on September 10, 2008.</p>
<p><i>ADEQ Performance Track Member Conference PPT:</i></p> <p><u>First Annual</u> Arizona Environmental Performance Track Member Conference</p> <p><i>Copy was provided to EPA with 4th Quarter 2008 Report</i></p>		09/10/08	Completed 09/10/2008	<p>ADEQ hosted the first annual member conference. Tom Kelly, Region IX represented EPA at the conference.</p>

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<p><i>Click on the Link to view the Template:</i></p> <p>Appendix B Template Small Community Environmental Protection Plan Instructions, Examples, & Forms</p> <p><i>Copy was provided to EPA with 4th Quarter 2008 Report</i></p>		11/11/08	Completed & Posted To Website 11/11/2008	<p>The Appendix B Template is a part of A Guide for Developing and Implementing a Small Community Environmental Protection Plan (SCEPP) Manual. The template provides instructions on developing procedures, and includes completed examples, flow diagrams and corresponding blank forms, to aid in the development and implementation of a Small Community Environmental Protection Plan (SCEPP) (a "less robust" EMS).</p>
<p><u>Second Annual</u> Arizona Environmental Performance Track Member Conference</p> <p>PING, INC.'S ENERGY PROGRAM Hitting the Green in Regulation</p> <p><i>Copy was provided to EPA with 2nd Quarter 2009 Report</i></p>	04/09/09	04/09/09	Completed 04/09/09	<p>AzEPT 2009 Spring Conference member presentation.</p> <p>Ping, Inc. on Best Management Practices.</p>
<p><u>Second Annual</u> Arizona Environmental Performance Track Member Conference</p> <p>INTEL CORP Sustainable Manufacturing in Consumer Electronics Sector</p> <p><i>Copy was provided to EPA with 2nd Quarter 2009 Report</i></p>	04/09/09	04/09/09	Completed 04/09/09	<p>AzEPT 2009 Spring Conference member presentation.</p> <p>INTEL, Corp. on Best Management Practices</p>

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<p><u>Second Annual</u> Arizona Environmental Performance Track Member Conference</p> <p>FREESCALE Semiconductor Go Green, Live Healthy, Be Safe</p> <p><i>Copy was provided to EPA with 2nd Quarter 2009 Report</i></p>	04/09/09	04/09/09	Completed 04/09/09	<p>AzEPT 2009 Spring Conference member presentation.</p> <p>Freescale Semiconductor, Tempe and Chandler facilities gave presentations on Best Management Practices.</p>
<p>OUTREACH: Internal & External Outreach All Outreach To Date</p>	10/2006	Extended to 09/2010	09/30/2009 Extended to 09/2010	<p>ALL OUTREACH TO DATE</p> <p>NOTE: ADEQ did not hire an AZ Performance Track Program Administrator until April 3, 2007. All ongoing projects were directed by Henry Darwin, ADEQ Administrative Counsel and AzEPT Project Manager, and assigned to support staff.</p>
<p>INTERNAL OUTREACH:</p>	10/2006	Extended to 09/2010	06/30/2009 Extended to 09/2010	Ongoing
<p><i>PowerPoint (PPT) Presentations:</i></p> <p>Environmental Management Systems (EMS), and EMS and Enforcement</p> <p><i>Copies were provided to EPA with 4th Quarter 2008 Report</i></p>	09/2005	Training Dates 09/2005 08/27/08 09/23/09	Annual Internal Staff Training	Three PPTs were created and updated for ADEQ staff training. The training focuses on the elements of an EMS; ADEQ guidance documents, templates and checklists for development of an EMS; and how to effectively incorporate EMS language into administrative and civil orders. Training is for ADEQ Staff and participating County Air Quality staff.

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EPA Performance Track Site Visit Training	10/24/06	10/26/06	Completed	October 24, 25, & 26, 2006 ADEQ hosted EPA Site Visit Staff Training.
EPA/ADEQ Joint Site Visit to PING, Inc.	10/26/06	10/26/06	Completed	Official Site Visit & ADEQ Staff Training.
<i>ADEQ Performance Track and EMS Internal Training PPT:</i> What Is Arizona Environmental Performance Track? <i>Copy was provided to EPA with 4th Quarter 2008 Report</i>	05/16/07	Training Dates 05/16/07 08/27/08 03/18/09 09/23/09	Annual Internal Staff Training Extended to 09/2010	Developed to introduce ADEQ staff to the EPA and AZ Environmental Performance Track Programs and the importance of developing an Environmental Management System. Training for ADEQ and participating County Air Quality staff.
Flexible Air Permitting Teleconference	11/12/07	11/12/07	Completed 11/12/2007	AZ AzEPT hosted the Teleconference for ADEQ Air Permits Section Manager and staff. AZ AzEPT provided copies of the White Papers and other training materials. ADEQ is working with our Air Permits staff to develop flexible air permitting as an AzEPT member incentive.
Small Community Compliance Assistance Project – P2 Webinar Presentation AZ Performance Track Support	11/29/07	11/29/07	Completed 11/29/2007	Byron James, ADEQ Community Liaison, P2 webinar presentation on A Guide for Developing and Implementing a Small Community Environmental Protection Plan (SCEPP) which was completed and posted to our website 12/12/07. ADEQ hosted the live webinar for ADEQ staff.

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AZ Performance Track Program EMS Requirement for ADEQ Community Liaisons	12/13/07	12/13/07	Completed 12/13/2007 Refresher Training 03/03/09	Presentation to ADEQ's Community Liaisons who have the lead on the ADEQ Small Community Compliance Assistance program. Refresher Training March 2, 2009
<i>ADEQ Training PPT:</i> Arizona's Small Community Environmental Compliance Assistance Project – SCEPP Template <i>Copy was provided to EPA with 4th Quarter 2008 Report</i>		06/23/08	Specialized Training Completed 06/24/2008	Specialized Training for ADEQ's Community Liaisons and Director's Office staff only on the <i>final draft</i> of the <i>SCEPP Appendix B Template</i> released in the 4 th Quarter 2008. Refresher Training 03/02/2009
<i>Requested by Brian Davidson, Ombudsman:</i> ADEQ Community Liaison Meeting SCEPP Appendix B Template		03/02/09	Completed 03/02/09	Address questions from the Community Liaisons on the 12/2008 release of the SCEPP Appendix B Template Small Community Environmental Protection Plan Instructions, Examples, & Forms The Liaisons have the lead on working with their communities on this project.
<i>Strategy Session</i> Developing an Agricultural Component To AZ Performance Track Program	12/16/08	12/16/08	Completed 12/16/08	Meeting with ADEQ staff that work with the Agricultural Community to discuss contacts and strategies to determine if an Ag component can be developed. Prior to this meeting, ADEQ had received a mixed response from the AZ AG community.
EXTERNAL OUTREACH:				

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<i>EPA Site Visit –</i> Motorola, Ocotillo Campus (David Guest & Larry Woods)	10/04/05	10/04/05	Completed 10/04/2005	Henry Darwin, ADEQ Administrative Counsel and Nina Kondos, AZ AzePT Support invited to accompany EPA on Site Visit to National EPA AzePT Member Facilities.
<i>EPA Site Visit –</i> Xanterra South Rim, L.L.C. (David Guest & Larry Woods)	10/05/05	10/05/05	Completed 10/05/2005	Henry Darwin, ADEQ Administrative Counsel and Nina Kondos, AZ AzePT Support invited to accompany EPA on Site Visit to National EPA AzePT Member Facilities.
<i>EPA Site Visit –</i> Vankamps, Inc. (David Guest & Larry Woods)	10/05/05	10/05/05	Completed 10/05/2005	Nina Kondos, AZ AzePT Support invited to accompany EPA on Site Visit to National EPA AzePT Member Facilities.
<i>EPA Site Visit –</i> Grand Canyon National Park – South Rim (David Guest & Larry Woods)	10/06/05	10/06/05	Completed 10/06/2005	Nina Kondos, AZ AzePT Support invited to accompany EPA on Site Visit to National EPA AzePT Member Facilities.
<i>EPA & ADEQ Site Visit –</i> Intel Arizona	02/03/09	02/03/09	Completed 02/03/09	Intel Arizona site visit with EPA as part of the review of their Corporate Leader application.

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AZ Performance Track Program: FREE EMS Seminar & Luncheon	04/03/07	04/03/07	Completed 04/03/2007	Presented jointly by AZ AzEPT and AZ Strategic Alliance. AzEPT member City of Scottsdale hosted the seminar. Free Seminar and Luncheon promoting EPA and AZ Performance Track. Guest speakers: Wayne Natri from EPA and Stephen Owens, ADEQ Director. Focus to inform Small Businesses on Performance Track and of benefits and the value of an EMS and to gain information on development hurdles.
Kitchell Construction - One-on-One Presentation	08/16/07	08/16/07	Completed 08/16/07	Discuss possible AzEPT membership.
AZ Environmental Performance Track Seminar for City and County Staff	08/23/07	08/23/07	Completed 08/23/2007	ADEQ hosted representatives from approximately 15 municipalities. Each representative expressed a strong desire to pursue membership. Since most did not have a formal EMS in place, ADEQ will set up workshops to assist the municipalities in developing and implementing an EMS. ADEQ's P2 program staff has agreed to assist those interested city and county departments in developing their individual EMSs through a series of quarterly workshops.
Calculating Emissions Reductions Seminar	08/30/07	08/30/07	Completed 08/30/07	Networking: attended this educational seminar.

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Workplan: Task - Description	Start	End	Status	Comments/Outcome
U-Haul - One-on-One Presentation	09/05/07	09/05/07	Completed 09/05/07	Discuss possible AzEPT membership.
Pima County AZ Wastewater One-on-One Presentations	09/11/07	09/11/07	Completed 09/11/07	Discuss possible AzEPT membership.
Brown & Caldwell Consulting - One-on-One Presentation	11/07/07	11/07/07	Completed 11/07/07	Discuss possible AzEPT membership.
Negotiated AQ Permit Flexibility with Maricopa County AQ Department	06/2008	09/2008	Completed 09/2008	In the absence of a formal MOA with Maricopa County AQ Department, ADEQ successfully negotiated AQ Permit Flexibility for new AzEPT members Freescale Semiconductor, Inc. for their Chandler and Tempe facilities. Maricopa County agreed to review AQ Permit Flexibility on a case-by-case basis.
EMS Webcast for Local Governments	09/20/08	09/20/08	Completed 09/20/08	Co-hosted an EMS Webcast for local governments at ADEQ.
City of Tucson - One-on-One Presentation	09/25/08	09/25/08	Completed 09/25/08	Discuss possible membership.
AZ Performance Track Presentation For Arizona State University (ASU) Tempe, AZ Campus for RCRA Seminars	11/21/07 09/19/08 01/14/09	11/21/07 09/19/08 01/14/09	Ongoing Extended to 09/2010	Invited to regularly scheduled RCRA Seminars to give a presentation on EPA and AzEPT Programs and the importance of developing an EMS.
Town of Buckeye – EMS Cabinet meeting One-on-One Presentation	10/01/08	10/01/08	Completed 10/01/08	Discuss possible AzEPT Membership

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Arlington Valley Energy Facility One-on-One Presentation	10/22/08	10/22/08	Completed 10/22/08	Discuss possible AzEPT Membership
Coe & Van Loo Engineering Consultants One-on-One Presentation – Firm was at the Town of Buckeye Presentation on 10/01/2008 and requested a presentation For their staff.	11/11/08	11/11/08	Completed 11/11/08	Discuss possible AzEPT Membership
Maricopa County Air Quality Director Meeting with Lawrence Odle, NEW Director	12/08/08	12/08/08	Completed 12/08/08	Henry Darwin, ADEQ Administrative Counsel and Ian Bingham, AzEPT Program Administrator with Lawrence Odle, the new Director effective September 2008. Meeting: to meet & greet and discuss the AzEPT program.
EPA/ADEQ Performance Track MOA Signing Ceremony	12/11/08	12/11/08	Completed 12/11/2008	MOA Approved – Signing Ceremony held at ADEQ on December 11, 2008 . Press Advisory issued. ADEQ Director Steve Owens and Wayne Nastri, Director, EPA Region IX, Lawrence Odle, Maricopa AQ Director. <i>Invitees:</i> AzEPT Members and AZ Environmental Strategic Alliance Members. Also a photo opportunity for members and guests. Press release issued following the signing ceremony. <i>Charter Member</i> Certificates given to each AzEPT Member.

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<p><i>(Attached to 1st Quarter 2009 Report)</i></p> <p><u>EMS Survey</u> For distribution by ADEQ Inspectors</p>	04/2007	06/2007	Completed Survey Card Completed Field Inspectors Trained 1st Quarter 2009	<p><u>EMS Survey Completed</u> late in the 4th Quarter 2008 and approved for distribution in the 1st Quarter 2009.</p> <p>ADEQ Inspector Training: March 18, 2009. Inspectors are distributing the EMS Survey Cards as part of a facility inspection.</p>
<p><u>Agricultural Community</u></p> <p>Concentrated Animal Feeding Operations (CAFO), Department of Agriculture</p>	01/14/09	01/14/09 Extended to 09/2010	Ongoing Extended to 09/2010	ADEQ's first outreach meeting with the Agricultural Community discussed the potential of developing an AG Performance Track Program for that community. The presentation was well received and ADEQ will continue to dialog with the AG community.
Intel Arizona EPA/ADEQ Site Visit Intel's Corporate Leadership Application	02/03/09	02/03/09	Completed 02/03/09	Intel Arizona site visit with EPA as part of the review of their Corporate Leader application.
Arizona State University Performance Track Presentation	03/04/09	03/04/09	Completed 03/04/09	Special Presentation by Henry Darwin, ADEQ Administrative Counsel, on the EPA and Arizona Performance Track Programs at Arizona State University.
Maricopa County Bar Association	04/22/09	04/22/09	Completed 04/22/09	Discussed the Performance Track Program as part of their continuing legal education (CLE) requirements. Attorneys represent many clients who are subject to federal, state and local government regulations.

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City of Peoria	06/16/09	06/16/09	Completed 06/16/09	Meet with city officials to discuss Performance Track and if is worthwhile for a City; if so, what is the cost of developing and implementing an EMS; and what types of cost savings can be realized by implementing an EMS? Accompanied by a City of Scottsdale representative.
Arizona Department of Agriculture	06/17/09	06/17/09	Completed 06/17/09	Continue discussions on developing an Ag component to AzEPT Program. During that meeting, it was decided that developing a Program specific to the AG community, but modeled after the AzEPT Program, would probably garner the best support from the community. Future plans include approaching the National Resources Defense Council (NRDC), which currently provides tremendous assistance to Arizona's Ag community, for help in developing such a Program.
Arizona Technology Council	07/22/09	07/22/09	Completed	July 22, 2009 – Arizona Technology Council. Conducted EMS training with the assistance of the AESA.

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Workplan: Task - Description	Start	End	Status	Comments/Outcome
Taser International, Inc.	08/07/09	08/07/09	Completed	August 7, 2009 – Taser International. Met with facilities manager to discuss EMS's and how they can help an organization improve. Discussion is underway for a full presentation to the company's leadership. A representative from Ping has agreed to participate in future conversations.
Sustainable Cities Network Global Institute of Sustainability at Arizona State University (ASU)	09/16/09	09/16/09	Completed	September 16, 2009 – EMS Presentation for Sustainable Cities Network at ASU.
Celebrate Your Business Conference sponsored by Namastera Community	09/18/09	09/18/09	Completed	September 18, 2009 – EMS Presentation for Celebrate Your Business conference.
RCRA Seminar at Arizona State University Environmental Technology Management	09/24/09	09/24/09	Completed	September 24, 2009 – RCRA Seminar, ASU.
Southern Arizona Environmental Management Society	09/30/09	09/30/09	Completed	September 30, 2009 – Southern Arizona Environmental Management Society. Conducted EMS training with the assistance of the AESA. AzEPT was asked to make a presentation at an upcoming meeting of the Environmental Professionals of Arizona (EPAZ) .

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Workplan: Task - Description	Start	End	Status	Comments/Outcome
<p>INTERNAL/EXTERNAL OUTREACH</p> <p>Training and Workshops for the Regulated Community as part of the Small Community Compliance Assistance Project (SCEPP) and the Performance Track Program</p>	10/01/08	09/31/09 Extended to 09/2010	Ongoing Commitment Extended to 09/2010	<p>Ongoing Commitment:</p> <p>AzEPT has partnered with the Arizona Environmental Strategic Alliance to provide EMS workshops for the regulated community and further develop training materials.</p> <p>AzEPT Administrator continues to support the ADEQ Small Community Compliance Assistance Program on the development and implementation of a Small Community Environmental Protection Plan (SCEPP) a less robust EMS.</p>
<p>Review with EPA all National and Arizona Environmental Performance Track applications and current members' annual reports.</p>	10/2006	09/2006	Ongoing Extended to 09/2010	<p>Ongoing Commitment:</p> <p>Now that the EPA National Performance Track Program is ending, ADEQ is conducting the reviews of all member applications, renewals and annual reports.</p> <p>EPA has provided a DOJ contact person for state programs. AzEPT will be contacting our Region IX representative to finalize requirements to expedite the review process on new and renewal applications to AzEPT.</p>

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Participate in EPA Performance Track weekly and monthly state conference calls and national and regional Performance Track conferences	10/2006	09/2006	Ongoing Extended to 09/2010	<p>AzEPT continues to participate in the State calls and special teleseminars.</p> <p>AzEPT hopes the State calls will continue.</p> <p>AzEPT continues to invite Performance Track members and ADEQ staff to participate in EPA teleseminars, webinars, and training opportunities of interest.</p>
Ongoing public outreach on performance track through speaking engagements at seminars	10/2006	09/2006	Ongoing Extended to 09/2010	<p>External Outreach Presentations</p> <p>July 22, 2009 – Arizona Technology Council. Conducted EMS training with the assistance of the AESA.</p> <p>August 7, 2009 – Taser International, Inc Met with facilities manager to discuss EMS's and how they can help an organization improve. Discussion is underway for a full presentation to the company's leadership. A representative from Ping has agreed to participate in future conversations.</p> <p>September 16, 2009 – Gave a brief talk on EMS's at a meeting of the Sustainable Cities Network; a network of local cities convened by Arizona State University.</p> <p>September 18, 2009 – Gave a brief talk on EMS's at a conference sponsored by Namastera</p>

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				<p>Community, an organization that promotes the triple bottom line philosophy: People, Planet, and Profit. The conference, Celebrate Your Business, was geared towards providing insight, examples and tools for incorporating sustainable practice into ones business.</p> <p>September 24, 2009 – RCRA Seminar at Arizona State University Environmental Technology Management</p> <p>September 30, 2009 – Southern Arizona Environmental Management Society. Conducted EMS training with the assistance of the AESA.</p> <p>External Outreach Presentations ADEQ has been invited to make a presentation at least four times per year at the RCRA Seminars at Arizona State University (ASU).</p> <p>Ongoing Internal Outreach: 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 AzEPT program has completed the SCEPP manual and template and conducts compliance reviews of all participating communities.</p> <p>Internal/External Outreach: AzEPT</p>

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				continues to work with our Pollution Prevention Unit and our Liaisons for the Small Community Compliance Assistance Project to schedule a series of workshops to assist the regulated community in developing and an EMS or a SCEPP.
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.	10/2006	09/2009 Extended to 09/2010	Annual Training 09/2005 08/27/2008 09/23/09	AzEPT has developed two PowerPoint presentations focusing on EMS's and ADEQ enforcement by providing guidance and example text to be inserted in a Consent Order requiring the development of an EMS as part of a Compliance Schedule. The PPTs have been posted on ADEQ's INTERNAL Intranet site.
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.	01/2007	05/2008	In Process	4th Quarter 2009 AzEPT has completed a draft of a new Arizona Environmental Performance Track program brochure and a new web page with only minor revisions suggested. ADEQ IT staff has completed incorporating the Microsoft Excel version of the application, renewal, and annual progress reports prepared by EPA for States to use after the national program was terminated. AzEPT hopes to complete and post the new web page during the 4 th quarter 2009 in preparation for our members to file their annual progress reports (APR). ADEQ AzEPT Website: http://www.azdeq.gov/function/about/track.html

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<p>Conduct annual site visits of a minimum of 10% of Arizona Performance Track member facilities.</p>	<p>10/2006</p>	<p>Extended to 09/2010</p>	<p>Ongoing Extended to 09/2010</p>	<p><u>July 14, 2009</u>, AzePT Program Administrator accompanied ADEQ's RCRA inspectors on an inspection of PING, an Arizona Environmental Performance Track Program member facility. While this was not an audit of the facility's EMS, the Administrator was able to gain a sense of and witness the effectiveness of Ping's EMS. The inspection revealed two minor divergences from the RCRA requirements, both of which were able to be rectified while we were on site. No enforcement action was warranted as a result of this inspection</p> <p><u>Late August 2009</u> AzePT has tentatively planned to conduct a site visit to one of two Forever Resorts member facilities at Mormon Lake Lodge or Forever Resorts at Grand Canyon Lodge, North Rim. Grant funds set aside to cover travel would be used for the site visit.</p> <p><u>February 3, 2009</u> – Intel Arizona site visit with EPA as part of the review of their Corporate Leader application.</p> <p>With EPA approval, ADEQ Program Administrator attended <u>EMS Lead Auditor Training</u> in Phoenix on November 3 thru 7, 2008 in lieu of EPA Site Visit Training. ADEQ will continue to schedule site visits as part of the Arizona program.</p>

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EMS Guidance and Templates				
Review existing ADEQ developed EMS guidance and templates	10/2006	11/2006	Completed 4 th Quarter 2007	ADEQ's <i>Four Module EMS Templates</i> are posted on the ADEQ website at http://www.azdeq.gov/enviro/waste/p2/index.html with a link from our AZ AzEPT web page.
<i>EMS Survey Card/Mailer: Attached to 1st Quarter 2009 Report</i> Develop EMS survey to be distributed to small businesses during inspections	04/2007	06/2007	Completed 4 th Quarter 2008	<u>EMS Survey Completed.</u> <u>ADEQ Inspector Training:</u> March 18, 2009. Inspectors will distribute the Survey during facility inspections and by the Program Administrator when making presentations.
Conduct training of ADEQ inspectors on EMS's and use of the survey	07/2007	08/2007	Completed 03/18/09	<u>ADEQ Inspector Training:</u> March 18, 2009. Inspectors will distribute the Survey during facility inspections.
Distribute EMS surveys during inspections	08/2007	07/2008	Distribution Begin Date 03/18/09	<u>Effective March 18, 2009:</u> Inspectors are distributing the Survey during facility inspections.
Hold two meetings with small businesses regarding EMS's to gauge interest in EMS's and discuss ADEQ's EMS guidance development	09/2006	Extended to 09/2010	Ongoing Commitment Extended to 09/2010	External Outreach Presentations July 22, 2009 – Arizona Technology Council . Conducted EMS training with the assistance of the AESA. August 7, 2009 – Taser International, Inc Met with facilities manager to discuss EMS's and how they can help an organization improve. Discussion is underway for a full presentation to the company's leadership. A representative from

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				<p>Ping has agreed to participate in future conversations.</p> <p>September 16, 2009 – Gave a brief talk on EMS's at a meeting of the Sustainable Cities Network; a network of local cities convened by Arizona State University.</p> <p>September 18, 2009 – Gave a brief talk on EMS's at a conference sponsored by Namastera Community, an organization that promotes the triple bottom line philosophy: People, Planet, and Profit. The conference, Celebrate Your Business, was geared towards providing insight, examples and tools for incorporating sustainable practice into ones business.</p> <p>September 24, 2009 – RCRA Seminar at Arizona State University Environmental Technology Management</p> <p>September 30, 2009 – Southern Arizona Environmental Management Society. Conducted EMS training with the assistance of the AESA.</p> <p>External Outreach Presentations ADEQ has been invited to make a presentation at least four times per year at the RCRA Seminars at Arizona State University (ASU).</p>

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Modify EMS guidance to meet standards set by EPA's National Performance Track program	07/2007	11/2007	Completed 4 th Quarter 2007	ADEQ's <i>Four Module EMS Templates</i> are now posted on the website at http://www.azdeq.gov/envIRON/waste/p2/index.html with a link from our AZ AzEPT web page.
Modify EMS templates to meet EPA's standards as needed	07/2007	01/2008	Completed 4 th Quarter 2007	ADEQ's <i>Four Module EMS Templates</i> are now posted on the website at http://www.azdeq.gov/envIRON/waste/p2/index.html with a link from our AZ AzEPT web page.
Post revised guidance and templates on ADEQ Performance Track web page	01/2008	04/2008	In Process	<p>4th Quarter 2009 - Revised Guidance and web page should post.</p> <p><u>EMS Four-Module Templates</u> posted to website 4th Quarter 2007.</p> <p><u>SCEPP Manual</u> posted to our website in December 2007.</p> <p><u>SCEPP Template</u> posted to website November 11, 2008 (The template cover page is dated December 1, 2008).</p> <p><u>First Quarter 2009</u>: Draft of ADEQ web page redesign was approved. ADEQ is in the process of updating all guidance materials to add to the new redesigned web page. <u>However</u>, until EPA decides its course of action regarding the AzEPT incentives codified in rule, ADEQ will delay revising this portion of its guidance.</p> <p>ADEQ AzEPT Website: http://www.azdeq.gov/function/about/track.html</p>

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Revise Performance Track application and written literature to reflect web availability	04/2008	07/2008	In Process Extended to 09/2010	<p>AzEPT and IT staff attended the July 21, 2009 webinar demonstration of the new Excel documents. ADEQ IT staff has adapted the EPA Excel based application and annual progress reporting (APR) forms for use on the AzEPT website.</p> <p>AzEPT is finalizing a new web page and all written literature. The revisions will also encourage members and potential members to suggest additional incentives.</p> <p>Incentives – Case By Case Basis AzEPT continues to work with our participating Air Quality counties and other regulatory agencies to promote the AzEPT program and to gain a commitment to develop benefits for our members. AzEPT offers incentives on a case-by-case basis as members request an incentive specific to their needs. AzEPT then negotiates directly with regulatory agency staff.</p>
Hold three meetings/training sessions with small businesses to explain EMS guidance and templates	10/2008	12/2008	Ongoing Commitment Extended to 09/2010	<p>External Outreach Presentations</p> <p>July 22, 2009 – Arizona Technical Council. Conducted EMS training with the assistance of the AESA.</p> <p>August 7, 2009 – Taser International, Inc. Met with facilities manager to discuss EMS's and how</p>

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				<p>they can help an organization improve. Discussion is underway for a full presentation to the company's leadership. A representative from Ping has agreed to participate in future conversations.</p> <p>September 16, 2009 – Gave a brief talk on EMS's at a meeting of the Sustainable Cities Network; a network of local cities convened by Arizona State University.</p> <p>September 18, 2009 – Gave a brief talk on EMS's at a conference sponsored by Namastera Community, an organization that promotes the triple bottom line philosophy: People, Planet, and Profit. The conference, Celebrate Your Business, was geared towards providing insight, examples and tools for incorporating sustainable practice into ones business.</p> <p>September 24, 2009 – RCRA seminar, ASU.</p> <p>September 30, 2009 – Southern Arizona Environmental Management Society. Conducted EMS training with the assistance of the AESA.</p>
<p>Agriculture Performance Track</p>				

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Developing an Agricultural Component For the AZ Performance Track Program	12/16/08	12/16/08	In Process Extended to 09/2010	<p>3RD Quarter 2009 - Ongoing meetings with representatives of the agricultural community suggest that future success requires Arizona to develop a separate but similar program to AzEPT. The agricultural component will remain the responsibility of the Arizona's Performance Track Program Administrator and support staff.</p> <p><u>June 17, 2009</u> – Meeting with Arizona Department of Agriculture to discuss developing an Ag component for the AzEPT. Future plans include approaching the National Resources Defense Council (NRDC), which currently provides tremendous assistance to Arizona's Ag community, for help in developing such a Program.</p>

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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	08/2007	11/2007	Ongoing Extended to 09/2010	NOTE: AzEPT has researched guidance documents developed by federal, state and trade associations related to EMS's for the Ag community. AzEPT will include an Ag link on the redesigned web page to resources for the Ag community which should post during the 4 th Quarter 2009. <u>June 17, 2009</u> – Meeting with Arizona Department of Agriculture to discuss developing an Ag component for the AzEPT. Future plans include approaching the National Resources Defense Council (NRDC), which currently provides tremendous assistance to Arizona's Ag community, for help in developing such a Program.
Modify existing program or explore options for new comparable program based on input received in open meeting	09/2007	04/2008	Ongoing Extended to 09/2010	NOTE: AzEPT has researched guidance documents developed by federal, state and trade associations related to EMS's for the Ag community. AzEPT will include an Ag link on the redesigned web page to resources for the Ag community which should post during the 4 th Quarter 2009.
Develop guidance documents for agricultural program	04/2008	06/2008	Ongoing Extended to 09/2010	AzEPT has researched guidance documents developed by federal, state and trade associations related to EMS's for the Ag community. AzEPT will include an Ag link on the redesigned web page to resources for the Ag community which should post during the 4 th Quarter 2009. Guidance developed by EPA and state

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				<p>and national Agricultural programs was distributed by Arizona's Program Administrator at the January 14, 2009 presentation to the CAFO community.</p> <p>Copies of the guidance distributed to the CAFO community were sent to Tom Kelly, EPA Region IX.</p> <p>ADEQ will develop local guidance as this program expands.</p>
Post program description/guidance on ADEQ Performance Track web page	07/2008	09/2008	Ongoing Extended to 09/2010	<p>AzEPT Web Page AG Resources</p> <p>NOTE: AzEPT has researched guidance documents developed by federal, state and trade associations related to EMS's for the Ag community. AzEPT will include an Ag link on the redesigned web page to resources for the Ag community which should post during the 4th Quarter 2009.</p>
Improvements to Flexibility in Permits and Reduced Reporting Incentives				
Develop a list of contacts of other state agencies that regulate facilities eligible for Performance Track	02/2007	03/2007	In Process Extended to 09/2010	<p><u>December 11, 2008 AzEPT MOA Signed by EPA and ADEQ.</u></p> <p>Incentives – Case By Case Basis AzEPT continues to work with our participating Air Quality counties and other regulatory agencies to promote the AzEPT program and to gain a commitment to develop benefits for our members. AzEPT offers incentives on a case-by-case basis as members request an incentive specific to their needs. AzEPT will</p>

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				then negotiate directly with AQ Section Manager, participating counties and regulatory agency staff rather than rely on legislation.
Review <i>EPA White Paper #3</i> on the <i>Design of Flexible Air Permits</i> to further develop Arizona's flexibility in permits as an incentive	03/2008	04/2008	In Process Extended to 09/2010	<p>Incentives – Case By Case Basis AzEPT continues to work with our participating Air Quality counties and other regulatory agencies to promote the AzEPT program and to gain a commitment to develop benefits for our members. AzEPT offers incentives on a case-by-case basis as members request an incentive specific to their needs. AzEPT will then negotiate directly with AQ Section Manager, participating counties and regulatory agency staff rather than rely on legislation.</p> <p>Air Quality Permits Section Manager's will 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 web page and written literature. ADEQ will work with our participating counties to develop additional incentives.</p>

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Meet with state agency representatives to discuss Performance Track, permit flexibility, and reduced reporting incentives	04/2008	05/2008	In Process Extended to 09/2010	<p><u>December 11, 2008 AzEPT MOA Signed by EPA, ADEQ and the participating counties: Maricopa, Pinal and Pima County AQ Directors.</u></p> <p>Incentives – Case By Case Basis AzEPT continues to work with our participating Air Quality counties and other regulatory agencies to promote the AzEPT program and to gain a commitment to develop benefits for our members. AzEPT offers incentives on a case-by-case basis as members request an incentive specific to their needs. AzEPT will then negotiate directly with regulatory agency staff.</p> <p>EXAMPLE: September 2008, ADEQ successfully negotiated with Maricopa County on a flexible permitting benefit for Freescale Semiconductor, Inc., for their Tempe and Chandler facilities.</p>
Develop additional requirements needed to receive multi-agency incentives	06/2008	10/2008	In Process Extended to 09/2010	<p><u>December 11, 2008 AzEPT MOA Signed by EPA, ADEQ and the participating counties: Maricopa, Pinal and Pima County AQ Directors.</u></p> <p>Incentives – Case By Case Basis AzEPT continues to work with our participating Air Quality counties and other regulatory agencies to promote the AzEPT program and to gain a commitment to develop benefits for our members. AzEPT offers incentives on a case-by-case basis as</p>

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				members request an incentive specific to their needs. AzEPT will then negotiate directly with regulatory agency staff rather than rely on legislation.
Post additional agencies offering incentives on ADEQ Performance Track web page	11/2008	01/2009	In Process Extended to 09/2010	<u>December 11, 2008 AzEPT MOA Signed by EPA, ADEQ and the participating counties: Maricopa, Pinal and Pima County AQ Directors.</u> AzEPT is in the process or redesigning the web page and all written literature. The revisions will also encourage members and potential members to suggest additional incentives. AzEPT will then negotiate directly with regulatory agency staff rather than rely on legislation.
Draft external guidance on permit flexibility and reduced reporting incentives	11/2008	03/2009	In Process Ongoing Extended to 09/2010	<u>December 11, 2008 AzEPT MOA Signed by EPA, ADEQ and the participating counties: Maricopa, Pinal and Pima County AQ Directors.</u> Incentives – Case By Case Basis ADEQ offers permit flexibility incentives on a case-by-case basis as members request an incentive specific to their needs. AzEPT will then negotiate directly with regulatory agency staff rather than rely on legislation.

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Workplan: Task - Description	Start	End	Status	Comments/Outcome
Post external guidance on ADEQ Performance Track web page	04/2009	07/2009	Ongoing Extended to 09/2010	Revised web site and guidance documents should be posted during the 4 th Quarter 2009. Because of the termination of the National program, all AzEPT guidance is being revised and will be posted once approved by ADEQ senior management.
Revise application and other written literature to reflect web availability of guidance on permit flexibility and reduced reporting incentives	08/2009	09/2009	On Schedule Extended to 09/2010	ADEQ IT staff has adapted the EPA Excel format application and annual progress report (APR) forms for use on AzEPT's web page. Draft revisions to the program brochure and web page have been completed with details on all new program incentives should be posted during the 4 th Quarter 2009.

Section 4 - Financial Report – JULY 1, 2009 thru SEPTEMBER 30, 2009 - (ADEQ's 1st Quarter FY 10):

(Narrative with chart, funds spent against planned expenditures with noted discrepancies)

	Federal	State	Spent this Quarter	Cumulative to Date
A. Personnel	\$108,000.00	\$186,008.00	\$13,197.00	\$115,297.00
B. Fringe Benefits	\$32,100.00	\$38,992.00	\$3,842.00	\$32,970.00
C. Contractual Cost	-	-	-	-
D. Travel	\$7,500.00	-	*\$517.00	*\$2,357.00
E. Equipment	-	-	-	-
F. Supplies	\$7,500.00	-	*	*\$4,718.00
G. Other	-	-	-	-
H. Total Direct Costs	\$155,100.00	\$225,000	*\$17,556.00	*\$155,342.00
I. Total Indirect Costs	\$69,900.00		*\$4,847.00	*\$70,231
J. Total Cost	\$225,000.00	\$225,000	*\$22,403.00	*\$225,573.00

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*** NOTE:** Innovation Grant was extended to September 30, 2010. No additional funding was requested. Only the remaining balances for Travel and Supplies are included in the one-year extension. Not all expenditures for Travel and Supplies for the 3rd Quarter 2009 have been posted. The numbers will be corrected in the next quarterly report.

***** The grant is slightly overspent on A. Personnel, B. Fringe Benefits, and I. Indirect Costs if you compare the Cumulative to Date column versus the Federal column for those three lines. This is because Ian Bingham's new funding did not become effective in the ADEQ data system until September. ADEQ will go back in and do corrections to move the money from this grant to his new funding. These corrections will be reflected on the next quarterly reports.

ADEQ In-Kind Hours	This Quarter	Cumulative to Date
Nina Kondos, AzEPT Support	79	1,083

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

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- 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.