

US EPA ARCHIVE DOCUMENT



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

MAR 25 2009

OFFICE OF POLICY,
ECONOMICS, AND INNOVATION

Dear Performance Track Members, State Program Contacts, and Network Partners:

On March 16, 2009, EPA Administrator Lisa P. Jackson directed the Agency to halt the Performance Track program. A copy of the Administrator's memo announcing her decision is attached. I have also been directed to proceed with close-out activities over the next several months.

Over the life of the program, regional and headquarters staff members of the Performance Track program have worked hard to make your membership in the program as meaningful as possible. During the close-out phase of the program, I know they will do their best to answer your questions and accommodate your concerns. They, and I, sincerely appreciate your good faith efforts to dedicate your facilities to continuous improvement and environmental leadership. We appreciate your willingness to set challenging environmental goals, measure and share your progress with the public, and strive for continuous improvement. I encourage you to continue your partnerships with the Agency, your respective State, and thank you for your overall dedication to improving the environment.

Beginning immediately, the Performance Track program will initiate the close-out process to document member achievements and archive performance data. I want to share with you the key actions that Performance Track staff are taking to close out the program and how these actions may impact members of the program.

Close-out activities will include the actions listed below.

- **Communication of Program Discontinuation** – In addition to informing you, the members of the program, network partners, and state program contacts, we have also discussed program closure with EPA regional and program offices. Additionally, we will place public notification on the Performance Track website and a notice in the *Federal Register*.
- **Performance Track Hotline and P-Track Online** – For a period of time, we will continue to staff the Performance Track Hotline to help answer your questions and provide up-to-date information. In addition, P-Track Online will be maintained for a period of time; we will inform you prior to shutdown.

- **Membership Status** – Members of the program may continue to display their certificates and awards in recognition of past achievement. Because the Performance Track program will be discontinued, membership status will cease and facilities currently in the program should no longer refer to themselves as program “members.”
- **2008 APRs** - There will be no need for members to submit their 2008 Annual Performance Reports to EPA. However, if you are expected to submit an APR to your state performance-based program, you should continue with that effort. We encourage you to follow-through with measuring your progress for 2008 and beyond. We hope you will continue to employ the techniques you have used as a Performance Track member to track your future efforts for continuous improvement.
- **Member Incentives/Benefits** - Performance Track members that are currently taking advantage of Performance Track regulatory incentives will be required to discontinue their use in accordance with the provisions contained in the applicable regulation(s). In the coming weeks, we will work through our regional and state contacts to provide more details to the facilities affected.
- **Low Priority for Routine Inspection** – Facilities that have been members of the Performance Track Program have been considered to be low priority for routine inspection by U.S. EPA when there was no specific reason to believe that a violation existed at a specific facility. This status is no longer in effect.
- **Fall 2008 (Round 17) Applicants** – The decision on Fall 2008 applicants was delayed due to the change in Administration. Because the program has been discontinued, we will not be accepting any new members into the program. We will be communicating this to Fall 2008 applicants in a separate message.
- **Final Progress Report** –Performance Track will release a final progress report to share the results from members’ 2007 Annual Performance Reports (APRs) with the public.
- **2009 National Environmental Partnership Summit** – This important conference will still go forward. In fact, EPA intends to conduct a facilitated discussion at the Summit to solicit your feedback on the program for documentation of lessons learned. The Summit organizing committee will change the focus of the member meeting and awards dinner that were scheduled as part of the 2009 Summit on Wednesday, May 6th. Nevertheless, we strongly encourage you to attend the Summit in San Francisco, CA, as it provides a great opportunity for you to network with others who are seeking similar opportunities for environmental improvements, share your experiences, and learn from others.

- **State Programs** – We assume that state performance-based programs will continue to operate. Performance Track members that currently participate in state programs are strongly encouraged to continue their membership in those programs. Please consult your state program contact if you have questions about submitting an annual report and/or renewal application to the state program. Performance Track members who are not currently a member of their respective state program (should one exist) are encouraged to apply to that program.
- **State Memoranda of Agreement** – EPA will work with each affected state to cancel existing state Memoranda of Agreement (MOA) in an orderly way. As part of this process, some state programs may need to make adjustments to their online systems if they currently use EPA's P-Track Online system as part of their application and reporting process. EPA will work with states to inform members where any adjustments are made.
- **Endorser Network Partners** – Since the inception of the program, EPA has signed letters of intent with a variety of outside trade associations and non-governmental organizations to encourage the use of environmental management systems and promote Performance Track membership. All Endorser Network partnerships will be cancelled.
- **Performance Track Program Evaluation** – Despite program shut-down, EPA will proceed with an evaluation of the Performance Track program by the RAND Corporation to provide EPA leadership with information on lessons learned from nine years of Performance Track implementation. The study may include interviews with some Performance Track members, and I encourage you to share your insights on the program if contacted.
- **Convening of a Public Advisory Group** – EPA will convene a subcommittee under the National Advisory Council for Environmental Policy and Technology (an independent advisory group sanctioned under the Federal Advisory Committee Act) to focus on the future of environmental leadership programs. Public notice of these meetings will be published in the *Federal Register*.
- **Updating and Maintenance of Performance Track Website** – Please continue to visit the Performance Track website for updates related to the close-out of the program. The website will be maintained for a period of time to ensure that you and the public continue to have access to your data and accomplishments.

If you have specific questions regarding the actions and steps outlined in this memo please do not hesitate to ask your Regional Coordinators (email addresses and phone numbers may be found at <http://epa.gov/performance-track/contact/region.htm>). If you have general comments or concerns regarding this process, please refer them to me at kent.chuck@epa.gov.

Again, I would like to thank you for your participation in the program and your efforts to continuously improve your environmental performance.

Sincerely

A handwritten signature in black ink, appearing to read 'Charles W. Kent', with a long horizontal flourish extending to the right.

Charles W. Kent
Director, Office of Cross-Media Programs
Office of Policy, Economics, and Innovation
U.S. Environmental Protection Agency

Attachment (Administrator's Memo)



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

MAR 16 2009

THE ADMINISTRATOR

MEMORANDUM

SUBJECT: Next Steps for the National Environmental Performance Track Program and the Future of Environmental Leadership Programs

TO: Performance Track Members
Performance Track Corporate Leaders
State Environmental Commissioners

As our environmental challenges have multiplied, enlightened stewardship by progressive companies has been an important adjunct to the U.S. Environmental Protection Agency's programs. These stewardship initiatives should not take the place of our regulatory framework but should augment it by bringing to bear advanced technology and innovation to achieve progress on emerging problems that our regulations do not yet address. Many leading companies, for example, have made significant reductions in greenhouse gas emissions and energy consumption. In nearly all cases they have done this because they have seen that it is in their economic interest, as well as the interest of their shareholders and the environment. It has been and continues to be EPA's policy to encourage enlightened environmental stewardship.

Since 2000, the National Environmental Performance Track Program has been an important vehicle through which EPA has recognized and encouraged such actions. Currently, we have Performance Track partnerships with over 500 facilities and 200 companies and close relationships with 22 states.

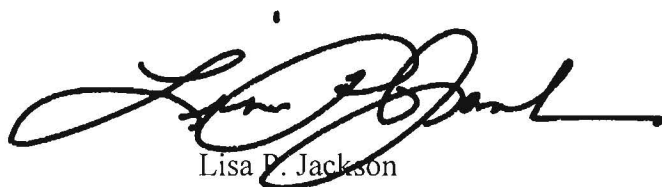
Now it is time to pause and reflect on Performance Track's achievements and opportunities for improvements. Performance Track was developed in a different era and may not speak to today's challenges. There has been much recent discussion about the benefits of the program. Members of Congress and stakeholders have also asked us to pause and consider what approaches might be best for the future. Therefore, I have decided to halt the current Performance Track Program with the intent of refining those concepts that can lead us to a stronger system of environmental protection as we go forward.

Our initial step will be to complete two major reviews of Performance Track and environmental leadership programs in general. First, we will convene a multi-stakeholder subcommittee under the National Advisory Council for Environmental Policy and Technology (an advisory group sanctioned under the Federal Advisory Committee Act) to focus on the future

of EPA environmental leadership programs. This subcommittee will give us a platform for open dialogue about the opportunities for accelerating stewardship through environmental leadership programs and the challenges for EPA in designing and managing such programs into the future. We will also continue an evaluation of the Performance Track program by the RAND Corporation. This RAND Corporation study will advance our understanding of environmental leadership programs as viable tools for protecting the environment. I also encourage you to offer your own input to me on how we should proceed.

EPA values its partnerships with environmental leaders, and I look forward to working with you to set new objectives for environmental stewardship and sustainability. I thank you for your hard work and dedication to Performance Track. You have created a foundation of achievement, innovation, and progress that will inform our future efforts to recognize and drive environmental excellence.

In the near future, program staff will communicate with current members of Performance Track, states that currently have Memoranda of Agreement with EPA, and other parties affected by this action to transmit further instructions on how to proceed.



Lisa P. Jackson