

US EPA ARCHIVE DOCUMENT



# State Innovation Grant Program: Virginia

## Seeking to Improve Compliance of Underground Storage Tanks through Development of a Self-Certification Environmental Results Program (ERP) (2005 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:

With the tenth largest Underground Storage Tank (UST) population in the nation involving some 21,000 USTs at over 7,000 UST facilities, Virginia has limited resources to conduct inspections. Currently, Virginia takes about five years to complete a full cycle of inspections, and the new requirements under the Energy Policy Act of 2005 mandate a 3-year inspection cycle. More than 10,782 releases from USTs have been reported in Virginia since 1989. Releases include spills, leaks, or the venting of fuel and fumes from a tank. Although releases from Virginia's facilities have decreased significantly in recent years, they continue to occur, primarily due to facility non-compliance and operational issues. Through the State Innovation Grant program, Virginia is seeking greater compliance and improved environmental performance by the UST sector.

In an effort to improve the efficiency and efficacy of their UST Program, Virginia is implementing an EPA State-Innovation Grant-sponsored Environmental Results Program (ERP) pilot project. The Virginia Department of Environmental Quality (DEQ) will apply the ERP approach to assist participating UST facility owners and operators in understanding and complying with program regulations, and in going beyond compliance to prevent pollution and provide for increased protection of public and worker health and safety.

### Project Description

With funding from the 2005 EPA State Innovation Grant Program competition, Virginia is implementing a pilot ERP for UST operators. Virginia DEQ will conduct outreach and education for facility operators and provide participating UST operators with an interactive CD-ROM/online toolkit that contains: an updated electronic version of EPA's "UST ERP Workbook" (EPA 510-R-04-003), including UST compliance requirements and Best Management Practices (BMPs); a compliance Self-Certification form; and a Return-to-Compliance form. The CD-ROM/online toolkit will have "easy-use characteristics" similar to desktop and web-based tax preparation software. The format will be designed to allow for straightforward expansion to cover new requirements or additional

regulatory programs, and to be easily transferable to new sectors and programs. Operators will be able to submit compliance self-certifications to DEQ electronically to facilitate easy submittals and automated record keeping.

Virginia DEQ will work with Virginia Commonwealth University and stakeholders to develop the ERP Self-Certification Program materials and software. Approximately 125 randomly selected UST facilities will be invited to participate in the program. Regional DEQ staff will provide education on compliance and BMPs in addition to information about the pilot program to UST operators. VA DEQ will provide additional program information to selected facilities by mail and email, and will maintain a program web-page. DEQ Regional Offices will conduct workshops to provide participating facilities with technical and compliance assistance, as well as training on the ERP process. Facility owners and operators will be required to submit the legally binding UST Self-Certification Form indicating the current compliance status of their facility and acknowledging that the facility will comply with all applicable regulations. Facilities that cannot certify full compliance with all applicable regulatory requirements must submit a UST Return-to-Compliance Form addressing a return-to-compliance plan, schedule, and deadline. Virginia DEQ Regional inspection staff will conduct random onsite post-certification inspections of a statistically significant number of facilities to confirm the accuracy of self-certifications, verify compliance with applicable regulations, and measure the use of BMPs.

Analysis of baseline, self-certification, and post-certification inspection data will allow assessment of changes in compliance and environmental performance resulting from ERP implementation. Program milestones will include: improved facility understanding of applicable regulations, operation and maintenance requirements, and BMPs; development and documentation of transferable methodology; and outreach and assistance to internal and external stakeholders. The measure of performance will be improved compliance with RCRA Subtitle I and Virginia's state UST regulations. Results will be shared with EPA, the regulated community, and the public.

This grant funded project will last three years until March 2009.

## Connection to EPA's Goals

The Virginia DEQ anticipates a significant reduction in contaminants to the environment from increased facility compliance and environmental performance through

adoption of the ERP approach. The Virginia DEQ's Environmental Results Program for Underground Storage Tanks promotes EPA's Strategic Goals by (Goals 1 and 2) endeavoring to improve compliance and environmental performance through the development of industry-specific environmental performance measures. The program also supports EPA's Strategic Goal (Goal 5) by attempting to achieve measurable environmental and economic outcomes through testing, evaluating, and applying alternative approaches to environmental protection by states.

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