

US EPA ARCHIVE DOCUMENT



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

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Mr. George Stone
EPA Project Officer
77 West Jackson Boulevard
US EPA, Region 5
Chicago, IL 60604-3507

April 1, 2008
Via E-Mail

Dear Mr. Stone:

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 first three months of the three-year grant (first 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: Dan Murray
Karen Teliha
Britt Long
Michael Mendyk

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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 entities and provide regulatory incentives where practicable.

Contact Information**State Project Contact****EPA Project Officer**

Name	Stacey Martindale	Name	George Stone
State	Indiana	Region	5
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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	N/A
Progress Report through	November 15, 2006
Project Status	Ongoing

Project Funding

Original Grant Budget Request	\$ 225,000
Matching Funds	\$ 306,426
Original Grant Amount	\$ 225,000
Total Grant Funding	\$ 530,426

Target Dates and Milestones

Prior to receiving the 2006 State Innovations Grant award, the Indiana Department of Environmental Management (IDEM) completed several major tasks for Environmental Stewardship Program (ESP) development. IDEM coordinated program development efforts with U.S. EPA Region 5 and Headquarters for dual Performance Track and ESP application submission and compliance screening; dual program membership, annual reporting, and initiative measurement; and equivalent site visit requirements.

Additionally, IDEM staff continued development of regulatory incentives which entailed a 2nd Notice for Public Comment for Rulemaking; summarizing public meeting comments and draft rules; and finalizing language for all incentives offered. IDEM developed detailed program procedures, application, promotion materials, and a web site. Moreover, IDEM continues to send additional staff to the ISO 14001:2004 EMS Lead Auditor Training Course.

IDEM staff continues to make progress and achieve the milestones identified in the 2006 State Innovations Grant Program project narrative. Currently, all target dates and milestones are being met.

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

During the first quarter, IDEM received 2006 State Innovations Grant award funding and submitted the Quality Assurance Project Plan for EPA review.

IDEM developed a web site for ESP detailing the differences between Performance Track and ESP, ESP program requirements, regulatory incentives, environmental management system (EMS) requirements, application process, and independent EMS assessment. The web site is available at <http://www.in.gov/idem/prevention/esp/>.

A brochure was drafted by IDEM's media team and printing bids are currently being accepted. Booth materials were developed including sector specific photos and an ESP logo.

IDEM staff drafted components for creation of an EMS Development Software tool and is awaiting bids on the contract. Additionally, IDEM is developing a contract to provide EMS assistance to Indiana facilities lacking a formal EMS.

IDEM publicly released ESP during the 2006 Indiana Partners for Pollution Prevention Conference & Trade Show held September 20, 2006. The Conference attracted approximately 200 attendees representing business, industry, and municipal sectors. Assistant Commissioner Dan Murray and program staff presented ESP to conference attendees and explained program requirements. All attendees were provided with an ESP CD-ROM containing ESP eligibility requirements, differences between Performance Track and ESP, ESP incentives, ESP application and instructions, EMS checklist, and ESP Independent Assessment Protocol.

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; EMS website/software contract selected and contract signed. Conduct site visits at applicants with approved EMS's and conduct site visit and EMS assessment at other applicants.

Status:

ON-GOING

During the first quarter, IDEM responded to twenty-four phone calls about ESP, eight email inquiries, and provided three presentations to interested parties. Inquiries concerned ESP program requirements, regulatory incentives, and application procedures.

IDEM performed one EMS Independent Assessment Protocol site visit and provided EMS guidance for purposes of ESP.

ESP program staff has twice met with other agency offices affected by the regulatory incentives to determine the best method of implementation for providing regulatory incentives to ESP members.

IDEM received seventeen ESP applications during the charter membership application round of September 1, 2006, through October 31, 2006. IDEM has a 90-day internal application review period to ensure applicants are meeting EMS requirements, compliance standards, and initiative criteria. IDEM anticipates awarding ESP charter membership during February 2007.

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; EMS website and software approved and distributed. Continue working with EPA NCEI to identify and implement additional incentives to state and federal environmental leadership programs.*

Status: YET TO BEGIN

Summer/Fall 2009

Milestone: *Implementation and Documentation: Continue program as described above; measure results and outcomes of program and being 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: YET TO BEGIN

Project Timetable

In addition to the on-going milestones of fall 2006, the project timetable and activities to be completed during the next quarter are listed below:

- Determine eligibility of each applicant using their application, compliance check, review of their EMS materials, and site visit. Coordinate with NEPT.
- Notify applicants on results and issue press releases.
- Assist members of program with incentives including modifications to permits to allow them to benefit from incentives.
- 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:

Spring 2007	Submit quarterly report to EPA on various measures.
Summer 2007	Submit quarterly report to EPA on various measures.
Fall 2007	Submit quarterly report to EPA on various measures.
Winter 2008 / On-going	Collect annual surveys and compare to baselines. Coordinate with NEPT.
Winter 2008	Submit quarterly report to EPA on various measures.
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.
Spring 2008	Submit quarterly report to EPA on various measures.
Summer 2008	Submit quarterly report to EPA on various measures.
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.