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Phase I Report Virginia Environmental Excellence Program Review of Policies and Procedures

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**VEEP Integration Project
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1.0 BACKGROUND AND OBJECTIVES

The Department of Environmental Quality (DEQ) launched the Virginia Environmental Excellence Program (VEEP) in 2000 as a voluntary recognition and incentive program for facilities of all types. Since the creation of VEEP, Virginia has come to be regarded as a leader on issues related to performance-based programs, particularly those related to implementation of regulatory approaches that provide increased operational flexibility for the facility and better results for the environment. At present, there are more than 300 facilities participating in VEEP, representing various types of operations, from local governments (45%), state agencies (2%), federal agencies (27%), manufacturers (10%), commercial operations (13%), and small businesses (3%). DEQ believes that this broad approach is critical to the ultimate success of the program because all types of facilities can play an important role in environmental protection and leadership. The ultimate goal of VEEP is to move toward a new type of environmental protection system based not only on regulatory requirements but also on rewards, incentives and the encouragement of innovation.

1.1 The State Innovations Grant

In 2007, the DEQ received a state innovations grant from the US Environmental Protection Agency (EPA) to strengthen the capacity within its core regulatory programs to better integrate VEEP. This 2-year project, running from 2007 to 2009 is aimed at fully integrating VEEP within the policies, procedures, and activities of the various components of DEQ, including the three Central Office media offices as well as the seven regional offices. This effort requires an increase in the knowledge and understanding of the programs on the part of DEQ staff, particularly those most frequently interacting with facilities (e.g., inspectors, permit writers, and trainers) in order to achieve a more “innovation friendly” organizational culture and system.

In addition to further integrating VEEP within the agency, individuals and organizations outside of DEQ who may also have an interest in VEEP and its goals and objectives are being considered. Existing and potential VEEP facilities will continue to be engaged through several mechanisms, including the Virginia Environmental Management System Association (VEMSA), which is an alliance of Virginia localities, state agencies, private business, federal facilities, and colleges and universities, formed in the fall of 2005 to share best practices and provide opportunities for discussion of EMS and VEEP-related topics. Additionally, DEQ will conduct focused interviews and continue to use forums such as the annual Environment Virginia conference held each spring in Lexington to provide program updates and receive feedback from facilities, non-governmental organizations, and other interested parties.

This project relies on a strategic approach to integrate the principles of a voluntary performance-based program within a state environmental agency whose traditional charter is regulatory. Therefore, the project focuses on building capacity among the core regulatory programs within DEQ to better integrate VEEP in terms of policies, procedures, and the delivery of incentives. DEQ believes that the ultimate result of this integration will be an overall improvement in environmental quality within the Commonwealth and a significant step towards the long-term goal of sustainability.

1.2 The Phase I Report

This report is an evaluation of the current status of development and implementation of VEEP policies and procedures. It is based on research of relevant DEQ policies and procedures, including compliance review procedures, and any connections between program goals and DEQ strategic priorities. There are portions of this document that describe the EPA's National Environmental Performance Track program, its policies and procedures as well as its past relationship with VEEP and the integration of VEEP and NEPT policies and procedures. However, due to the recent closure of NEPT by EPA, the focus of this document, particularly the recommendations, is on the future of VEEP in the absence of NEPT or a similar voluntary environmental recognition program.

Within each section of the document, a baseline of the existing policies and procedures that have been developed by DEQ for VEEP program activities is first established. Building on this foundation, an assessment of the level of implementation of the policies and procedures across DEQ, including an assessment of implementation consistency and variability is presented.

The current state of DEQ information management systems is established to identify opportunities to make the VEEP program information more readily accessible to DEQ program and regulatory staff.

Additionally, a discussion of the current VEEP website is included and a discussion of best practices exhibited by other state and EPA Intranet and Internet websites in order to make recommendations for improving the presentation of DEQ's information to DEQ staff and the public.

Using the policy and process research, a gap analysis is included to identify potential areas for improvement including improving the consistency and thoroughness of information flows to fulfill DEQ's VEEP objectives. This report will then present recommendations to improve the VEEP processes making the report a tangible roadmap for DEQ to continually improve VEEP through ongoing program development and implementation. Understanding that this is a time with limited budgets and resources, we have tried to focus on actions that can be taken to increase the efficient use of current staff and resources.

This report is broken into the following sections:

- Program Design and Management,
- VEEP Operations and Processes,
- Incentives,
- Information Management, and
- Training and Other Communications.

Each of these sections contains subsections that present the current baseline of VEEP's operations and processes, a gap analysis, and a set of recommendations to address the areas identified in the gap analysis.

2.0 PROGRAM DESIGN AND MANAGEMENT

The 2005 Virginia Assembly adopted legislation that provides the legal basis for VEEP. The law, which became effective on July 1, 2005, outlines the 3-tiered design of the program, including the levels of participation (E2, E3, and E4), requirements for participation, annual reporting requirements and potential incentives. Further details of the program design were obtained from the VEEP website and from interviews.

2.1 Baseline

VEEP, according to the VEEP website, *“was established to encourage superior environmental performance through the development and implementation of environmental management systems and pollution prevention efforts. VEEP drives environmental excellence by encouraging facilities within the Commonwealth that have strong environmental records to go above and beyond their legal requirements. VEEP members earn recognition and are potentially eligible to utilize specific regulatory and administrative flexibilities.”*

According to the Memorandum of Agreement (MOA) with EPA (July 2000), there are seven goals of VEEP:

- *Improve protection of public health and the environment;*
- *Promote performance and compliance based Environmental Management Systems;*
- *Promote pollution prevention;*
- *Encourage facilities to systematically assess, prioritize and measurably improve environmental performance;*
- *Seek broad stakeholder participation;*
- *Provide recognition and incentives for participation and leadership; and*
- *Enhance trust between government, facility owners/operators and the public.*

The 2007 Annual Report for DEQ’s Office of Pollution Prevention states that VEEP *“is intended to recognize facilities and persons that have demonstrated a commitment to enhanced environmental performance and to encourage innovations in environmental protection.”*

Currently, VEEP is managed out of the DEQ’s Office of Pollution Prevention. Virginia benefits greatly from having legislation that enacts the program and clearly defines the design of the program. Like many of the excellence programs, VEEP is a multi-level program with an “on-ramp” tier (E2) designed for bringing on organizations that make a commitment to environmental excellence and is developing an EMS but does not yet have a fully implemented EMS. These organizations are committed to becoming environmental leaders, but may not be fully performing at the level. At the E3 level the organization must have a fully-implemented EMS and documented results and at the E4 level they must have completed a full cycle of the EMS as verified by an unrelated third-party qualified auditor.

Up until recently, the VEEP staff worked closely with the NEPT staff at EPA in the management of VEEP. In July 2000, DEQ signed an MOA with EPA Region III which outlines the agencies’ commitment toward regulatory innovation and VEEP. The MOA identifies the processes and procedures that will be used to review VEEP applications as well as requests by VEEP participants for regulatory flexibility.

On April 24, 2002, DEQ signed a second MOA on the program with EPA Headquarters. The MOA committed EPA and DEQ to work together to coordinate the VEEP and NEPT programs in terms of administration, marketing and provision of incentives.

Currently, VEEP reports on its progress through the Annual Progress Report which reports members' collective progress toward environmental goals and highlights specific success stories.

2.2 Gap Analysis

State excellence programs vary significantly in their design and management, how clearly their mission and goals are defined, and how well they track their success towards performance metrics. Some state programs are primarily technical assistance programs providing training and tool kits and others are primarily leadership programs. Some programs are a mix of both. Because the programs vary so widely as to their own missions, it is difficult to identify criteria on which to determine the most successful. Most do not have specific objectives on which they report. With that said, those programs that most clearly define their mission as a leadership program for star performers or a technical assistance program for low performers appear to be able to most clearly demonstrate their success. Some of these programs require the implementation of EMS and others do not.

VEEP has been widely known to be a premier program among state excellence programs. The program's successes and outputs have been, however, limited somewhat by the program's lack of a strategic plan and a clear link between program results and the DEQ's strategic vision. Lack of clearly defined programmatic performance measures has also reduced the program's effectiveness. This is a common attribute of voluntary programs and was discussed in reference to NEPT in a 2008 GAO report.

Although there is the mission statement "to encourage superior environmental performance through the development and implementation of environmental management systems and pollution prevention efforts" on the VEEP website and goals listed in the MOA, the program's current driving objectives are not clear. This results in a lack of consistency in the message of VEEP. Both managers within DEQ and external stakeholders have voiced a need for a consistent message to clarify the design and purpose of the program and on which to determine success.

2.3 Recommendations

It is recommended that VEEP more clearly define its mission within the DEQ. As part of this clarification of the purpose of the program, DEQ may want to consider whether VEEP should be primarily a recognition program or an incentive program. The design of a recognition program can at times be antithetical to the design of an incentive program and a program attempting to do both equally can find that it is operating in muddied waters. An effective program design might be that VEEP become a 2-tier program with one tier becoming the technical assistance program aimed at driving performance and the other tier becoming the awards program aimed at recognizing the performance of top performers. If the assumption is made that DEQ desires that VEEP function as both a recognition and an incentive program to both reward innovation by the star performers and encourage the low performers, it is recommended that the VEEP tiers be more clearly separated and branded. Protecting the brand of a recognition program is paramount and having lower performing organizations in the program can severely affect the

program's credibility. On the other hand, if driving performance is the primary mission of the program then restricting the program just to high performers will limit the programs success. It is important to note that in several cases top performing stakeholders claimed that participation in VEEP did not result in the organization doing anything that it wouldn't already have done. Instead they joined the program purely for the recognition.

The table below outlines two possible scenarios of the program (or the tiers) which are not necessarily mutually exclusive, but should be considered so that they do not cloud the ultimate measurement of success of the program.

In a program that is designed to be a recognition program, defending the brand is of utmost importance. For this reason, protecting the credibility of the program is essential and to do so there must be a focus on the outcomes of each VEEP member to demonstrate that they operate at a high level of environmental performance. For a program designed to be a technical assistance program to low performers, the focus is on improvement in environmental performance.

	Recognition Program	Incentive Program ("On-ramp")
Objective:	To recognize the true leaders in environmental stewardship	To encourage improvement in environmental performance of the late adopters of EMS or low performers
Program type:	Awards Program or Leadership Program	Technical Assistance Program
Target Members:	Star Performers	Organizations meeting minimal performance levels but having desire to improve
Performance metrics:	<ul style="list-style-type: none"> ➤ Level of Performance (without expectation of large increases in performance improvement) ➤ Limited membership to protect brand ➤ Innovation 	<ul style="list-style-type: none"> ➤ Change in Performance (Opportunity for large performance improvements due to low baseline) ➤ Increased membership to expand influence ➤ Improved relationship and trust
Benefits to Members:	<ul style="list-style-type: none"> ➤ Relationship with DEQ ➤ Opportunity for sharing of best practices and innovation ➤ Public relations benefits 	<ul style="list-style-type: none"> ➤ Relationship with DEQ ➤ Technical assistance ➤ Mentoring
Possible Barriers to Members:	<ul style="list-style-type: none"> ➤ These may be organizations that would "do it anyway" so see limited value in program. 	<ul style="list-style-type: none"> ➤ Fear of disclosure ➤ Perception that program will ask more than they have resources to accomplish
Primary DEQ Benefit	<ul style="list-style-type: none"> ➤ Fosters greatest innovation ➤ Collaboration with regulated community 	<ul style="list-style-type: none"> ➤ Bring up low performers so greatest opportunity for performance change
Primary DEQ Barrier	<ul style="list-style-type: none"> ➤ Less opportunity for demonstrating impact 	<ul style="list-style-type: none"> ➤ Time scales may be much longer to see success

The sustainability of VEEP could also be improved by more fully integrating the program into the DEQ. Once a clear delineation is made of how VEEP supports the overall DEQ's mission, the integration within DEQ and uptake by media programs will be more effective. There are not

sufficient resources for a program such as VEEP to continue to grow and fulfill its potential without it being fully integrated throughout the media programs across the DEQ and particularly in the regions.

Recommendations for improving the program design include:

- Clarify VEEP’s mission and how it supports the overall DEQ mission,
- Define VEEP’s program objectives,
- Communicate the program objectives clearly to all internal and external stakeholders so that each stakeholder group clearly understands its role in helping the program to achieve its objectives,
- Develop a strategic plan for meeting the program’s objectives, linking the program’s activities to the objectives,
- Identify the performance measures based on the desired outcomes so that VEEP staff can easily track progress, and
- Develop and report both member criteria (e.g., EMS elements, innovation, collaboration) and outcomes (performance-based environmental protection).

3.0 VEEP OPERATIONS AND PROCESSES

3.1 Baseline

3.1.1 Program Eligibility

Any facility in the Commonwealth that impacts the environment through its operations, activities, processes, or location is eligible to participate in VEEP, including private, governmental, and institutional operations. VEEP is a facility- and/or location-driven program, meaning that an organization’s individual facility or location submits an application to the program. VEEP does not base an organization’s eligibility requirements on their size or sector.

Virginia law establishes three primary requirements for participation in VEEP.¹ They include: (1) the development of an environmental management system (EMS); (2) a record of sustained compliance with environmental requirements; and (3) commitment to implement “beyond compliance” pollution prevention activities. Virginia law defines sustained environmental compliance as no criminal convictions for environmental offenses within the previous five years; no more than two significant environmental violations within the previous three years; no unresolved notices of violations of environmental requirements; compliance with any consent orders from any of DEQ’s citizen boards; and no demonstration of an unwillingness or inability to comply with environmental protection requirements.

Until recently, any facility accepted into NEPT was automatically considered a VEEP E4 facility, should it seek admission to Virginia’s program.

3.1.2 Program Framework

In addition to establishing participation and annual reporting requirements and membership incentives, Virginia law establishes the programmatic framework for VEEP. Under it, facilities

¹ Section 100.1-1187.1 of Code of VA.

may apply for program admission to any of three levels: Environmental Enterprise (“E2”), Exemplary Environmental Enterprise (“E3”), and Extraordinary Environmental Enterprise (“E4”). The E2 membership level of VEEP is for those facilities that are interested in beginning or are in the early stages of implementing an EMS; the E3 level is for those facilities with a fully-implemented EMS, pollution prevention program and demonstrated performance; and the E4 level is for those facilities with a fully-implemented and independently audited EMS and that are committed to aggressive measures for continuous and sustainable environmental progress and community involvement.

Facilities at more advanced program levels (e.g., E4) have more program requirements to meet than those in the preliminary or journeyman program levels (E2, E3).

All applicants are required to meet the program requirement to provide documentation that demonstrates the following key elements related to an EMS at its facility: (1) the facility’s policy statement outlining its commitment to the environment; (2) the facility’s process for identifying and evaluating its environmental impacts; (3) a list of the facility’s goals or objectives for reducing environmental impacts; and (4) any planned or ongoing pollution prevention projects.

In addition, all applicants are required to commit to reporting on at least one environmental measure from a provided list. E3 applicants are required to report on two measures, and E4 applicants are required to report on three. E3 and E4 applicants are also required to submit documentation demonstrating a fully implemented EMS at their facility. Additionally, E4 applicants are required to submit documentation that they have completed at least one full cycle of their EMS and it has been reviewed and verified by a third party.

Currently VEEP has no program performance requirements and the criteria for its members is simply based on the presence and robustness of a tool (the EMS) for making performance improvements. Additionally, organizations can commit to implementing an EMS and then remain a member of VEEP indefinitely without demonstrating the implementation of an EMS. The Annual Report includes environmental performance improvements but not whether facilities are meeting their own goals.

3.1.3 Application Process

Facilities may submit VEEP membership applications to DEQ year round. Facilities apply for membership to VEEP by completing one of three applications, depending upon the program level that is sought. Applications require standard information regarding facility name and location, entity type (e.g., local, state, or federal government, manufacturer, or other), environmental permit numbers, and a brief description of the facilities primary functions and activities. Applicants can request a pre-application meeting with DEQ to discuss participation requirements. NEPT members could be enrolled in VEEP without submittal of an E4 application.

3.1.4 Member Approval Process

Staff from DEQ’s [Office of Pollution Prevention](#) (OPP) performs initial reviews of all VEEP applications to confirm completeness. Facilities are notified if additional information is needed. Once complete, E3 and E4 application materials are reviewed by a team of multi-disciplinary DEQ staff to determine whether it meets program requirements, and a site visit is conducted to review with the applicant the submitted documents.

If an E2 applicant is denied admission, DEQ will first contact the facility by phone to discuss the agency's reasoning and then follow up in writing.² If deficiencies are identified with an E3 or E4 applicant facility, it will be notified and provided the opportunity to submit additional information.

Upon application approval, DEQ issues an acceptance letter to the facility. If the application is denied, DEQ will first contact the facility by phone to discuss the agency's reasoning and then follow up in writing.

A Memorandum of Understanding between DEQ and U.S. EPA Region 3 established procedures between DEQ and Region 3 for reviewing applications, coordinating compliance screening, and administering certain program benefits. VEEP makes no commitment as to when applicants will be informed of a decision on membership.

3.1.5 Annual Reporting Requirements

VEEP members are required to submit annual reports that address operations at the scale at which the member was accepted (e.g., facility, department, etc.). Annual reports are due on April 1 for the previous calendar year and are to include data from that time period. NEPT members were not required to submit VEEP annual reports; NEPT annual performance reports served as an equivalent reporting mechanism for facility operations.

Annual reports include data on the environmental indicators selected by the applicant in its application. Required data begins with a baseline, developed from the year the facility was accepted into VEEP or renewed its membership. Reports are prepared using standardized units to protect business confidentiality. DEQ provides a list of common conversions at www.deq.virginia.gov/veep/reporting.html. VEEP's online reporting system (www.veeponline.org) allows for online submittal of annual reports and provides a tutorial with completed sample reports.

Members that do not submit an annual report risk having their membership revoked.

3.1.6 Membership Renewal

VEEP facilities are required to renew their participation in the program every three years to maintain membership status. Due dates are quarterly, based on time of original acceptance: Jan. 1, April 1, July 1 and Oct 1.

3.2 Gap Analysis

3.2.1 National Environmental Performance Track (NEPT)

Program Eligibility

NEPT had relaxed eligibility (and participation) requirements for small facilities, defined by EPA as those facilities with fewer than fifty full-time employees. A small facility applicant was allowed greater flexibility with respect to its approach to public outreach, and community reporting in particular.

Program Framework

² Program eligibility determinations are not subject to the Virginia APA or judicial review.

NEPT had one level of member participation, equivalent to the E4 level. Similar to VEEP, applicants committed to quantitative environmental measures; however, NEPT members were required to commit to two to four, based on facility size. Small facilities committed to one environmental measure.

NEPT also had a small premier membership designation, Performance Track Corporate Leader, to recognize companies that were substantially committed to Performance Track and exhibited policies and behavior at a corporate level that were associated with environmental excellence. To be eligible for this membership category, a company must (1) have had at least five facilities that were each NEPT members, and (2) had at least 25 percent of its U.S. operations (based on number and type of facilities, or employees), or 25 facilities, in NEPT and/or similar state performance-based programs.

The NEPT Corporate Leader designation was to yield greater environmental results as a result of collective leveraging of facilities than it would have from the same facilities as individual NEPT facility members. To these select members, EPA sought evidence that the company assigned a priority to environmental issues at the corporate level and had a system to identify, prioritize, manage, measure, review, and continuously improve environmental performance throughout its operations as criteria for Corporate Leader status. EPA designated up to three Performance Track Corporate Leaders per year.

Application Process

NEPT applications were accepted twice a year: April 1 – May 31, and September 1 – October 31.

Membership Approval Process

NEPT's membership approval process was similar to VEEP, except that it did not include a facility visit and did require a "reference check." Reference checks provided an opportunity for EPA to receive some community feedback.

NEPT laid out a time-specific process for applicants, including a commitment to notify of acceptance within 90 days of application submittal. During that time, EPA conducted a detailed compliance review involving Headquarters and Regional offices' file reviews to determine a facility's compliance status as it related to program compliance requirements. Headquarters compliance screening included inquiries to EPA's criminal and civil enforcement offices, the Dept. of Justice, and EPA's civil enforcement. A process that mirrored this applies to E3 and E4 applications; under a DEQ/Region 3 MOA addressing the VEEP program and state-federal interactions, VEEP's approval process includes consideration of EPA comments on pending E3 and E4 facility applications.

Annual Reporting Requirements

Reporting requirements were similar to VEEP. NEPT members were required to submit annual reports that demonstrated the facility's environmental outcomes over the previous year and its maintenance of PT membership criteria. Facilities that did not submit an Annual Performance Report to EPA had their membership revoked. Facilities were required to maintain and make available the supporting documentation used to prepare its Annual Performance Report.

Membership Renewal

NEPT members were required to renew their participation in the program every three years to maintain membership status. NEPT emphasized good-faith efforts in improvements and achieving their environmental performance goals. Corporate Leaders received a five-year membership.

Other Considerations

NEPT had been successful overall in facilitating the emergence of related excellence programs among states. The program's successes and outputs had been diminished and/or limited somewhat, however, by the program's failure to develop a strategic plan to successfully link program results to a strategic vision. Lack of clear programmatic performance measures had hurt the program's effectiveness, as was suggested in a 2008 GAO report.

3.2.2 State Programs

State programs vary considerably. Some require implementation of EMSs and others do not. Some are tiered and have increasing requirements at each tier and others are almost a technical assistance program. Some of the key ways that performance-based program designs vary are:

- Whether they allow flexibility for smaller facilities,
- By numbers and types of levels,
- Whether EMS is required or simply focused on pollution prevention,
- Whether program focused,
- Whether they have a corporate-type membership (like PT),
- Whether they are primarily incentive or recognition programs,
- Whether they provide regulatory flexibility as an incentive, and
- Membership base.

New York Program ("New York Environmental Leaders")

- *Program Eligibility:* NY's program allows for multi-facility applicants in limited number.
- *Program Framework:* NY's program is two-tiered with "entry" and "leadership" levels (although leadership level contains a "state" level and "federal"/NEPT-linked level). Entry level is designed for facilities beginning efforts to improve environmental compliance. The leadership level is designed for facilities with a mature EMS and existing record of environmental leadership. NYEL is also bifurcated by the program's recognition of "small facilities," those facilities with 100 employees or less that are independently owned and operated and are not dominant in their fields. Several program criteria, such as public outreach and performance improvements and commitments, are modified for small facilities.
- *Member Approval Process:* NYEL includes multi-media compliance assessments as an aspect of compliance screening where information pertaining to a facility's compliance status is limited. In those circumstances, applicants that do not agree to a compliance assessment are denied admittance to the program. Violations discovered during application-related assessments are handled under DEC's penalty mitigation policies.
- *Annual Reporting Requirements:* Self-certification by a responsible corporate official is required in annual reporting.

- *Membership Renewal:* Entry-level members are allowed membership for five years, after which point they may apply for Leadership level admittance. Entry-level members may also apply for the Leadership level as soon as Leadership level entrance requirements are met. Leadership level members must apply for renewal every three years and must document measurable improvements in performance.
- *Member Benefits:* Entry-level members are granted high-priority status for DEQ assistance.
- *Other Considerations:* NYEL affirmatively states DEQ's discretion to terminate program membership for discovery of new violations, EMS deficiencies, lack of progress in performance commitments, and falsification of documents. NYEL highlights availability of penalty mitigation policies to address violations discovered through the program, in an effort to maintain transparency and accountability to the public, as well as avoid a potential programmatic chilling affect on potential applicants.

Tennessee Program ("Pollution Prevention Partnership – P3")

- *Program Framework:* Tennessee's P3 Program includes four levels (with two sublevels for continuing members), beginning at the most basic performance/commitment level, including households. The program provides a natural progression from level to level. Specifically, the Partner level requires development of a five-project plan with pollution prevention projects relating to each identified category of environmental concern. Partner program members are to complete one project and submit a success story. The top level, Performer, requires completion of the four remaining pollution prevention projects from the Partner category. In addition, Performers are required to involve the community in pollution prevention activities. The program lends itself to EMS development assistance.

New Hampshire Program ("Environmental Leadership Initiative")

- *Program Eligibility:* The program does not require applicants or members to develop an EMS, although projects are approved in a manner that supports a progression toward EMS development.
- *Program Framework:* The program contains one level only, Aspiring Leaders; however, based on its "level" distinction, it appears as though additional levels may be added to the program in the future. Aspiring Leaders is aimed at small businesses and local government entities that need assistance with improving environmental performance.

Although providing one membership level only, program requirements are scaled based on entity size, with three levels addressing the categories of "large businesses, SBA-eligible small businesses, and those entities with ten or fewer employees." Paradoxically, the program does not specifically address local government placement in the sized tiers.

Aspiring Leaders are required to identify between one to three pollution prevention or BMP projects, depending on applicant size,. All projects must have measurable goals and be linked to state environmental priorities (NH's stated as climate change/energy use, and land development/sprawl/habitat loss).

- *Other Considerations:* It is the Program's stated intention to develop a list of sector-specific BMPs from which applicants may choose for inclusion in their project commitments.

North Carolina Program (“Environmental Stewardship Initiative – ESI”)

- *Program Eligibility:* ESI allows for multi-facility applications for Environmental Partners, the entry level of the program.
- *Membership Renewal:* The ESI membership period is five years, although middle- and advanced-level members are reviewed after three years to assess if facilities continue to meet program goals. [It’s unclear how this differs from review of the annual reports].
- *Member Benefits:* Environmental Partners (entry level) are provided with EMS training opportunities annually. Training modules are broken into a series of steps designed to support EMS development.
- *Other Considerations:* ESI posts an annual program calendar that identifies standardized times for various program implementation activities (e.g., compliance reviews, annual participants meeting, site visits, EMS development training, etc.).

Kentucky Program (“KY EXCEL”)

- *Program Framework:* KY EXCEL has four levels of membership. The most basic, the Advocate, is designated specifically for non-permitted facilities. The remaining three levels are for permitted facilities. Environmental projects serve as the cornerstone of KY EXCEL. Although EMSs are required of three more advanced levels, the program’s emphasis appears to be the environmental benefits of a project-based program. All levels require performance of a pre-approved environmental project. Similar to federal “supplemental environmental projects,” KY EXCEL projects must involve activities not legally required. The primary factors considered for project approval are environmental benefit and meaningfulness (as it relates to membership level).
- *Member Benefits:* The KY EXCEL provides links from the “KY EXCEL Members” web page to each member’s website.

Georgia Program (“Partnership for a Sustainable Georgia”)

- *Program Framework:* Georgia’s program provides a “traditional” multi-level excellence program track that it refers to as the “EMS track,” and which it promotes, in particular, for large organizations with the resources for EMS development. A separate track in the Partnership Program is the “Sustainable Office Toolkit Track.” The Toolkit track emphasizes sustainability through practices such as recycling, energy and water conservation, and green building, and provides a foundation for development of an environmental program. Georgia targets office-based organizations as most appropriate for Toolkit applications, with an emphasis on environmental footprint reduction.

Georgia’s Toolkit has three components: (1) a guidebook for planning, maintaining and improving programs; (2) seven modules designed to support program development (Waste Reduction, Environmentally Preferable Purchasing, Energy Conservation, Alternative Transportation, Green Building, and Corporate Social Responsibility); and (3) resources (e.g., sample environmental policies, environmental calculators, posters, sample letters, etc.).

3.3 Recommendations

3.3.1 Program Eligibility

By far, the largest sector of VEEP members is government. There is a surprisingly small number of manufacturers and other industrial members. To a certain extent, this fact defines VEEP in the sense that this is a sector which has a quite different footprint and needs than the traditional manufacturing sectors. Industrial entities tend to have multiple permits and large impacts on the environment and as such provide a greater opportunity to reduce impacts to the environment. They are also most likely to become collaborators on innovative approaches.

- Increase the number of manufacturers and other industrial entities. It may be necessary to first identify what the barriers are to their participation. Engaging the DEQ Region offices in the development of an Annual Recruiting Plan could help to focus the VEEP staff's efforts and engage the Regional media staff in identifying potential new VEEP members. A study of the sectors which are the greatest sources of pollution in Virginia would inform the program and provide the data needed to identify the sectors that should be targeted for greater recruitment efforts.
- Allowing for *multi-facility acceptance* may provide a greater incentive for larger, high-performing entities by potentially easing the administrative burden associated with numerous un-related facility applications, and leveraging management and resource opportunities. For DEQ, allowing for multi-facility membership may broaden the universe of environmentally responsible operations currently enrolled in VEEP.

3.3.2 Program Framework

- Recognizing *small businesses* in VEEP through modified requirements could encourage greater participation by a population commonly disengaged with environmental management issues and strained to proactively manage certain obligations due to limited resources and access to expertise.
- Developing and publicly posting an *annual calendar* that reflects recurring VEEP program implementation tasks (e.g., annual report submission dates) could provide the public and participants with a greater understanding of program functioning.
- *Limiting the time* that an E2 member may remain at that program level would encourage facilities to continually improve operations and would reflect DEQ's expectation that members commit to measurable progress. It also would be consistent with the requirement outlined in the legislation that E2 members are actively developing an EMS. An appropriate amount of time should be allowed as well as flexibility should there be a change in leadership at the organization or other understandable delays in implementing the EMS.
- Developing a clear progression guide for VEEP participants to move from E2 to a higher tier.
- Requiring that members set and work to achieve their goals. Shift the focus from the tool (EMS) to the outcomes. Track member facilities through the program to ensure that they continue to improve performance. Reporting should not only be collective progress which can allow for facilities which are not making progress to be hidden by facilities that are making significant progress.

3.3.3 Application Process

- Limiting *application dates* may allow for more efficient resource management at DEQ, and instill a greater sense of structure around the program that could aid in integrating VEEP into the culture and broader organization within DEQ. In addition, it could concentrate resources in a way that would allow for certain annual events to occur without competing with resources from ongoing operational requirements (e.g., application reviews).
- Increasing the DEQ's Regional participation in the application process could also more efficiently identify any potential problems that may arise with the facility at a later date as well as to ensure that the Regional staff are committed to providing any additional incentives to the specific facility.

3.3.4 Member Benefits

- For smaller organizations, provide a “tool kit” or template to develop a scaled-down EMS that would allow them to move up to the E3 or E4 level without an unreasonable burden. Continuing to support lower performing organizations that have committed to EMS but not implemented an EMS may negatively affect the credibility of the program. It also will likely result in a stagnation of environmental improvements.

3.3.5 Additional Considerations

- Clearly articulating that VEEP applications require certification by a “*responsible corporate official*” may provide greater strength and credibility to applicant commitments. Clarifying that the signatory to the application is a responsible official has the potential to place a greater responsibility on the member to avoid exposure to criminal liability.
- Promoting various *voluntary self-disclosure policies* within the VEEP membership would provide members with additional tools to manage violations discovered through an EMS. More specifically, EPA's Audit Policy can provide penalty relief for violations of federal laws not delegated to states, and for violation types commonly occurring among large facilities (e.g., EPCRA reporting violations). Align DEQ employee performance awards and recognition with VEEP to encourage promotion of VEEP and efforts to work with members towards innovative solutions.
- Standardize the application of VEEP across the Commonwealth so there is greater consistency among the DEQ Regions. This would require integrating VEEP procedures into the training programs available to DEQ staff.
- Improve the process for working with DEQ's Regional Offices. For VEEP to become a priority of media staff and regional management it needs to be integrated into routine standing meetings.
- Consider adding an additional requirement of E4 facilities that they must assist E2 facilities as a form of mentoring.

4.0 INCENTIVES

VEEP encourages its members through various incentives. In the past, these incentives had also been distributed at the national level through NEPT.

4.1 Baseline

VEEP offers both recognition and regulatory flexibility benefits to its members.

Recognition – VEEP offers members several opportunities for recognition of their accomplishments and achievements. All facilities accepted into the program receive a program plaque, and those at the E3 and E4 levels receive a VEEP flag. Recognition ceremonies are available to members to mark acceptance into the program or movement from one level to another, and may be highlighted the VEEP homepage.

Members may also enjoy a more collaborative relationship with DEQ. In fact, based on interviews with stakeholders the incentives that the majority of VEEP members value the most are those related to recognition, reputation, and an improved relationship with DEQ.

Regulatory Flexibility – VEEP offers members several regulatory flexibility benefits.

- Alternate compliance methods – Virginia law authorizes DEQ to approve alternate compliance methods (ACM) for VEEP participants at the E3 and E4 levels. Alternate compliance methods are considered on a facility-specific basis and may include changes to monitoring and reporting requirements and schedules, streamlined submission requirements for permit renewals, and certain operational changes without prior approval. The facility proposing the ACM must demonstrate that the proposed method will meet the purpose of the applicable regulatory standard through increased reliability, efficiency or cost effectiveness and provide environmental protection equal to or greater than that provided by the applicable regulatory standard without altering other environmental indicators.
- Annual permit fee discounts - Virginia's permit fee regulations provide for discounts on annual permit fees for facilities participating in VEEP. Discounts are dependent on the facility's acceptance and continued participation in the program. VEEP members may be eligible for discounts on solid waste management, hazardous waste management, and water permit fees as follows:
 - *Solid Waste Management:* E2 facilities may be eligible for up to a 10% discount on annual fees; E3 facilities may be eligible for up to a 20% discount. The total of all discounts cannot exceed \$140,000 annually for all solid waste facilities.
 - *Hazardous Waste Management:* E2 facilities may be eligible for up to a 5% discount; E3 facilities will receive potentially up to a 10% discount. The total of all discounts will not exceed a total of \$26,000 annually.
 - *Water:* Participating E2 facilities will receive potentially up to a 2% discount; E3 facilities maybe eligible for up to a 5% discount. The total of all discounts will not exceed a total of \$64,000 annually.

In the past, NEPT facilities in VEEP received the benefits provided for in NEPT as outlined below.

4.2 Gap Analysis

4.2.1 Performance Track

Similar to VEEP, NEPT member benefits included recognition and regulatory incentives. In addition to publicizing, networking and mentoring, common to many environmental excellence

programs, and reduced self-reporting requirements and low-priority status for routine inspections, specific incentives included:

- Extensions to hazardous waste storage periods for large quantity generators, and reduced on-site self-inspection frequency for certain areas;
- Reductions in semi-annual reporting requirements under the MACT provisions of the Clean Air Act, and flexible permitting under Title V and NSR to pre-approve operational changes without needing to amend the permit; and
- Expedited NPDES permit reviews, reductions in NPDES reporting or monitoring, and favorable terms for State Clean Water State Revolving Fund programs.

4.2.2 State Programs

New York Program (“New York Environmental Leaders”)

- *Program Eligibility:* NY’s program allows for multi-facility applicants in limited number.
- *Program Framework:* NY’s program is two-tiered with “entry” and “leadership” levels (although leadership level contains a “state” level and “federal”/NEPT-linked level). Entry level is designed for facilities beginning efforts to improve environmental compliance. The leadership level is designed for facilities with a mature EMS and existing record of environmental leadership. NYEL is also bifurcated by the program’s recognition of “small facilities,” those facilities with 100 employees or less that are independently owned and operated and are not dominant in their fields. Several program criteria, such as public outreach and performance improvements and commitments, are modified for small facilities.
- *Member Approval Process:* NYEL includes multi-media compliance assessments as an aspect of compliance screening where information pertaining to a facility’s compliance status is limited. In those circumstances, applicants that do not agree to a compliance assessment are denied admittance to the program. Violations discovered during application-related assessments are handled under DEC’s penalty mitigation policies.
- *Annual Reporting Requirements:* Self-certification by a responsible corporate official is required in annual reporting.
- *Membership Renewal:* Entry-level members are allowed membership for five years, after which point they may apply for Leadership level admittance. Entry-level members may also apply for the Leadership level as soon as Leadership level entrance requirements are met. Leadership level members must apply for renewal every three years and must document measurable improvements in performance.
- *Member Benefits:* Entry-level members are granted high-priority status for DEQ assistance.
- *Other Considerations:* NYEL affirmatively states DEQ’s discretion to terminate program membership for discovery of new violations, EMS deficiencies, lack of progress in performance commitments, and falsification of documents. NYEL highlights availability of penalty mitigation policies to address violations discovered through the program, in an effort to maintain transparency and accountability to the public, as well as avoid a potential programmatic chilling affect on potential applicants.

Tennessee Program (“Pollution Prevention Partnership – P3”)

- *Program Framework:* Tennessee’s P3 Program includes four levels (with two sublevels for continuing members), beginning at the most basic performance/commitment level, including households. The program provides a natural progression from level to level. Specifically, the Partner level requires development of a five-project plan with pollution prevention projects relating to each identified category of environmental concern. Partner program members are to complete one project and submit a success story. The top level, Performer, requires completion of the four remaining pollution prevention projects from the Partner category. In addition, Performers are required to involve the community in pollution prevention activities. The program lends itself to EMS development assistance.

New Hampshire Program (“Environmental Leadership Initiative”)

- *Program Eligibility:* The program does not require applicants or members to develop an EMS, although projects are approved in a manner that supports a progression toward EMS development.
- *Program Framework:* The program contains one level only, Aspiring Leaders; however, based on its “level” distinction, it appears as though additional levels may be added to the program in the future. Aspiring Leaders is aimed at small businesses and local government entities that need assistance with improving environmental performance.

Although providing one membership level only, program requirements are scaled based on entity size, with three levels addressing the categories of “large businesses, SBA-eligible small businesses, and those entities with ten or fewer employees.” Paradoxically, the program does not specifically address local government placement in the sized tiers.

Aspiring Leaders are required to identify between one to three pollution prevention or BMP projects, depending on applicant size,. All projects must have measurable goals and be linked to state environmental priorities (NH’s stated as climate change/energy use, and land development/sprawl/habitat loss).

- *Other Considerations:* It is the Program’s stated intention to develop a list of sector-specific BMPs from which applicants may choose for inclusion in their project commitments.

North Carolina Program (“Environmental Stewardship Initiative – ESI”)

- *Program Eligibility:* ESI allows for multi-facility applications for Environmental Partners, the entry level of the program.
- *Membership Renewal:* The ESI membership period is five years, although middle- and advanced-level members are reviewed after three years to assess if facilities continue to meet program goals. [It’s unclear how this differs from review of the annual reports].
- *Member Benefits:* Environmental Partners (entry level) are provided with EMS training opportunities annually. Training modules are broken into a series of steps designed to support EMS development.

- *Other Considerations:* ESI posts an annual program calendar that identifies standardized times for various program implementation activities (e.g., compliance reviews, annual participants meeting, site visits, EMS development training, etc.).

Kentucky Program (“KY EXCEL”)

- *Program Framework:* KY EXCEL has four levels of membership. The most basic, the Advocate, is designated specifically for non-permitted facilities. The remaining three levels are for permitted facilities. Environmental projects serve as the cornerstone of KY EXCEL. Although EMSs are required of three more advanced levels, the program’s emphasis appears to be the environmental benefits of a project-based program. All levels require performance of a pre-approved environmental project. Similar to federal “supplemental environmental projects,” KY EXCEL projects must involve activities not legally required. The primary factors considered for project approval are environmental benefit and meaningfulness (as it relates to membership level).
- *Member Benefits:* The KY EXCEL provides links from the “KY EXCEL Members” web page to each member’s website.

Georgia Program (“Partnership for a Sustainable Georgia”)

- *Program Framework:* Georgia’s program provides a “traditional” multi-level excellence program track that it refers to as the “EMS track,” and which it promotes, in particular, for large organizations with the resources for EMS development. A separate track in the Partnership Program is the “Sustainable Office Toolkit Track.” The Toolkit track emphasizes sustainability through practices such as recycling, energy and water conservation, and green building, and provides a foundation for development of an environmental program. Georgia targets office-based organizations as most appropriate for Toolkit applications, with an emphasis on environmental footprint reduction.

Georgia’s Toolkit has three components: (1) a guidebook for planning, maintaining and improving programs; (2) seven modules designed to support program development (Waste Reduction, Environmentally Preferable Purchasing, Energy Conservation, Alternative Transportation, Green Building, and Corporate Social Responsibility); and (3) resources (e.g., sample environmental policies, environmental calculators, posters, sample letters, etc.).

4.3 Recommendations

Recommendations for improvements to the incentives provided to VEEP members depends largely on the design of the program. Should the program either be strictly a recognition program or include a recognition tier, it is expected that incentives which are related to visibility of their organization and increased collaboration with DEQ would be those that would most likely appeal to high-performing entities, such as:

- Providing a *website link* from DEQ’s VEEP member web page to member websites would provide additional incentives for premier performers.
- Establishing a “*preferred vendor*” status for members could also provide an additional incentive. Preferred vendors could be recognized incidentally at DEQ functions (e.g., a standard poster), could be highlighted in non-VEEP sections of DEQ’s website, or recognized on other state websites.

- Standardizing the application of VEEP across the Commonwealth to ensure that members see an improved relationship with staff from DEQ Regions as well as with Central Office staff.
- Due to the low percentage of industrial facilities, a comparatively low number of members have permits and so the greatest interest is in recognition than in regulatory flexibility. However, should DEQ start targeting manufacturing and other industrial facilities for membership, it is expected that regulatory flexibility and other innovative approaches will become more attractive.
- For members with permits, look at existing flexibilities rather than focusing on rulemakings. Look at:
 - Permit monitoring parameters,
 - Monitoring frequency,
 - Length of permits,
 - Flexible permits, and
 - Streamlined and electronic reporting.

Should the program either be strictly an incentive program or include an incentive tier, it is expected that the benefits which included technical assistance would be those that would most likely appeal to low-performing or smaller entities, such as:

- Providing an annual *EMS development training* would assist members to advance in program levels, and provide a needed public service for small businesses.
- Adding a requirement that the high-performing organizations (E-4) mentor an organization from a lower tier could be a big incentive for smaller or lower-performing entity.

5.0 INFORMATION MANAGEMENT

As VEEP has grown since its inception in 2000, the need for improved information management systems has also grown. This section summarizes the current systems.

5.1 CEDS

Currently, VEEP relies on the Comprehensive Environmental Database System (CEDS) system for the compliance status of prospective and current members. CEDS is the VA DEQ's centralized department-wide compliance database.

5.1.1 Baseline

Both VEEP staff and DEQ Regional staff use CEDS to determine that prospective members meet the compliance criteria for VEEP membership. The system is difficult to navigate and so is often not used by those who do not rely on it. A limited number of VEEP staff are able to access the compliance information on CEDS.

5.1.2 Gap Analysis

Access to and management of current and accurate compliance data is often difficult for voluntary programs in general and NEPT and state programs are no different. There is vulnerability for programs that do not have an accurate database for tracking compliance and obtaining that data quickly as circumstances change. Risks to the credibility of recognition

programs are great when compliance status is not carefully tracked and responded to. NEPT has been criticized in the past for their use of EPA databases that are often incorrect.

Currently, implementation of the process for determining compliance eligibility for prospective members and renewing members appears to vary among the DEQ Regions.

5.1.3 Recommendations

VEEP would benefit greatly from having a compliance tracking system for its members that is accurate, timely, and easily accessible. However, working within the constraints of the current system, it is recommended that the process be improved for VEEP staff working with Regional staff on the determination of compliance eligibility for prospective members and renewing members. Regional staff may have a closer relationship with organizations and may be more aware of emerging compliance issues. If Regional staff understand more clearly the objectives of the program and their role in its success, they may be more likely to be fully engaged in the process.

5.2 Performance Data Tracking

Tracking the performance of its members is an essential aspect of any performance-based voluntary program. Having robust tools such as a database to capture, track, and report performance data is essential.

5.2.1 Baseline

VEEP uses a performance data tracking system and various spreadsheets and documents located on a shared drive to track membership informational and performance data.

Recently, VEEP began using an online system for reporting (<http://www.veeponline.org/>) that allows members to enter their data remotely. Unfortunately, obtaining reports of that annual report data is difficult and time-consuming. The data is hosted remotely and managed by a contractor. To be able to view reports on the data, VEEP staff have to request reports be run by the contractor. The data is then presented without the member organization's names and so VEEP staff must resort to comparing the identification numbers with the actual online annual report in order to identify which organization is which. This severely restricts the usefulness of the data as well as taking the valuable time of VEEP staff.

In addition, the current system allows members to report data on environmental performance measures that are not the same as the environmental performance measures that they chose at upon entry to the program. There is no tracking of the actual objective and whether the objective was met or not.

Supporting documentation is kept on a shared drive but is not hyperlinked so VEEP staff have to spend valuable time searching for the appropriate documents.

5.2.2 Gap Analysis

Lack of robust tools to manage membership data as well as program performance data is a common liability of voluntary programs. Many state programs as well as NEPT have been hampered by this. The better databases track member performance measures over time and link this information to the facility data.

5.2.3 Recommendations

Due to the importance of data tracking to the success of a performance-based voluntary program, it is recommended that VEEP improve the robustness of the current system. The system should be able to track and report on member's progress towards their objectives. Performance data should be linked to facility data and the database be easily queried and provide real time reports. This database should also capture other performance data such as the toxic release inventory to demonstrate high-performing organizations and improvement in chemical releases.

5.3 VEEP Website

Both internal and external stakeholders rely heavily on the VEEP website for information, resources and tools for understanding VEEP. The two greatest weaknesses of the website are a lack of a database of the VEEP members which could be queried by location, sector, or VEEP level. Currently only a list is available without easy access to address, contact information, or information on the organization.

Another weakness is that the website does not tell "the success stories" of VEEP members. There is no specific data on what organizations have accomplished and what incentives organizations are receiving.

6.0 TRAINING AND OTHER COMMUNICATIONS

6.1 Baseline

Currently formal training on VEEP both internally and externally to the DEQ is limited. Internally, the DEQ's training program does not include either a stand-alone training on the program nor is information on the program integrated into media-specific or multi-media program trainings for permit writers, inspectors, enforcement staff, or others. Internal DEQ communications on VEEP outside of the processes inherent in running the program are also limited. Interviews with DEQ employees consistently reflected a lack of information on the details of the program and how the program either benefits or impacts other programs at the DEQ. In a survey of DEQ managers, 61% of respondents said that they do not have enough information about the program. Managers were looking for more formal training as well as more informal communications methods such as a brochure or other summary of the program, a searchable database, greater information available on the website or intranet, and particularly insights on how to promote the program.

External to the DEQ, VEEP stakeholders, a group that includes potential members, also noted a lack of information on the detailed aspects of the program and the program's benefits. Currently the only formal training that is provided to members and potential members is provided at an annual conference of the members' association, the Virginia EMS Association (VEMSA) which is an alliance of Virginia:

- Public entities, including local and state governments,
- Private business,
- Military and other federal facilities

- Colleges and universities.

Most of VEMSA's members are VEEP members, but not all. Their mission is to serve as:

1. A collaboration of EMS practitioners to support and celebrate each others efforts;
2. A mentoring/education system to promote and support EMS across the Commonwealth and across all sectors (can include EMS practitioners, entities interested in EMS, and consultants providing EMS-related services);
3. A Virginia-based liaison organization committed to sharing information, ideas, strategies, and experiences with EMS.

In this way, VEMSA has provided educational opportunities for VEEP members and potential members on EMS and VEEP in particular since 2006.

6.2 Gap Analysis

Some states, such as North Carolina, provide annual training as part of their program benefits. Other states, and NEPT, have or had member organizations that host conferences that provide training to current and prospective members.

6.2.1 Performance Track

Much like VEMSA's annual conference, NEPT hosted an annual 2-day member's event which provided significant training as well as an opportunity for networking and sharing of ideas and lessons learned.

NEPT also communicated regularly with their members through mailings and had a formal recruitment program, a welcome kit, Mentoring Program, a Program Environmental Progress Report, and a member directory. The Performance Track Information Center received inquiries from members, applicants, and various other parties via a toll-free phone number and an email account. An additional mode of communication was the PTrack News, a bi-monthly newsletter that provides members with brief updates on topics of interest.

6.2.2 State Programs

Some states such as North Carolina provide training as one of the benefits of membership in their program. Programs that are aimed more strongly at encouraging the low performers tend to provide more technical assistance which includes both formal and informal training.

6.3 Recommendations

It is essential that all stakeholders, internal to the DEQ and external, understand the mission and objectives of the program. Targeted stakeholders will require a more detailed understanding of how the program affects their interests. A communications or training program should include:

Internal Stakeholders:

- The program mission and objectives must be communicated clearly to all DEQ employees so that they clearly understand their role in helping the program to achieve its objectives.
- Employee awareness of VEEP's strategic importance will aid in a comprehensive adoption of VEEP knowledge across DEQ such as through briefings to the quarterly media program managers' meetings.
- Align employee performance awards and recognition to encourage promotion of VEEP and innovation.
- Marketing and outreach should include increasing activity publicizing VEEP's benefits addressing customers by industry and geographical location.
- Build a mentor program between higher tier and lower tier members.
- Develop a how-to guide for innovation and negotiation for innovative approaches.
- Find ways to "tell the story" through the website, outreach materials, and develop a tool kit for both internal and external stakeholders.
- Develop and integrate training components into the currently available DEQ staff trainings. These should include the inspector training courses and any cross-program manager's trainings or conferences. VEEP must be integrated into all appropriate DEQ training courses rather than presented as a separate course to avoid it being singled out as a "voluntary" effort that is not inherent in the normal conduct of their job. It is also imperative that new employees receive training on VEEP and what their specific responsibilities are to the promotion or conduct of the program.

External Stakeholders:

The stakeholder dialogs and interviews that were conducted as part of this project demonstrated the importance of continuing to communicate in formal ways with VEEP's external stakeholders. Communication of the program objectives to all external stakeholders so that each stakeholder group clearly understands its role in helping the program to achieve its objectives will help to create support for the program.

Several potential ways to continue engaging VEEP's external stakeholders are:

- Continue periodic focused stakeholder dialogs,
- Facilitate relationships among VEEP members and external stakeholders through projects which focus on common goals,
- Work with the DEQ Community Involvement Task Force to identify additional opportunities to engage external stakeholders, and

- Engage associations such as the Virginia Manufacturers Association which can be a means to both educate the community and identify potential new members.

7.0 SUMMARY

VEEP is a leader of state voluntary recognition and incentive programs and deservedly so. However, this report attempts to identify opportunities to strengthen the program during this time when voluntary programs are under careful scrutiny and is especially critical in light of the recent demise of NEPT. The recommendations in this report are designed to more clearly define the program, strengthen its brand, integrate it more fully within DEQ, and increase both its credibility and its ability to demonstrate success.

VEEP's long term viability will be determined by the value that it can demonstrate in supporting DEQ's central mission. Setting clearer objectives that align with media goals, DEQ's mission, and directly link to environmental performance through carefully tracked performance measures would make VEEP an even stronger and more sustainable program.