

US EPA ARCHIVE DOCUMENT



# State Innovation Grant Program: Kentucky

## Environmental Excellence through Environmental Leadership and Voluntary Performance Improvement (2007 Competition)

### The State Innovation Grant Program

In 2002 EPA introduced the State Innovation Grant Program to support efforts led by state environmental agencies to test innovative approaches for achieving better environmental results and improved efficiency in permitting programs. Between 2002 and 2007, the State Innovation Grant program competition awarded over six million dollars to support 35 state projects that test permitting innovation for a variety of regulated entities including several small business sectors. A summary of the awards by year appears in the table below.

State Innovation Grant Program Statistics, 2002-2007			
Competition Year	Proposals Submitted	Proposals Selected	Total Program Funding (\$)
2002/2003	29	6	\$618,000
2004	33	9	\$1.425 Million
2005	26	7	\$1.479 Million
2006	25	6	\$1.243 Million
2007	17	7	\$1.611 Million
Cumulative Total	130	35	\$6.376 Million

"Innovation in Permitting" has been the theme of the State Innovation Grant competition since its inception. In the last three competition cycles states received awards for projects in the following three categories:

- **The Environmental Results Program (ERP)** is an innovative approach to improving environmental performance based on a system of the interlocking tools of compliance assistance, self-certification (sometimes, where permissible, in lieu of permitting), and statistically-based measurement to gauge the performance of an entire business sector. The program utilizes a multimedia approach to encourage small sources to achieve environmental compliance and pollution prevention. (See: <http://www.epa.gov/permits/erp/>)
- **Environmental Management System (EMS)** is a system involving a continual cycle of planning, implementing, reviewing and improving the processes and actions that an organization undertakes to meet its business and environmental goals. EMSs provide organizations of all types with a structured system and approach for managing environmental and regulatory responsibilities to improve overall environmental performance and stewardship. (See: [www.epa.gov/ems/info/index.htm](http://www.epa.gov/ems/info/index.htm))
- **Performance Track** is a partnership that recognizes top environmental performance among participating US facilities of all types, sizes, and complexity, both public and private. (See: <http://www.epa.gov/performance-track/>)

NCEI has provided awards also for projects testing watershed-based permitting, and for permit process streamlining in past competitions. For more information on the history of the programs, including information on solicitations, state proposals, and project awards, please see the EPA State Innovation Grants website at <http://www.epa.gov/innovation/stategrants>

### Project Background:

The Kentucky Department for Environmental Protection (KDEP) has long implemented regulatory programs that permit, inspect, and enforce environmental activities across the state. These traditional command-and-control programs have resulted in significant improvements to the environment and increased the quality of life of Kentucky's citizens. In spite of these improvements, this approach has its limitations. Under the current compliance-based regulatory system, the performance of a facility is measured only against minimum regulatory standards. To complement its traditional programs, Kentucky recently established its compliance assistance and environmental leadership programs to facilitate enhanced environmental performance.

### Project Description

KDEP has received a US EPA State Innovation Grant to develop and implement the Kentucky Environmental Excellence through Environmental Leadership and Voluntary Performance Improvement project. The project will: 1) implement a Targeted Assistance Project (TAP) to improve performance at targeted facilities that have shown a demonstrated record of non-compliance; 2) use the TAP as a recruitment tool that will expand the membership of Kentucky's environmental leadership program, KY EXCEL, to more than 500 entities; and 3) encourage these new KY EXCEL members to perform waste reduction or energy efficiency projects at their facilities.

The project will achieve improved environmental compliance by focusing on outcomes (number of participants in the TAP Program and Number of TAP participants that join KY EXCEL) over traditional regulatory outputs (number of inspections and permits issued) to measure performance. This integrated approach to achieving compliance improvement and voluntary environmental leadership will improve Kentucky's environmental quality.



The project start date was October 1, 2007 and the work will take three years to complete. As of October 2007, KDEP had started to identify sectors to be included in the TAP program.

## Connection to EPA's Goals

This program directly supports EPA's Strategic Goals by (Goals 1 and 2) encouraging pollution prevention practices and directly measuring the amount of pollution reduced to each media; by (Goals 3 and 4) identifying and rewarding the completion of projects that specifically improve the community through cooperative efforts; and by (Goal 5) improving overall compliance performance and developing the concept of environmental stewardship.

For more specific information on the Kentucky State Innovation Grant, please visit KDEP's Environmental Excellence through Environmental Leadership and Voluntary Performance Improvement website at <http://www.dca.ky.gov/kyexcel/>, or contact one of the project individuals below:

## Project Contacts:

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