



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

OFFICE OF POLICY. ECONOMICS, AND INNOVATION

Ms. Joanna Dunn Samson Deputy Commissioner New Jersey Department of Environmental Protection P.O. Box 402 401 East Trenton Street, Floor 2 Trenton, NJ 08625-0402

Dear Deputy Commissioner Samson:

I am writing to formally close out the joint project established between the New Jersey Department of Environmental Protection and the US Environmental Protection Agency (EPA) under the innovative *Project excellence and Leadership* (Project XL). The Gold Track Program for Environmental Performance was one of over 50 projects proposed as a collaboration between business, local, tribal, state and federal governments to demonstrate the use of innovative approaches to environmental and public health gains across the nation. Broad accomplishments of Project XL include building partnerships to achieve positive environmental results and testing new incentives to produce these results.

The New Jersey Department of Environmental Protection (NJDEP) submitted the Gold Track Program for Environmental Performance (Gold Track) proposal in 1999 and worked closely with this Office and EPA Region 2 to develop an effective demonstration of the use of air and RCRA permitting flexibility for better results. In January of 2001, EPA and NJDEP signed a Final Project Agreement (FPA) to pursue the Gold Track program for no more **than** 9 facilities, each of which would pass a rigorous screening and application process. Upon acceptance of a facility into the Gold Track program, NJDEP would enter into a covenant agreement with each participating facility that would detail all aspects of Gold Track participation, monitoring, and reporting. Facility covenant terms and performance standards were to be made enforceable through a combination of federal and state rule changes, as well as changes to individual facility permits.

The regulatory flexibilities proposed under Gold Track include among others:

The establishment of facility-wide air emissions caps for a 15-year time-frame, with a 5% downward readjustment of the caps every 5 years, The ability of participating facilities to apply to NJDEP for an exemption from the definition of solid waste for materials destined for recycling, and

The extension of the 90-day accumulation time limit to 180 days for generators that accumulate hazardous waste.

To provide NJDEP with the authority to move forward, on April 16, 2002 the EPA announced in the Federal Register, a Proposed Rule providing authority to NJDEP to proceed. Once EPA's proposal was finalized, the next step was to have been the promulgation of an implementation rule by the State.

For a variety of reasons related to a change in priorities by a new administration in New Jersey, NJDEP notified EPA in 2002 that it likely would not proceed with implementation. Having recently confirmed with the project staff in your office of Pollution prevention and Right-to-Know that NJDEP does not wish to proceed further with the Gold Track program, we are sending this letter to provide the sixty-day notice, as required under our agreement in the FPA, of EPA's intent to formally withdraw from the agreement and to withdraw the proposed Federal rule.

I am very sorry that New Jersey's Gold Track Program for Environmental Performance could not have moved forward. Nevertheless, I thank you again for your participation in Project **XL** and your efforts to test innovation in public health and environmental protection strategies. If you or your staff would like any further discussions on this project or if we can be of any assistance to you in the future, please do not hesitate to contact me (202-566-2119) or Betsy Shaw (202-566-0495) at NCEI.

Sincerely,

Jay Benforado, Director National Center for Environmental Innovation

cc: Kathleen Callahan EPA Region 2 George Pavlou, EPA Region 2 Grace Smith, EPA Region 2 Stephanie Daigle, EPA OPEI . Elizabeth Shaw, EPA OPEI Gerald Filbin, EPA OPEI Michael DiGiore, NJDEP