

US EPA ARCHIVE DOCUMENT

**State Innovation Grant Program  
Pre-Proposal**

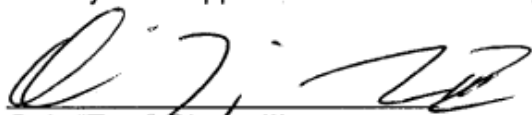
**PARTNER WITH ADEM FOR A CLEAN ENVIRONMENT  
DEVELOPMENT OF A STATEWIDE  
ENVIRONMENTAL LEADERSHIP PROGRAM**

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**Alabama Department of Environmental Management**

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Note: This project builds upon concepts developed under  
Alabama Pollution Prevention Grant Number NP-97420206-0

I certify that I approve and endorse this proposal:



Onis "Trey" Glenn, III  
Director

1-20-06

Date

**Project Summary:** The Alabama Department of Environmental Management proposes to create a state environmental leadership program to encourage industries to progress through multiple levels of environmental commitments from simple environmental improvements to the implementation of an environmental management system and ultimately participation in the National Environmental Performance Track program. In support of this project, ADEM proposes the following goals:

1. Develop and implement a state environmental leadership program;
2. Adopt incentives to encourage participation in the leadership program and the national performance track program;
3. Negotiate and execute a memorandum of agreement with the National Performance Track program;
4. Incorporate EMS language into ADEM regulatory programs; and,
5. Measure and evaluate program effectiveness.

**Background:** For decades the Department of Environmental Management has relied on the traditional regulatory approach to environmental management. The benefits of this approach are undeniable with significant improvements achieved in every environmental media.

In the late 1980's ADEM began to recognize a gap in the effectiveness of the traditional regulatory approach. Specifically the regulations provided little impetus for companies to go beyond the minimum regulatory requirements or to take steps to reduce the amount of waste generated. To address this gap, ADEM developed a voluntary program to encourage the minimization of hazardous wastes. While an important step, this effort did little to encourage the reduction of waste in other environmental media or to prevent the transfer of pollution from one media to another.

In 1990 ADEM expanded the waste minimization program to include multi-media pollution prevention. Activities were implemented in six focus areas to encourage industries to voluntarily reduce waste at its source. The focus areas included:

- |                              |                                   |
|------------------------------|-----------------------------------|
| ○ Infrastructure development | ○ Education and Outreach          |
| ○ Regulatory integration     | ○ Awards and recognition          |
| ○ Technical Assistance       | ○ Data collection and measurement |

Even in the multi-media pollution prevention approach, however, there were noticeable gaps. Industries had little incentive to take a holistic approach to environmental management or to achieve continuous improvement in all environmental impacts resulting from their activities, products and services. To address this gap, the ADEM Pollution Prevention Program proposed the implementation of an environmental stewardship program entitled Partner with ADEM for a Clean Environment (PACE). Regulated industries were included among the audiences targeted by PACE.

Initial development of PACE was funded by ADEM's P2 grants but it was clear that success of the program would require regulatory incentives, a concept not easily addressed within the narrow context of pollution prevention or within the limited resources available through pollution prevention grants.

This proposal is intended to address the gaps identified above, and to move ADEM forward with the development of a state environmental leadership program where participants are encouraged to progress through multiple commitment levels from entry level environmental improvements to implementation of an environmental management system, and ultimately participation in the National Environmental Performance Track program.

### **Implementation:**

**Goal: Develop and implement a state environmental leadership program.**

Objective: collect information on existing environmental leadership programs in other states. This will include a combination of internet research and an informal poll of other state environmental agencies to determine if they have developed an environmental leadership program and to collect information on program criteria, incentives, procedures for adopting incentives, and marketing methodologies. Outputs for this objective will include a matrix of existing programs listing pertinent program criteria, identifying the type(s) of incentives offered, explaining of the procedures used in adopting the incentives, and describing methods used to market the program. Where possible, ADEM will obtain hard copies of promotional materials.

Objective: Obtain input from industry. Under an existing Pollution Prevention grant, ADEM has committed to developing an advisory panel of representatives from industry and industry associations. Companies targeted for representation have a proven record of environmental leadership in that all have won pollution prevention awards, 86% have an EMS in place, 57% are ISO 14001 certified, two are Performance Track Members, and all have expressed support for the development of a state environmental leadership program.

ADEM proposes to present this committee with the information collected on environmental leadership programs in other states. The committee will then be asked to make recommendations regarding program criteria, desirable incentives, techniques for marketing the program, and suggestions for program measurement and evaluation.

Expected outputs include:

- ✓ Suggested criteria for program participation;
- ✓ Suggested incentives;
- ✓ Ideas for program marketing; and
- ✓ Ideas for program measurement and evaluation.

Objective: Obtain input from ADEM regulatory offices. Under a previous pollution prevention grant, the ADEM Pollution Prevention program created P2-Net, a pollution prevention roundtable composed of representatives from major divisions and offices within ADEM. Under this workplan ADEM proposes to use P2-Net to obtain direct input from the regulatory divisions regarding the proposed environmental leadership program. P2-Net will be presented with the information collected in the previous two objectives and will be asked to recommend appropriate criteria and incentives for program participation. P2-Net participants will evaluate proposed incentives to identify necessary regulatory procedures for adoption. Once the program enters the implementation stage, P2-Net will serve as the primary mechanism for program measurement and evaluation. Expected outputs include:

- ✓ Recommendations for program criteria;
- ✓ Recommendations for feasible program incentives;
- ✓ Ideas for program marketing; and,
- ✓ A draft plan for program measurement and evaluation.

Objective: Develop a draft implementation plan and submit it to the ADEM Director for final approval. The Ombudsman/Pollution Prevention Unit will take the recommendations of the P2-Net and will draft an implementation plan for submittal to the ADEM Director for final approval. Prior to submittal, the P2-Net will be given an opportunity to review and make comments on the draft plan. Expected output includes a preliminary and final draft implementation plan. Expected outcome is final approval by the Director's office and permission to move forward with program implementation.

**Goal: Adopt incentives to encourage participation in the leadership program and the national performance track program.**

Objective: evaluate proposed and approved incentives to determine the necessary steps for implementation. The decision to move forward with the adoption of specific incentives will be made by the Director's office. It is anticipated that some incentives will require a formal rulemaking process. The Ombudsman/Pollution Prevention Unit will work closely with the media offices to implement the appropriate procedures for adoption of the incentives approved by the Director's office. If formal rulemaking procedures are required it is expected that the affected media will time the process to coincide with other planned rule changes. Expected outputs include:

- ✓ A list of incentives approved for implementation
- ✓ A draft schedule for implementation

Objective: Adopt incentives through appropriate mechanism: If the adoption of incentives requires formal rulemaking procedures, the Ombudsman/P2 Unit will assist as needed in the process. However, primary responsibility for rulemaking will reside with the appropriate division office. Expected outputs include adopted rules.

**Goal: Negotiate and execute a memorandum of agreement with the National Performance Track Program.** Criteria for the top level of commitment in the proposed leadership program will mirror the requirements for membership in the National

Performance Track Program. Rather than leaving member companies to apply separately for membership in both programs, ADEM proposes to negotiate a memorandum of agreement with the National Performance Track Program to allow one application procedure to suffice for admittance into both programs. To this end the following objectives are proposed.

Objective: Identify existing State Memoranda of Understanding with EPA voluntary programs such as the National Performance Track. If possible, ADEM will obtain a copy of existing MOU's. The copies will serve as a model for drafting a similar MOU for Alabama. The expected outputs include samples of existing MOUs.

Objective: Draft language for an MOU between ADEM and the National Performance Track Program. Information obtained through the above objective will serve as a model for the development of a draft MOU between ADEM and the National Performance Track Program. The expected output from this objective is a draft MOU for use in negotiating an agreement with the National Performance Track Program.

Objective: Enter into negotiations and finalize agreement. During the development of a draft MOU, ADEM will make preliminary contact with the National Performance Track Program. The draft MOU will be submitted to the National Performance Track Program to serve as a starting point for negotiations. The draft will be revised as necessary and finalized through signatures by the ADEM Director and the appropriate official from the National Performance Track Program. The expected output is a final MOU executed by all parties to the agreement. The expected outcome is an effective working relationship between the National Performance Track Program and ADEM that results in increased membership in both Performance Track and Alabama's environmental leadership program.

**Goal: Incorporate EMS language into ADEM regulatory programs.** The ADEM Pollution Prevention program has been successful in incorporating P2 language into the regulatory programs of the water, air and land divisions. In addition P2 language has been incorporated into communications with industries evaluating Alabama as a potential location. Under this workplan, ADEM proposes to incorporate similar language encouraging the implementation of environmental management systems. In support of this goal the following objectives are proposed:

Objective: Research the use of EMS language in regulatory programs of other States The Ombudsman/P2 Unit will conduct internet research and an informal poll to locate any states that have incorporated EMS language into their regulatory communications and functions.

Objective: Identify potential areas for the incorporation of EMS language into ADEM regulatory procedures The information developed in the above objective will serve as the basis to identify potential areas to incorporate EMS language into ADEM regulatory programs. The P2-Net will serve as the primary mechanism to evaluate potential avenues.



Proposed Budget

[withheld by EPA]