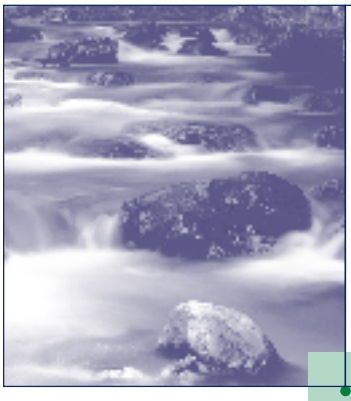
Introduction



In the last decade environmental protection has become more complex. We face challenges, like global warming and urban sprawl, that are not addressed through traditional regulatory approaches. To ensure progress on these and other issues, we need strategies that take into account all the factors affecting the quality of our air, land, and water, that respect natural ecosystems, and that reflect the priorities of local stakeholders. We also need to improve regulatory procedures so businesses and communities can focus on problems, not paperwork.

In 1995, the EPA launched a portfolio of high-priority initiatives which challenged us to think of new ways to fulfill America's environmental and human health protection goals. Since then, businesses, communities and other federal agencies have responded to this challenge by participating in these initiatives, including Project XL (which stands for eXcellence and Leadership).

Project XL solicits ideas from private and public sector facilities, other government agencies, trade associations and communities that propose solutions to difficult regulatory or technical problems and that explore new approaches to protecting human health and the environment, usually at a lower cost or lessened regulatory burden for the project sponsor. EPA and these project sponsors formalize the details of these experiments in a document called a Final Project Agreement (FPA) which outlines responsibilities of the project sponsor and describes any regulatory flexibility that EPA or the appropriate state, tribal, and local agency is granting in order to conduct the experiment.

These experiments are leading to improvements in well-established programs and exploration of fundamentally new approaches to protect human health and the environment. By testing sensible, flexible solutions to specific obstacles faced by a facility, a sector, a state or a local community, Project XL champions ideas that yield broader concepts for enhancing our environmental protection system.

This type of flexibility is unprecedented, but it is an offer we have been able to make because we set high goals for environmental performance and insist on public accountability for results. And yet, because we have been breaking new ground, we faced difficult issues in the early stages. We wrestled with questions such as: What kind of flexibility should be allowed? How do you define "better results" and "superior environmental performance"? What can we do within the existing laws? Who needs to be involved in the discussions? We learned

a lot, made adjustments to the program, and found ways to be more responsive to stakeholder needs. As a result, projects are underway throughout the country.

The experiments being conducted under Project XL are in various stages: 16 projects have been underway for a year or more and 37 projects have been in implementation for less than one year or still are under development. Early evaluation results show benefits to the environment, project sponsors, and the communities. Data from several projects give us some indication of the great potential their innovative approaches have for significantly improving our system for managing our environment. In fact, Project XL's greatest opportunity, and its greatest challenge, is taking successful ideas from individual pilot projects and moving these ideas to their appropriate system-wide practice and into EPA's everyday way of doing business. Through experimentation and evaluation, Project XL can add to an ever diversifying set of tools to protect the environment by identifying new approaches, learning about the keys to their effective use, and better enabling EPA to match the right tools to the right problems.

This volume, *Directory of Regulatory, Policy, and Technology Innovations*, describes early results and how lessons learned from these efforts might be incorporated in EPA's everyday work, such as regulation development, permitting, information management and access, enforcement and compliance assurance, environmental stewardship, stakeholder involvement, and Agency culture change. In order to better understand the detailed information contained in this volume, please refer to the Innovations in Core Functions by Project Table on page 14. For summaries of the progress and results of individual projects, please see the second volume, *Directory of Project Experiments and Results*.

Project XL is one of many initiatives that EPA national and regional programs are conducting to address environmental problems that have yet to be solved through the current system. For more information on these initiatives, please see *A Decade of Progress: Innovation at the Environmental Protection Agency* (April 2000) available at *http://www.epa.gov/opeihome/decade/* and the 1999 EPA Innovations Task Force report *Aiming for Excellence: Actions to Encourage Stewardship and Accelerate Environmental Progress* (July 1999) available at *http://www.epa.gov/reinvent/taskforce/report99/*.