

US EPA ARCHIVE DOCUMENT



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We make Indiana a cleaner, healthier place to live.

Mitchell E. Daniels, Jr.
Governor

Thomas W. Easterly
Commissioner

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
(800) 451-6027
www.IN.gov/idem

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 second three months of the three-year grant (second 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
Michael Mendyk

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	George Stone
State	Indiana	Region	5
Phone	(317) 233-5554	Phone	(312) 886-7517
Fax	(317) 233-5627	Fax	
Email Address	smartind@idem.in.gov	Email Address	Stone.George@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	December 15, 2006
Progress Report through	February 15, 2007
Project Status	Ongoing

Project Funding

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

Target Dates and Milestones

During the second grant quarter, IDEM staff continued development of regulatory incentives, which entailed a final reading for all incentive rule language. 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; 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

IDEM printed 1,000 copies of the ESP brochure and drafted a design for an ESP Application Folder to contain program information and application documents. The application folder will be distributed at conferences and state-wide events. Additionally, IDEM printed flags with the ESP logo for members to hang on their facility.

IDEM has selected an EMS/P2OQ Assistance contractor and is proceeding through the stages of obtaining appropriate signatures.

IDEM staff visited fifteen of the seventeen facilities that applied for ESP membership and provided EMS assistance to two of the applicants. IDEM invited U.S. EPA National Environmental Performance Track (NEPT) staff to attend site visits at those facilities who submitted an application for dual membership in ESP and NEPT. EPA staff was able to attend one site visit alongside IDEM representatives.

IDEM held a Pre-Request for Proposal meeting for the development of the EMS software tool. This meeting provided IDEM with sound feedback and suggestions for the development of the software. As a result of this meeting with potential software developers, IDEM is utilizing a Request for Information to be submitted by interested software developers before finalizing and posting the EMS Software Request for Proposal. IDEM anticipates reporting on the Request for Information during the next quarterly report.

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: ON-GOING

During the second quarter, IDEM responded to at least thirteen phone calls, two email inquiries, and conducted nine site visits. Inquiries concerned ESP program requirements, regulatory incentives, and application procedures.

IDEM slightly revised the ESP application to include each facility's federal identification number.

IDEM staff completed the review process for charter membership applications; the review process entailed ensuring applications were: complete with the facilities contact information: listed one environmental initiative with required measuring unit; an independent EMS assessment was conducted; and an original copy of the participation statement was provided. Additionally, a complete compliance history was conducted on each applicant as part of the application review process. As a result, IDEM developed Standard Operating Procedures for application review and compliance check processes.

Seventeen Indiana facilities applied to be a charter member of ESP. IDEM awarded charter ESP membership to fourteen of the seventeen applicants. Three of the applicants were not accepted because the facilities did not meet the program requirements for compliance. IDEM will report on the award ceremonies and notifications of charter ESP members during the next quarterly report.

ESP program staff met with other agency offices affected by the regulatory incentives five times to determine the best method of implementation for providing regulatory incentives to ESP members. IDEM program staff have easily implemented incentives for low inspection frequency and the same permit writer, reviewer, and inspector; however, IDEM staff are still working through implementation of more complicated incentives, such as the incentives requiring a permit modification.

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 and winter 2006, the project timetable and activities to be completed during the next quarter are listed below:

- Determine eligibility of applicants to the second application round of ESP using their application, compliance check, review of their EMS materials, and site visit. Coordinate with NEPT.
- 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.
- Continue to pursue a contractor for development of the EMS software.
- 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:

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.

Project Funding

Will be provided Next Week