State Innovation Grant Program

Rhode Island:

Auto Salvage Environmental Results Program: Improved Compliance and Performance Through Innovation

The EPA State Innovation Grant Program was established in 2002 to help strengthen EPA's innovation partnerships with States and Tribes and is a direct result of the Agency's innovation strategy, *Innovating for Better Environmental Results: A Strategy to Guide the Next Generation of Innovation at EPA* (http://www.epa.gov/innovation/strategy). To support the *Innovation Strategy,* the 2002 grant program focused its efforts on projects that related to one of four priority issues: reducing greenhouse gases, reducing smog, improving water quality, and reducing the cost of drinking water or wastewater infrastructure. In addition, EPA sought projects that test incentives that motivate "beyond-compliance" environmental performance, or move whole sectors toward improved environmental performance. This series of fact sheets features the State projects selected for funding under the Grant Program.

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Background

Human health and environmental risks associated with auto salvage operations are diverse and variable – arising from a broad array of physical, chemical, and biological hazards. Such hazards include the potential for fire or explosion at improperly managed sites; the transmission of diseases where yard areas serve as vector-breeding habitats (eg. mosquitoes); soil, surface water and groundwater contamination resulting from the improper management of solid and hazardous waste, including mercury switches; and air releases of asbestos fibers, fugitive dust and/or volatile organic compounds. Building upon existing partnerships and incorporating knowledge from recent successes within the Rhode Island Automotive Refinishing Environmental Results Program (ERP) now underway, and Underground Storage Tank and Exterior Lead Paint Removal ERP initiatives now under development, the Rhode Island Department of Environmental Management's (DEM) non-regulatory Office of Technical and Customer Assistance (OTCA) seeks to advance the ERP concept by applying "lessons learned" to a currently under-regulated, EPA priority industry sector – auto salvage yards.

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Project Description

OTCA's vision is to reduce environmental health risks by improving regulatory efficiency and industry compliance through a comprehensive, multi-media program patterned after the Massachusetts Department of Environmental Protection's ERP model and consisting of three parts: 1) facility certification, 2) statistically-based performance measurement, and 3) on-site compliance monitoring, pollution prevention and technical assistance. DEM regulatory stakeholders, industry representatives and project partners will be recruited to assist OTCA in reaching a goal of 75% industry-wide voluntary certification with a 20-40% minimum measurable improvement in selected environmental business practice indicators (EBPIs) in the early stages of the program. EBPIs will be selected to assess improvements (relative to baseline conditions) in industry performance in air, water and RCRA compliance as well as pollution prevention; the potential for release prevention, emissions reduction and human health/environmental protection will be key considerations. Outcomes will be measured using the statistical approach developed for the RI Auto Body ERP including:

- statistically determined number and randomly selected locations for baseline and post-implementation compliance audits (given pre-specified levels of statistical confidence, power and compliance rate proportions)
- generally accepted methods for data analysis and EBPI comparisons
- summary reports that outline findings with appropriate descriptive statistics.

Benefits of the Project

The proposed approach allows DEM, for the first time, to take a comprehensive, multi-media, sector-based approach to environmental compliance and pollution prevention for this sector, producing these benefits:

- ***Quantifiable Improvements***. OTCA's goal is to reduce threats posed by physical, chemical and biological hazards to the greatest extent possible with 75% industry participation and a 25-40% measurable improvement in environmental business practice indicators within two years.
- ***Administrative Efficiency and Program Costs***. Major improvements in administrative efficiency naturally occur as a result of implementing the ERP model. By taking a comprehensive, multi-media sector-based approach, agency staff can spend more of time on priority sectors/facilities and unlicensed operations.
- ***Costs/Efficiency Improvements for Regulated Entities***. Costs associated with the improper management of waste materials or being in noncompliance can be significant. By participating in the program, members of the regulated community can take advantage of an opportunity to come into compliance with all applicable requirements while at the same time receiving free on-site/telephone consultation compliance assistance support. Participants will also benefit from plain-English guidance documents (certification workbook, brochure, fact sheets) and cost-saving pollution prevention technical assistance. Though regulated entities may incur some initial costs in terms of facility upgrades to come into compliance with existing regulations, long-term savings and efficiencies should be significant.

Project Plan

The start date for the Auto Salvage Yard ERP project was August 1, 2004, and the project duration is expected to last three years. ERP certification materials are expected to be filed with DEM in the third year of the project, and every two years thereafter.

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