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WASHINGTON, D.C.

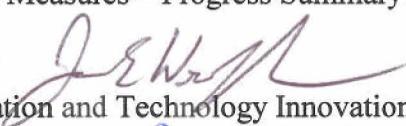
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OFFICE OF
SOLID WASTE AND EMERGENCY
RESPONSE

OSWER Directive No. 9275.1-18

MEMORANDUM

SUBJECT: Superfund Cost Management Measures – Progress Summary

FROM: James E. Woolford, Director 
Office of Superfund Remediation and Technology Innovation

Susan E. Bromm, Director 
Office of Site Remediation Enforcement

TO: Superfund National Policy Managers, Regions 1 - 10

Purpose

The purpose of this memorandum is to provide a summary of the substantial progress made to date on the 17 recommended Superfund cost management measures, announced on October 24, 2005 (Directive No. 9275.1-12-D). The recommended activities conducted as part of implementing the cost management measures directive are explained below and are intended to provide updated ways of conducting site management as effectively and efficiently as possible. These recommended activities can save substantial money, time, or resources throughout the site cleanup process.

A summary of the work performed on each recommended activity to date, as well as future work yet to be completed and an estimate of each recommended activity's endpoint, if available, is contained in Attachment 1. These recommended activities are organized into five categories – 1) People Responsible for Contamination Should Pay For or Conduct Cleanup Work; 2) Getting the Most Out of Superfund Money; 3) Ensuring the Best Cleanup for the Money; 4) Getting the Most Out of Cleanup Decisions/Remedies; and 5) Utilizing Technology For Outstanding Site Management.

This memo is the first summary of progress and completion status for the recommended activities completed as part of the 17 cost management measures. Some activities are now complete with no further action planned (see Attachment 2), and others require more work than originally planned and thus are still ongoing. The next progress summary, which is scheduled to be completed in 2008, will update the progress on the ongoing work.

Basis For Recommended Cost Management Activities

The program continually looks internally for ways to improve the efficiency of its resource use, without sacrificing protection of human health and the environment.

Since the early 1990s, the Superfund program has undergone several cost- and management-related reviews by EPA and/or outside groups, including the Superfund Administrative Reforms, Resources for the Future (RFF), National Advisory Council for Environmental Policy and Technology (NACEPT), and the program review titled, *Superfund: Building on the Past, Looking to the Future – 120-Day Study* (120-Day Study) to name a few. Many of the recommended cost management activities are consistent with those previous efforts.

Highlights

Four highlights directly relate to implementation of the recommended cost management activities. They are:

- 1) Three recommended activities have generated cost savings in excess of \$200 million. Two of these activities (#3.1 and #3.3) involve third party reviews of the selected remedy by either Headquarters personnel or support contractors, such as the U.S. Army Corps of Engineers. In activity #3.1, operation of the remedy was the reason for the new review, and in activity #3.3, remedial design cost was the reason for the new review. The third activity generating cost savings (#4.1) is OSRTI's annual tracking of remedy updates. These updates, which are either Records of Decision (ROD) Amendments or Explanation of Significant Differences (ESDs), bring past remedial decisions in line with current science and technology. In August 2005, OSRTI sent out a memo encouraging Regions to evaluate and, where appropriate, update remedies in a manner that maintains protectiveness of human health and the environment.
- 2) OSRTI has identified potential program savings by reducing EPA's (or its support contractor's) taxes paid to States when purchasing equipment for remedial and removal actions. Although the universe of savings cannot be determined at this time, OSRTI has briefed Superfund Division Directors and Remedial Branch Chiefs on the status of the tax issue. OSRTI continues to work with staff from several Headquarters offices to gather data, which will identify the universe of States where the Superfund program or its response contractor are paying unnecessary taxes on any equipment and supplies purchased for remedial work.
- 3) The project leads for each of the recommended cost management activities have drafted numerous summary reports. These summary reports provide more details on each activity than the information provided in this memo, including Attachments 1 and 2. These summary reports will be available on the following Superfund Reforms web site: <http://www.epa.gov/superfund/programs/reforms/docs/htm>.

- 4) OSRTI and OSRE propose to add three more recommended activities, which will become part of this initiative. These new recommended activities are intended to answer the following questions: a) How can the program reuse surplus equipment? b) How can the program reduce overly-restrictive health and safety requirements for all workers at hazardous waste sites? and c) Should the Agency require and track financial assurance for all new settlements with responsible parties? More detail on these new activities is provided below.

Completed Work

Thirty-six separate actions have been completed on the recommended cost management activities by either OSRTI or OSRE. In some cases, the action resulted in a new memo (e.g., policy, procedure, and guidance document), new data management tools (e.g., matrix, spreadsheet, and checklist), or a new data repository (e.g., web-site, resource center, and library). For more details on the 36 completed actions, see the Superfund Reforms web-site mentioned earlier and Attachment 2 of this memo.

Ongoing Work

Many of the recommended cost management activities are not new. They are extensions of recommendations made in the 120-Day Study (see www.epa.gov/superfund/action/120day/index.htm). In some cases, these recommended activities will continue the work begun under the 120-Day Study recommendations while, in other cases, they may either expand the scope of the original recommendation or include additional activities not considered in the original 120-Day Study. There are 7 actions that are ongoing and included in both the 120-Day Study recommendations and the 17 recommended cost management activities. There are 11 actions that are ongoing and unique to the 17 recommended cost management activities (see Attachment 1 for details).

The ongoing actions will be updated in the next summary report during 2008.

New Recommended Activities to be Added to the Cost Management Measures

OSRTI and OSRE are adding three more recommended cost management activities into this initiative and will track them in future summary reports:

- 1) Reuse of Surplus Equipment – The equipment purchased by EPA for a remedial action at a Superfund site can be reused after it is no longer needed at a particular site. There should be a public web-site where surplus equipment can be posted and a process in-place for how this equipment can be transferred to other sites in an efficient manner.
- 2) Reduce Overly Restrictive Health and Safety Requirements - Certain site activities can be conducted by workers without the need for expensive training and monitoring. The Occupational Safety and Health Administration's (OSHA's) Hazardous Waste Operations and Emergency Response (HAZWOPER) standard (29 CFR 1910.120) applies to cleanup

construction “unless the employer can demonstrate that the operation does not involve employee exposure or possibility of employee exposure to safety or health hazards.” Since training and medical surveillance as specified by the HAZWOPER can be expensive, OSRTI should document this exclusion during remedial activities, where appropriate, and this action could lead to savings in construction labor costs.

- 3) Require and Track Financial Assurances – EPA should require and track financial assurance for all new settlements with responsible parties in the CERCLA Information System (CERCLIS). [Note: There is a preference under Superfund to require potentially responsible parties to provide the Agency with evidence demonstrating they have financial resources that will ensure the clean up of environmental contamination. This work will track financial assurance and identify the different components of financial assurance for new CERCLA settlements. Implementing financial assurance can help assure funds are available to pay for site cleanups and avoid having to rely solely on government funds.]

A detailed summary of these new recommended activities, including the lead office, summary of actions, and the status of those actions will be posted on the Superfund reforms web-site (previously mentioned) and included in the next summary report in 2008.

Conclusions

Since the original memo was released on October 24, 2005, the 17 recommended cost management activities have been implemented at many sites currently managed by the Superfund program. This progress summary responds to outside concerns that the program is inefficient and is not looking for ways to be cost-effective and reduce cleanup duration. The positive results obtained by the recommended cost management activities show that the Superfund program continues to find better ways to clean up sites, resulting in numerous cost and time management savings. In addition, more recommended activities can be added to this initiative at any time, as is evidenced by the three included in this memo. The next progress report is scheduled to be completed in 2008.

General questions about this topic should be referred to the Call Center at 1-800-424-9346. The subject matter specialist for this document is Matthew Charsky of OSRTI, who can be reached at 703-603-8777 and charsky.matthew@epa.gov.

Attachments

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