US ERA ARCHIVE DOCUMENT



# Project XL: Andersen Corporation



### WHAT IS PROJECT XL?



Project XL, which stands for "eXcellence and Leadership," is a national initiative that tests innovative ways of achieving better and more cost-effective public health and environmental protection. The experience and lessons learned from Project XL will assist EPA in redesigning its current regulatory and policy-setting approaches. Project XL encourages testing of cleaner, cheaper, and smarter ways to attain environmental results superior to those achieved under current regulations and policies. It also requires substantial involvement by stakeholders, i.e., the people and organizations affected by EPA's decisions. It is vital that each XL project test new ideas with the potential for wide application and broad environmental benefits. As of June 1999, twelve pilot projects are being implemented and about twenty additional experiments are in negotiation.

### SUMMARY OF THE ANDERSEN

Andersen Company manufacturers windows at its facility in Bayport, MN. Through Project XL, Andersen has proposed modifications that involve a shift from high-emission processes like solvent-based wood preservation to lower-emission processes like waterborne wood treatment. Andersen has also proposed to shift production to an innovative process called Fibrex<sup>™</sup>, which uses wood fiber and vinyl to make window components--this process has lower emissions and the components can be recycled into Fibrex again and again. According to EPA regulations, facilities must obtain prior approval from either the state or EPA when making modifications that result in significant increases in volatile organic compound emissions, which produce smog. To support the movement to these cleaner processes, Andersen, EPA, the Minnesota Pollution Control Agency (MPCA), and Washington County have agreed on legal mechanisms that authorize Andersen to modify certain processes without additional approval. The final project agreement, EPA's 13<sup>th</sup> XL project, was signed on June 30, 1999.

### SUPERIOR ENVIRONMENTAL PERFORMANCE

The project establishes emission rates for volatile organic compounds based on a given quantity of product. This project provides incentives for Andersen to continually lower the amount of emissions per unit of product. Benefits for achieving substantial reductions in emission rates include rewards such as an extension of the project or a commendation letter from EPA, while disincentives for increased emission rates may include possible enforcement actions or project termination.

In addition to the production-based emission measure, caps on emissions of volatile organic compounds and particulate matter ensure that the facility's overall emissions will not exceed those from normal operations even while expanding and transitioning to new lower pollution processes. In addition,

Andersen will be able to manufacture more of its windows from wood fiber and vinyl than in the past, reducing its use of virgin materials and its air emissions. Andersen will also increase its reliance on low-solvent processes, further reducing air emissions at the facility.

#### **FLEXIBILITY**

Under this XL project Andersen can modify and add pre-approved emission sources (such as waterborne treatment lines and Fibrex production) without additional review by EPA or Minnesota. In addition, the permit combines 26 different emission limits for Andersen's two diptanks into one limit. Minnesota will provide Andersen with flexibility on procedures to close these diptanks. Also, the project allows Andersen to remove an emission control unit (which may be the source of odors in the community) with the approval of EPA, Minnesota, and the Community Advisory Committee. Andersen must show that cost savings resulting from shutting down this equipment have been reinvested in projects that further reduce emissions.

# STAKEHOLDER INVOLVEMENT

The project was developed with extensive involvement by the Community Advisory Committee. In addition, a number of national environmental groups were provided information and the opportunity for input. The Environmental Defense Fund reviewed and commented on the project during the development stage.

# APPROACHES TO BE TESTED

- Can an innovative, incentive-based system of tying emission limits to a given quantity of product reduce a facility's impact on the environment?
- Will operational flexibility for a facility allow it to better transition to more environmentally-beneficial products?
- Will simplified record keeping work as an incentive for a facility to focus on better environmental practices?

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### FOR ELECTRONIC INFORMATION

More information about Project XL is available on the Internet at http://www.epa.gov/ProjectXL, or via Project XL's Information Line at 202-260-5754.