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April 10, 1996

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Administrator
U.S. Environmental Protection Agency
401 M Street SW
Washington, DC 20460

John DeVillars
Regional Administrator
New England Region
U.S. Environmental Protection Agency
John F. Kennedy Federal Building
Boston, MA 02203

Dear Ms. Browner and Mr. DeVillars:

The Massachusetts Department of Environmental Protection is pleased to present for your review a proposal for two regulatory reform projects to be conducted under the Excellence and Leadership (XL) program.

By offering this proposal to you, Massachusetts will require from EPA both regulatory flexibility — including waivers from certain reporting requirements — and enforcement forbearance in order to proceed with implementation of:

- Massachusetts' **Environmental Results Program**, which is replacing the command-and-control practice of "engineering the permit" with a facility-wide performance-based compliance self-certification program; and

- Massachusetts' **One-Stop Reporting System**, which seeks to improve the quality of information collected from the regulated community while eliminating redundant and non-essential reporting requirements.

DEP believes both of these programs will enable Massachusetts — and eventually other states — to remove unnecessary federal regulatory barriers that hinder our efforts at better environmental protection. Massachusetts would welcome the opportunity to present these proposals to you in more detail and thanks you in advance for giving them your thoughtful consideration.

Sincerely,

David B. Struhs
Commissioner

Introduction

Massachusetts enjoys a reputation for leadership and innovation in environmental protection. Three of the Commonwealth's recent major regulatory improvements — Facility-Wide Inspections to Reduce Sources of Toxics (Blackstone Project/ Waste Prevention FIRST), the Toxics Use Reduction (TUR) program and the Licensed Site Professional (LSP) program — have won both broad support and prestigious government innovation awards.

Through these nationally acclaimed initiatives, the Department of Environmental Protection (DEP) has:

> *Are we regulating what we should be and are we doing it effectively?*
>
> - William F. Weld, Governor

- Vastly improved both the efficiency and environmental protection "yield" of its compliance inspections by accomplishing in one visit to a regulated facility what used to take three or four trips, and by examining the whole facility at once to discourage the "shell game" of transferring pollution from one medium to another;

- Promoted pollution prevention by monitoring industry's use of toxic chemicals and helping regulated companies lower their permitting, production and disposal costs; and

- Given the private sector more flexibility to tailor cleanups of hazardous waste sites, as well as new incentives for quickly reducing public health risks and lowering cleanup costs, through a program that employs performance standards rather than traditional "command and control" techniques to achieve environmental results without micro-managing the process.

While proud of these accomplishments, Massachusetts is not satisfied that they alone represent the state-of-the-art in efficient and cost-effective delivery of environmental protection services.

Recently, DEP launched 14 regulatory streamlining actions to increase the environmental yield of the agency's permitting and compliance activities while providing regulatory relief. The prescribed changes are broadly aimed at:

- Permit streamlining;
- Management improvements; and
- Comprehensive regulatory reform.

While it calls for improving whole-facility regulation, watershed management and service privatization, the 14-point agenda also identifies other high-priority actions, including:

- Development of a performance-based self-certification program for small and medium-sized businesses;
- Comprehensive review of DEP programs and regulations to identify opportunities for increasing environmental yield while decreasing regulatory burden;
- Streamlining the permit process to improve integration, consistency and speed of issuance;
- Pursuit of federal regulatory flexibility and enforcement forbearance that will allow DEP to explore alternatives to traditional permitting and compliance assurance;
- Strategic realignment of the agency to improve service delivery, program integration and management accountability;
- Development of new and improved management information systems; and
- Improvement of staff skills to support these initiatives.

Some of these items are influenced by the requirements of federally-delegated programs or the non-delegated portions of federal programs. Others are seen as next logical steps, given previous regulatory reform efforts that are unique to Massachusetts but can easily be replicated by other states. At the vanguard of the Commonwealth's regulatory reform agenda are two new programs:

- The **Environmental Results Program** (ERP), a performance-based self-certification approach designed to get government out of the business of telling companies *how* to achieve regulatory standards while simultaneously improving compliance and enforcement; and

- The **One-Stop Reporting System**, aimed at making required annual environmental reporting easier for regulated businesses and more meaningful to government, key stakeholders and the reporting companies themselves.

Development and full implementation of these two programs will be easier and more effective with receipt of federal regulatory flexibility under EPA's Excellence and Leadership (XL) Program.

Through Project XL, Massachusetts is seeking from EPA both permitting and reporting flexibility, as well as enforcement forbearance from federally enforceable requirements, to support the development and implementation of DEP's Environmental Results Program and One-Stop Reporting initiative. Included in this proposal are descriptions of each regulatory reform program, delineation of the federal and state regulatory requirements they will address, and discussions of implementation.

THE ENVIRONMENTAL RESULTS PROGRAM

DEP is seeking federal regulatory flexibility under Project XL to optimize the effectiveness of the Massachusetts Environmental Results Program.

Summary

For a quarter-century, environmental protection in Massachusetts — and across the nation — has been predicated on a belief that government can best ensure clean air, water and land not only by telling regulated companies that they have to limit pollution, but by requiring them to do it in very specific ways.

Today, thousands of Massachusetts environmental permits go far beyond establishing performance standards. All too frequently, they spell out in painstaking detail precisely how those standards must be achieved and with what technology. In some cases, the Department of Environmental Protection specifies the installation of pollution control equipment down to the brand name and serial number.

This command-and-control approach of "engineering the permit" was once accepted as necessary. And while it has undeniably yielded environmental benefits over the years, it continues to frustrate those businesses that might otherwise want to do more than simply meet the standards, stands in the way of DEP's fair and even enforcement of the rules, and costs everyone — industry and government — too much time and money.

Worse, this overly prescriptive approach hobbles DEP's ability to focus its limited resources on the greatest threats to human health and the environment in the Commonwealth. As a result, DEP staff spend more time engineering permits than they do ensuring actual compliance or

> *We are a business entrepreneur and an environmental advocate who believe it is possible, indeed imperative, to do a better job of protecting the environment, encouraging innovative solutions and making our state more economically competitive.*
>
> **- James R. Gomes, President, Environmental League of Massachusetts**
>
> **- James M. Coull, Chairman, Environmental Affairs Committee of the Massachusetts High Tech Council**

undertaking enforcement. Sadly, these permits — almost 16,000 of them — account for only a small percentage of the total pollution in the state.

Now, in a bold move that will revolutionize the way the public sector protects human health and the environment, Massachusetts is launching the Environmental Results Program — a first-of-its-kind initiative designed to get government out of the business of telling companies how to achieve environmental standards.

ERP's performance-based, self-certification compliance requirements will tap the unparalleled managerial creativity and technical imagination of Massachusetts companies to find the most cost-effective environmental compliance strategies.

DEP will, in turn, refocus its efforts on those things government does best: Setting standards and aggressively enforcing them.

Initially, Massachusetts is developing ERP for small to medium-sized companies whose environmental activities require DEP permits and also may be subject to federally enforceable requirements. DEP anticipates that within the next year or two, most if not all state-regulated companies may be able to transition into this performance-based self-certification program — thus eliminating the need for some 10,000 companies to obtain, renew or modify permits.

In cooperation with key stakeholders, DEP has launched an ERP demonstration project intended to prove the feasibility of articulating and enforcing environmental standards through a new regulatory vehicle: Facility-wide, performance-based compliance self-certification. Twenty-three businesses, representing a variety of industries and company sizes, are now helping DEP demonstrate the feasibility of this approach.

These ERP demonstration companies are contributing the assistance of their environmental or engineering departments to work on technical teams alongside DEP regulators. These teams will develop self-certifications of compliance that can take the place of facility-specific permit requirements for various industries. Self-certifications will require reporting on attainment of numerical standards, equipment performance and compliance with operational requirements.

After a few months in the ERP demonstration project, participating companies for which self-certifications are developed will be able to certify their compliance with environmental standards, thereby eliminating the applicability of various DEP permits and reporting requirements to their facilities. The certification development phase of the demonstration project may be extended beyond the initial three months so additional industries or processes can be addressed.

While the demonstration project is underway, DEP has begun planning for a phased statewide implementation of ERP. The first phase of implementation will begin in mid-1996 with outreach to companies in select industrial categories for which self-certifications have been developed. At the same time, DEP will be developing

an audit protocol designed to verify and improve the environmental performance certified by participating companies.

Statewide implementation of the full Environmental Results Program will take place over a period of one to two years as DEP and industry gain more experience with self-certification. Program evaluation and improvement will be continuous. Full implementation of ERP will be influenced by the experience gained during the demonstration project, which is intended to:

- Identify performance-based environmental standards for participating companies and, if possible, expand them to similar industrial categories and/or processes;

- Determine what records will need to be maintained in support of self-certification, to enable DEP review or inspection;

- Begin the development of compliance workbooks that explain, in plain English, the steps participating businesses can take to self-certify compliance;

- Determine how ERP should proceed or be revamped based on the degree to which participating companies consider self-certification feasible;

- Identify factors that could help or hinder self-certification and determine ways to overcome obstacles;

- Generate case-specific data on the ability of self-certifying companies to maintain compliance; and

- Develop compliance assistance materials that explain the benefits of employing pollution prevention techniques.

DEP and its stakeholders will develop criteria for evaluating the demonstration project, paying careful consideration to both legal implications and technical operational details.

XL Selection Criteria

DEP is seeking federal regulatory flexibility under Project XL to optimize the development of ERP. Self-certification will be comprehensive — including all appropriate state air, water and waste requirements. This innovative approach will advance both environmental and economic goals in Massachusetts for the reasons that follow.

Environmental Results

DEP currently issues almost 16,000 permits for only — in many cases — a tiny fraction of the pollution in the state.

Total NO_x emitted in the state

3.1% ERP

Total SO_2 emitted in the state

4.5% ERP

Total VOCs emitted in the state

7% ERP

Total CO emitted in the state

0.1% ERP

Total industrial waste water discharged to POTWs in the state

15% ERP

Total hazardous waste generated in the state

80% ERP

The very act of having to self-certify compliance on a periodic basis should, in and of itself, raise each company's overall environmental awareness. Beyond that, ERP will ultimately achieve better and more meaningful environmental results by:

- Creating performance-based standards that clearly define what is necessary for compliance and incentives for companies to innovate and go beyond what is minimally required;
- Enabling DEP to target higher-risk sources and companies most likely to be out of compliance; and
- Boosting compliance rates by clarifying requirements, making DEP inspections more strategic and broad, simplifying the reporting process, and offering opportunities for pollution prevention that are more attractive and varied.

DEP will work with representatives of industry and environmental organizations to create compliance "workbooks" that not only explain environmental requirements in plain language that makes sense in the context of the respective industrial sectors, but also list pollution prevention techniques that companies can use to lower their regulatory, production and waste management costs. Both the whole-facility focus of the self-certification and ERP's emphasis on pollution prevention should lead to better overall environmental performance by these facilities.

As noted earlier, ERP will be aimed at some 10,000 small and medium-sized companies whose combined statewide environmental impacts are comparatively minor. Annually, by total weight, their emissions to the air account for only:

- 3.1 percent of Nitrogen Oxides (NO_x);
- 4.5 percent of Sulfur Dioxide (SO_2);
- 7 percent of all volatile organic compounds (VOCs); and
- 0.1 percent of Carbon Monoxide (CO).

At the same time, these companies account for less than 15 percent of the total volume of wastewater discharged to publicly owned treatment works (POTWs) in Massachusetts. In aggregate, they also account for some 80 percent of the 170,000 tons of hazardous waste generated every year in the state.

Historically, DEP has spent an inordinate amount of time on the up-front permitting of these facilities, yet has been unable to sufficiently target them or

other, higher-risk sources for compliance and enforcement followup. This missdirection of resources has been largely a result of EPA grant conditions that mandate frequent, resource-intensive inspections of larger individual sources of pollution and generators of waste — even those with impeccable track records.

ERP will enable DEP to flexibly and more efficiently target its limited compliance and enforcement resources at higher-risk pollution sources. Eliminating permit requirements for small-risk sources will make more DEP staff available for compliance and enforcement. By focusing on environmental results — not just commitments — ERP will bring the actual performance of small and medium-sized companies into significantly sharper focus by increasing their accountability for compliance.

Cost Savings and Paperwork Reduction

Both DEP and the regulated companies that participate in ERP will obtain administrative and operational flexibility, and realize significant cost savings, from this new approach. The need for new permits, permit renewals and modifications — and the financial and opportunity costs associated with them — will ultimately be eliminated.

Another goal of ERP — and the related One-Stop Reporting initiative for which Massachusetts is also seeking federal regulatory flexibility under Project XL — is that eventually the various single-media reports that must now be submitted to DEP will be replaced by whole-facility certifications of compliance from ERP companies and annual summary reports from all non-ERP regulated firms. Companies will continue to retain sampling records on site to verify compliance with certifications. This consolidation and integration of reporting requirements will yield substantial reductions in paperwork and costs for both DEP and the companies it regulates.

For those facilities currently operating "outside" the regulatory system — without required environmental approvals — ERP may initially represent new or additional compliance costs. But given the unfair competitive advantages these companies have realized by escaping DEP scrutiny until now, this is only equitable. Bringing these businesses and their previously unregulated waste streams under DEP's umbrella will both level the regulatory playing field and increase the environmental yield of ERP and other agency programs.

Stakeholder Support

DEP is drawing on the collective creativity and expertise of business and industry, other government agencies, environmental groups and the public in planning for ERP implementation. Since October 1995, DEP has been meeting with representatives of various organizations who, collectively, function as a "Design Group" that advises the agency on ERP development:

- Regulated Businesses: American Electroplating and Surface Finishing Society, Associated Industries of Massachusetts, Boston Bar Association, Massachusetts BioTech Council, Massachusetts High Technology Council, Mass Insight, National Association of Industrial and Office Properties, Northeast Circuits Association of New England, Smaller Business Association of New England, and Toxics Use Reduction Planner Association.

- Environmental Interests: Conservation Law Foundation, Environmental League of Massachusetts, and Massachusetts Public Interest Research Group.

- Government Partners: EPA-New England, Massachusetts Water Resources Authority, Massachusetts Environmental Health Association, and Massachusetts Industrial Pretreatment Forum.

Specifically, the ERP Design Group is helping DEP develop various ERP components (such as program universe, certification, incentives and measures of success) and establish a number of technical teams to develop those products. Industry, DEP and EPA-New England representatives are working cooperatively to develop industry- or process-specific environmental performance standards and customized workbooks to help companies through the compliance self-certification process.

Innovation/Multimedia Pollution Prevention

ERP represents a departure from traditional environmental regulation. The program will simultaneously spur pollution prevention and continuous environmental improvement by regulated facilities.

Instead of having to obtain permits that tell them exactly what to do, whether it makes sense for them or not, regulated companies will be empowered to engineer their own solutions and self-certify their compliance with environmental performance standards. This regulatory freedom is just the incentive many companies need to take a serious look at going beyond mere compliance and totally rethinking their use of toxic chemicals and other raw materials.

Transferability (Model for other regulatory solutions)

What is learned through the demonstration project and the initial phase of ERP implementation can be helpful on two levels. First, the concept can be more broadly applied in Massachusetts. Second, it can be replicated in other states.

The demonstration project is a bench-scale experiment to prove that performance-based self-certification is not only feasible, but works better than traditional command-and-control permitting. What is learned in select industries can be applied to the rest of the regulated universe as Massachusetts proceeds with full implementation.

Likewise, Massachusetts has not been unique in its approach to environmental regulation. Other states and EPA are wrestling with the challenge of better safeguarding natural resources while reducing compliance costs and paperwork for business. ERP will achieve both, and its lessons will be applicable in every state capital and EPA region.

Feasibility (technically)

Assuming EPA provides the regulatory flexibility and enforcement forbearance that are necessary for effective implementation of ERP, DEP believes development and roll-out are not only technically feasible, but also the most effective means of developing and testing the performance-based self-certification concept in Massachusetts. DEP's confidence is based on its past success with regulatory innovation, the soundness of its plan for proceeding with ERP, and the expanse of support that has been expressed by key stakeholders for a bold new program of this type.

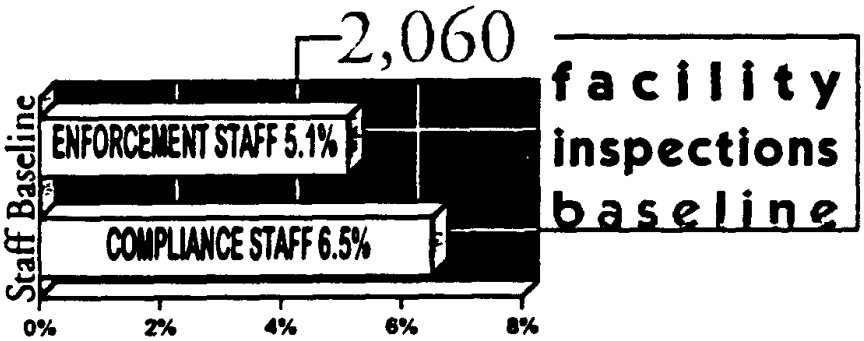
Monitoring, Reporting & Evaluation (Measurable results)

During the development and roll-out of ERP, Massachusetts will evaluate the effectiveness of performance-based self-certification under diverse circumstances, in various industry sectors and with different industrial processes. The evaluation process will be formulated with, and reported to, the ERP Design Group.

With help from ERP Design Group members, the agency is currently working to develop measures of success. The first challenge is to catalog and address all existing legal and technical obstacles to creation of the program itself. Beyond that, workgroups and technical teams will have to determine which data need to be collected for the effective monitoring and evaluation of:

- Operational flexibility gained by companies;
- Technical expertise required and effort expended by individual businesses to complete self-certifications;
- Differences between effort required and elapsed time for certification versus traditional permitting;
- Fluctuations in compliance rates during the demonstration period; and
- Potential roles for independent third parties in this innovative approach.

One of the ultimate measures of ERP's success will be the degree to which it enables DEP to shift its resources away from issuing permits that account for only a tiny fraction of the pollution generated and direct them instead at the most significant risks to human health and the environment. The agency has established baselines for measuring increases in the number of facility inspections it performs each year (currently 2,060) as well as the percentage of agency compliance (6.5 percent) and enforcement staff (5.1 percent).



Shifting of Risk Burden

DEP's demonstration project and the first phase of ERP implementation will be used to develop and evaluate facility-wide self-certification as a primary means of ensuring compliance with environmental standards. Specifically, DEP will review fluctuations in total pollutants released to ensure that the effect is not simply the shifting of risks among the various environmental media. DEP believes ERP will result in better overall compliance by regulated facilities and, ultimately, reductions in their discharges and emissions to the environment.

ONE-STOP FACILITY REPORTING

DEP is seeking federal regulatory flexibility under Project XL to waive federal reporting requirements in order to develop a consolidated environmental report for participating facilities.

Summary

Historically, regulated companies have been required to submit periodic environmental reports about different facets of their facility operations to the government agencies that regulate them. Many businesses consider some of these reporting requirements cumbersome, duplicative and costly. Even many regulators agree that the volume and detail of paperwork can be a barrier to effective environmental protection.

Regulators who use the information generated from facility environmental reports frequently encounter problems when attempting to analyze the data. The myriad number of federally-mandated reports, sheer amount and duplication of data, literally produce too much information for state regulators to wade through.

Worse, these reports and their associated information systems lack the holistic perspective necessary to assess the overall performance of regulated companies and their collective environmental and public health impacts in Massachusetts.

Making the environmental reporting process easier for facility operators and more meaningful for compliance and enforcement is a priority for the Massachusetts Department of Environmental Protection.

At the same time, considerable discussion at both the state and national levels has focused on expanding the use of electronic filing to submit the reports that are required today. However, DEP believes that it is more critical to go beyond merely "paving the cow paths" to a complete rethinking of what key data are really needed to effectively protect human health and the environment.

> *I believe that the project concept can achieve the win/win of both reducing burden on the regulated community and increasing information availability to the public.*
>
> **- Harry Fatkin, Division Vice President for Health, Safety and Environmental Affairs, Polaroid Corp.**

As a result, DEP is currently in the formative stages of developing a "One-Stop" annual facility environmental reporting system for Massachusetts companies that are regulated by DEP and the U.S. Environmental Protection Agency. This initiative will require that participating facilities receive waivers from federal environmental reporting requirements that currently apply to them.

The new One-Stop system will combine the single-medium annual reports currently required into one consolidated and integrated multimedia summary report for each facility. The goal of the One-Stop report is to focus on the *quality*, not the *quantity* of the information gathered. The agency envisions this reporting mechanism ultimately replacing all current annual reporting requirements, both state and federal. DEP is enlisting a small group of companies to test the new approach.

Before designing a new unified report, DEP will complete its identification of all problems with the existing systems and develop viable solutions to those problems.

The operators of regulated facilities have raised a series of concerns about the existing reporting structure. Specifically, they wonder if government and other data users gain any "value added" from all of the information they provide in response to the current battery of questions.

Regulated companies also believe DEP should focus less on how things work inside a company and more on whether or not the applicable environmental standards are being met. They want the agency to eliminate monitoring and reporting requirements that are process-oriented, focusing instead on facility outcomes that are results-oriented.

Of course, what is good for the environment can also be good for business. Most companies will want to take advantage when the data they are required to collect for summary environmental reporting has usefulness in other ways. It may help them ensure worker safety, control the efficiency and cost of their operations, improve the quality of their products, or limit their future liability.

Beyond the business community, there are many individuals and groups with an interest in the environmental information collected from regulated facilities. Citizens, educators, environmentalists, municipal officials, consultants and attorneys all have unique sets of concerns and information needs. These individuals and groups want high-quality facility information that is accurate, easily accessible and relevant to their interests.

Common user complaints about the data currently available focus on:

- Incompatibility among units of measure that create far too many so-called "apples to oranges" comparisons;

- Content that is overly detailed or too technical for the layperson to understand;

- Variation in the way data are gathered from different waste streams and environmental media; and

- Lack of a whole-facility, multimedia perspective.

These are valid concerns and DEP wants to address them. In doing so, the agency will strive to avoid a common pitfall in reporting system design: When the system tries to be all things to all users, the results are very often satisfactory to no one. DEP realizes that it must set clear and realistic objectives to develop an effective reporting system — something that will be possible only if the interests and needs of all key constituencies are identified, evaluated and prioritized. Thus, the agency is taking a series of initial fact-finding steps:

- Internal Research: DEP is cataloging all annual reporting requirements that currently apply to regulated businesses — including the applicable laws, numbers of affected facilities and specific data elements companies are required to submit. Comparative analyses of individual annual reports are part of this effort. In addition, DEP is identifying the nonessential, overlapping and duplicative data requirements of each environmental report.

- Needs Assesment: DEP is beginning a process to identify and prioritize data elements which are *critical* to the protection of human health and the environment in Massachusetts. This process will strive to establish data elements that provide DEP with compliance assurance *and* environmental indicator information.

- User Surveys, Workshops and Focus Groups: In conjunction with Harvard University's John F. Kennedy School of Government, DEP developed a survey and workshops to gather the opinions of regulated businesses, environmental groups, government regulators and others who will be affected by changes in the current reporting system. DEP also has received a $35,000 grant from EPA to conduct six stakeholder focus sessions to give small groups of citizens and survey respondents the opportunity to share their views on the role government should play in providing services and access to environmental information. Results and findings will be summarized in reports being prepared by and submitted to DEP this spring.

- Pilot Reporting System: The combined findings of DEP's internal research, agency needs assesment and external user input will serve as the cornerstone for the construction of a new, consolidated and integrated multimedia annual facility environmental reporting system — a collaborative effort of DEP and up to 25 selected Massachusetts companies.

These efforts will provide DEP with the answers to a pair of key questions: What environmental information should government be collecting from regulated facilities on an annual basis? How best can government collect, process, store and distribute this information? The subsequent One-Stop pilot project will give DEP an opportunity to test a unified reporting system.

Specifically, it will enable DEP to:

- Build a simple, cost-effective and user-friendly computer database to support the input, storage, management and access of environmental data;

- Develop guidelines for increasing public access to collected data while safeguarding "trade secret" and other confidential business information;

- Investigate electronic filing and other technological refinements that could further streamline the reporting process for businesses and make DEP's data collection, management and distribution more efficient;

- Possibly use "exception" reporting after the first year's data submissions (i.e. subsequent filings would be required only to correct previously reported information that is no longer valid due to changes in process, production level, product formulation or control technology); and

- Potentially apply One-Stop principles to other types of facility reporting requirements.

XL Selection Criteria

This innovative approach to whole facility reporting is beneficial to both environmental and economic goals for the following reasons.

Environmental Results

The consolidation of reporting requirements and summarization of all collected data in one integrated and interactive report will:

- Help DEP more accurately and efficiently track trends in environmental emissions and impacts across Massachusetts;

- Enable both business and government to shift resources away from duplicative paperwork and redeploy staff and money to achieve better productivity and real environmental protection;

- Cause companies to look at their facilities more holistically with an eye toward preventing pollution, avoiding media shifts and improving overall environmental performance; and

- Provide interested stakeholders with data that are more meaningful and easier to use.

Cost Savings and Paperwork Reduction

The One-Stop project is likely to save regulated businesses and government agencies both time and money. Considerable public and private sector resources are currently devoted to:

- Gathering, review and storage of environmental information;

- Delivery of technical assistance to reporting facilities;

- Extensive review of submitted information for quality assurance purposes; and

- Entry, management and manipulation of vast amounts of information into scores of separate state and federal databases.

One-Stop's greatest savings to business and government will be in the time required to analyze the collected data. Because information is currently stored at DEP in various stand-alone systems that are media-specific — and employ different and frequently incompatible formats — data can be difficult to access and often impossible to use for comparative purposes.

Recently, environmental managers from one of the state's largest employers — the Texas Instruments, Inc., facility in Attleboro — documented the financial drain of environmental data reporting on their company's bottom line. The "ballpark" figures TI provided to DEP showed expenditures ranging from $600,000 to $800,000 in a single year on consultants and staff who were paid to wrestle with duplicative and sometimes contradictory state and federal reporting requirements.

Stakeholder Support

In the context of this proposal, a stakeholder is anyone who may want or need access to facility environmental information. DEP has taken a careful and deliberate approach in identifying stakeholders, conducting an inventory of their facility data

interests and needs, and cultivating their support for the One-Stop pilot project. Among the key stakeholders are:

- Industry representatives, including environmental and plant managers, senior managers and chief executives;
- Attorneys, consultants and others who represent the environmental interests of regulated facilities;
- Groups that advocate environmental protection;
- Municipal officials, including local health boards, water suppliers and emergency response personnel;
- Federal and state environmental agency personnel;
- Educators and librarians; and
- Private citizens.

Thus far, both industry and the environmental community have been enthusiastic about the One-Stop concept. Polaroid Corp., one of the state's largest employers, and the Environmental League of Massachusetts, a leading advocacy group, have specifically voiced support.

In addition, comments received from state and federal environmental agency personnel suggest that they view the One-Stop project as a logical step toward streamlining the current reporting structure and solving many of the data consistency problems that have come to be associated with it.

Innovation/Multimedia Pollution Prevention

Combining all current reporting requirements and timelines into a single annual report has its implicit benefits, but alone does not go far enough. The Massachusetts One-Stop approach goes beyond simple consolidation to call for a sweeping redesign of both the content and format of reports.

By crafting a new system that encompasses the proven whole-facility concept developed and tested in Massachusetts over the last five years, DEP will give itself and the businesses it regulates a true "big picture" view of their environmental performance. This big picture — in addition to the reduced time and costs associated with filing duplicative reports — will give companies incentive and flexibility to look for pollution prevention opportunities.

Transferability (Model for other regulatory solutions)

A number of states are considering regulatory consolidation and integration of their environmental reports. As these programs mature and both the individual states and EPA begin tailoring their operations more toward a whole-facility multimedia perspective, the need for One-Stop reporting to efficiently organize facility data and effectively respond to user information needs will be increasingly apparent.

DEP is monitoring various initiatives that are currently underway or being planned across the nation and will be mindful of them in working to ensure that the reporting system that evolves from this pilot can be easily integrated and readily transferable as a model for other states.

Feasibility (technically)

With careful planning and sound technical construction — both undertaken with the active involvement and support of reporting facilities and key stakeholder groups — there is no question that the One-Stop reporting system is technically feasible.

Monitoring, Reporting and Evaluation (Measurable results)

Specific criteria will be developed to ensure that the One-Stop reporting system which evolves from the pilot project is:

- Faster, simpler, more efficient and less costly than the current systems;
- Adequate to address the broad spectrum of end user needs;
- Efficient and flexible in the way it allows collected data to be analyzed and manipulated;
- Compatible with other reporting systems and requirements; and
- Judged an improvement by those stakeholders who participate in the pilot project.

Depending on information gathered and feedback received, DEP may opt for a second pilot to test modifications that the initial demonstration project suggest are necessary or would be beneficial.

Shifting of Risk Burden

Because this system will be designed to provide multimedia views of entire regulated facilities all at once, it will discourage shifting pollution and/or waste from one medium to another (e.g. elimination of discharges to water being replaced by increased emissions to the air).

The outcome-oriented information of the One-Stop reporting system will allow DEP to better assess cumulative loadings to the environment. This information will enable DEP to better prioritize its protection efforts and its compliance targets and to evaluate the success of its regulatory programs.

In addition, for the first time, facility environmental data will be organized in a single report that is formatted to easily obtain compliance information.

To Learn More About DEP's XL Proposal

If you would like additional information about this proposal please contact Allan Bedwell, DEP Deputy Commissioner at 617-292-5956 or e-mail: abedwell@state.ma.us