

US EPA ARCHIVE DOCUMENT



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

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Ms. Jodi Swanson-Wilson
EPA Project Officer
77 West Jackson Boulevard E-13J
US EPA, Region 5
Chicago, IL 60604-3507

August 25, 2008
Via E-Mail

Dear Ms. Swanson:

Re: 2006 State Innovations Grant Program

Attached is the Indiana Department of Environmental Management's State Innovations Grant Program progress report for the Environmental Stewardship Program (ESP) as stipulated in our agreement. This quarterly progress report contains a summary of activities for the seventh three months of the three-year grant (seventh quarterly report).

If you have further questions about the information provided, please contact me at (317) 233-5554.

Sincerely,

Stacey Martindale
ESP Program Manager
Office of Pollution Prevention & Technical Assistance

Attachment: Grant Track form

CC: Fred Saylor
Jennifer Schick
Michael Mendyk
Laura Seifert

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Grant Track System

General Information

| | |
|---------------------------|--|
| Grant Name | State Innovation Grant – Environmental Stewardship Program |
| Cooperative Agreement No. | PI-00E00101-0 |
| Year Awarded | 2006 |
| Number of Amendments | 0 |
| Grant Type | 66.611 Environmental Policy and Innovation Grants |
| Region | 5 |

Summary Description

To develop and implement a voluntary program designed to encourage positive environmental actions that potentially will include reduced air, land, and water emissions and discharges by Indiana businesses and industry. The goal of the Environmental Stewardship Program (ESP) program is to encourage beyond compliance activities to decrease industry’s negative impact on the environment. This program will create new partnerships between the State, local industry, and business, and will require implementation of an Environmental Management System (EMS) to promote beyond compliance environmental initiatives.

Under this Cooperative Agreement, IDEM will develop and implement ESP. Upon acceptance to ESP, each facility will begin to implement one of three pre-determined environmental improvement initiatives as defined in their application. IDEM will publicly recognize those facilities that are accepted into ESP. In addition, IDEM will track the environmental benefits achieved by participating municipalities and provide regulatory incentives where practicable.

Contact Information

State Project Contact

EPA Project Officer

| | | | |
|---------------|----------------------|---------------|-------------------------------------|
| Name | Stacey Martindale | Name | Jodi Swanson-Wilson |
| State | Indiana | Region | 5 |
| Phone | (317) 233-5554 | Phone | (312) 886-0879 |
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| Email Address | smartind@idem.in.gov | Email Address | Swanson-Wilson.Jodi@epamail.epa.gov |

EPA Grant Specialist

| | |
|----------------------------|----------------|
| EPA Grant Specialist Name | Karen Sykes |
| EPA Grant Specialist Phone | (312) 886-7571 |

Project Status Information

| | |
|-----------------------------------|------------------|
| Date Awarded | August 15, 2006 |
| Original Planned Completion Date | August 14, 2009 |
| Scheduled Planned Completion Date | August 14, 2009 |
| Project Actual Completion Date | To be determined |
| Last Progress Report Received on | March 13, 2008 |
| Progress Report through | May 15, 2008 |
| Project Status | Ongoing |

Project Funding

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|-------------------------------|------------|
| Original Grant Budget Request | \$ 225,000 |
| Matching Funds | \$ 306,426 |
| Original Grant Amount | \$ 225,000 |
| Total Grant Funding | \$ 225,000 |

Target Dates and Milestones

IDEM continues to make progress and achieve the milestones identified in the 2006 State Innovations Grant Program project narrative.

Summer/Fall 2006

Milestone: *Promotion: Web site complete; application developed; brochures and booth drafted; press event held to announce program; contractor RFP issued; requests for quote issued and contract drafts begun for EMS website/software; innovations grant received.*

Status: COMPLETE – see previous quarterly report for details

Summer/Fall 2006

Milestone: *Implementation: Responding to requests for assistance; amount and type of assistance provided; providing on-site assistance to facilities, offering EMS training programs to facilities; accepting applications to join the program; brochures printed and distributed; booth available for use; advertising the program at various conferences and workshops; EMS/P2OA Assistance contractor selected. Conduct site visits at applicants with approved EMS's and conduct site visit and EMS assessment at other applicants.*

Status: ON-GOING

IDEM continues to provide EMS training programs and assistance to Indiana entities through a series of workshops throughout the state. These workshops are being funded through IDEM and are not part of this grant. The intent of the workshops is to increase the number of Indiana facilities implementing EMSs and, as a result, increase the number of ESP applications.

Additionally, IDEM has scored the two responses for the onsite EMS development contract and has selected a contractor. IDEM has drafted the contract and once approved by IDEM's attorneys, the contract will be sent to the selected contractor for signature. The contract award date is anticipated for July.

Winter 2007 – Summer 2009

Milestone: *Implementation and Modifications: Reviewing applications and announcing facilities meeting the program requirements; continue assisting potential applicants and promoting the program; speaking at meetings, workshops, and conferences to promote the program; begin offering incentives to successful applicants and tracking outcomes; modify the program as necessary; continue identifying potential incentives; quantify success stories through monetary and environmental benefits; continue working with EPA NCEI to identify and implement additional incentives to state and federal environmental leadership programs.*

Status: ON-GOING

IDEM continues to respond to phone and email inquiries requesting assistance with the program application and identifying pollution prevention opportunities. IDEM also continues to respond to inquiries concerning ESP program requirements, regulatory incentives, and application procedures.

IDEM received five applications during the spring 2008 application round. The applications will be reviewed during the next quarter, including site visits and compliance checks.

IDEM advertised ESP at various conferences during this quarter. ESP was advertised at the Building Green Conference on May 9th, CITES Environmental Symposium on April 22nd, National Environmental Partnership Summit, and the Indiana Opportunity Business Fair on April 15th. Additionally, IDEM issued a press release announcing the spring 2008 application period and ESP program managers posted ESP articles in the Indiana Chapter Air and Waste Management Association newsletter as well as the Great Lakes Regional Pollution Prevention Roundtable LINK newsletter, both issued May 2008.

ESP program managers developed a two year marketing plan to increase ESP and PT membership.

The rules affording ESP members with regulatory incentives became effective during the fourth quarter. During this quarter, the incentives requested by the spring 2007 ESP members received approval from the last IDEM program office. ESP program managers are meeting with IDEM program staff to discuss one last incentive request before all spring 2007 member incentives are implemented. IDEM anticipates having all incentives implemented during the next quarter. IDEM also received incentive requests from fall 2007 members, which have been compiled and are awaiting approval from IDEM program offices.

During the last two quarters, the ESP managers discussed the creation of an “ESP Corporate Membership” with several ESP members as well as with EPA and other interested states. On May 2, 2008, IDEM hosted several ESP members and discussed the creation of a Corporate Member designation and the criteria for such designation. Meeting attendees decided that a Corporate Member designation would be beneficial, but would not be the typical corporate-wide EMS; ESP Corporate Member designation would go “beyond the fenceline” and consider greening suppliers, LEED and Energy Star participation, community outreach, EMS mentoring, and participation in other state or federal programs like Performance Track. The ESP program managers are developing Corporate Member criteria and will seek comments from ESP members.

IDEM continues to work with EPA Region 5 and Headquarters to sign a Memorandum of Agreement for implementation of federal regulatory incentives for program members. ESP program managers continue to work with Dan Murray, Assistant Commissioner Office of Air Quality, to address outstanding MOA items.

The ESP program managers have had trouble obtaining thorough and complete compliance information from a couple of IDEM program offices. Such incomplete information extends the application review period and jeopardizes the quality of membership determinations. ESP program managers met with IDEM program offices to discuss the procedure for providing compliance information on ESP applicants and developed a checklist for the information that is needed. ESP program managers will use these checklists when conducting compliance checks for spring 2008 applicants. ESP program managers also spoke with EPA about obtaining compliance information and it was determined that IDEM would request an EPA compliance report with the assistance of the EPA Region 5 Performance Track coordinator.

IDEM received the first round of ESP Annual Performance Reports and are currently reviewing the data and comparing projected figures to actual achievements. ESP program managers worked with EPA HQ to receive automated email notices when Indiana PT members submit an annual

performance report on PTrack. IDEM anticipates providing EPA with the achievements of ESP members during the next quarter.

During the seventh quarter, IDEM Commissioner Tom Easterly and Assistant Commissioner Rick Bossingham conducted four ESP recognition ceremonies (April 8, two on April 23, and April 30) and issued four press releases, which concludes the recognition ceremonies for Round 2 members. ESP program managers scheduled Round 3 ceremonies with four ESP members and mailed the plaque and ESP flag to one Round 3 member since a ceremony was not requested.

Summer/Fall 2009

Milestone: *Implementation and Documentation: Continue program as described above; measure results and outcomes of program and begin development of final report; begin consideration of future of program. Complete and submit final report to EPA; Innovations Grant completed; determine future of program including funding and office responsible for management.*

Status: NOT YET IN TIMEFRAME

Project Timetable

In addition to the on-going milestones, the project timetable and activities to be completed during the next quarter are listed below:

- Quantify ESP and PT annual performance reports and post achievements on the ESP website.
- Review and process applications from the fourth ESP application including compliance checks, review of applicant’s EMS materials, and site visits.
- ESP program managers will work with EPA to update the PT Annual Performance Report to include a section for dual Indiana PT / ESP members to submit the next ESP commitment. Otherwise, Indiana PT / ESP members must submit the annual performance report to EPA using PTrack and then email the ESP program managers which of the PT commitments will be used for ESP membership that calendar year.
- Assist members of program with incentives including modifications to permits to allow them to benefit from incentives.
- Speak at meetings, conferences, and workshops promoting the program.
- Sign a contract for onsite EMS development assistance.
- Provide EMS assistance to facilities wishing to pursue ESP membership.
- Submit quarterly report to EPA on various measures.

The project timetable and activities to be completed throughout the remaining life of the grant are listed in the following table:

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|-------------|--|
| On-going | Continue working with IDEM program offices to limit barriers to pollution prevention opportunities to members of the program and identify or expand regulatory flexibility incentives. |
| Annually | In cooperation with NEPT, modify state program where needed. |
| Summer 2008 | Submit quarterly report to EPA on various measures. |

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|------------------|---|
| Fall 2008 | Submit quarterly report to EPA on various measures. |
| Winter 2009 | Submit quarterly report to EPA on various measures. |
| Spring 2009 | Submit quarterly report to EPA on various measures. |
| Summer 2009 | Submit quarterly report to EPA on various measures. |
| Summer/Fall 2009 | Provide final report to EPA on the effectiveness of focusing on high priority entities and on what was found and accomplished related to promoting the use of EMSs and removing barriers to pollution prevention. |

Project Funding

The project funding status can be found in the attached Federal Financial Report (Grant Balance tab). The report provides the project expenses year to date. According to the report, IDEM has incurred \$113,071.34 through May 14, 2008. Further, the report shows that IDEM has approximately \$418,354.66 grant funding remaining (approximately \$241,223.29 state and \$177,131.36 federal), which is sufficient to perform the expected program duties throughout the life of the grant. IDEM anticipates fully utilizing the entire grant award for ESP implementation and delivering technical assistance regarding environmental management systems to Indiana regulated entities.