Environmental Results Program (ERP) Northeast Waste Management Officials' Association (NEWMOA)* April 4, 2011

An Environmental Results Program (ERP) approach uses a specific set of environmental compliance tools that have been proven to:

- Reduce pollution and improve compliance across entire business sectors •
- Use government resources efficiently and strategically

An ERP approach is most relevant when a government agency needs to understand the characteristics of a large group, such as a small business sector comprised of many facilities, and the agency:

- Does not have the resources to perform traditional compliance inspections for all facilities within the targeted group
- Wants to understand the compliance status and environmental performance issues that warrant further attention

The ERP methodology has been used to address business sectors such as:

| Dry cleaners | Auto body shops | Auto repair shops |
|----------------------------------|-------------------------------------|----------------------------------------|
| Gas Stations | – Printers | Auto salvage yards |

There are many reasons why environmental performance of businesses in these and other sectors should be understood and improved, including:

- Cumulative human health and environmental impact of many small facilities can be significant
- Localized impacts from individual small facilities can be an important community concern (e.g. in Environmental • Justice areas)
- Businesses that do not regularly interact with environmental agencies may be in significant noncompliance and • may not understand the requirements and best practices for managing hazardous materials, wastes, discharges and emissions in the course of their normal operation

ERP frequently employs a multi-media approach to a sector's environmental performance. It is also being used to address a wide range of specific regulated activities that occur at different types of facilities, such as:

- Small quantity generators of hazardous waste
- _ Stormwater discharges
- Underground injection control wells

- Underground storage tanks

As government resources available for traditional regulatory inspection programs continue to shrink, approaches such as ERP will likely be increasingly needed to oversee and strategically respond to the measured performance levels of a wider variety of groups, including those comprised of larger regulated facilities, not just the small business sectors that have predominated under ERP initiatives to date.

To achieve improved performance for any selected group, ERP uses a unique combination of:

- Plain language assistance tools that promote compliance and adoption of "beyond compliance" practices •
- Facility self-assessment and mandatory or voluntary submittal of compliance status certifications to state • regulatory agencies
- Strategic government compliance inspections and enforcement activities •
- Statistically based performance measurement

The ERP general approach is outlined in the accompanying figure. Through the ERP process, the agency obtains "statistically valid information" to gain an understanding of what the real compliance problems are for the group as a whole—something that is not possible with the traditional, targeted enforcement approach. This information then forms the basis for fact-based decisions on deploying and targeting future inspection, assistance, and enforcement resources. Other benefits of ERP include:

- A more level playing field for all facilities in the targeted sector
- Clearer explanations for facilities about their regulatory requirements and beyond compliance opportunities
- Better information on facility and sector performance
- Compliance and environmental improvements that are measureable

A Typical ERP Cycle

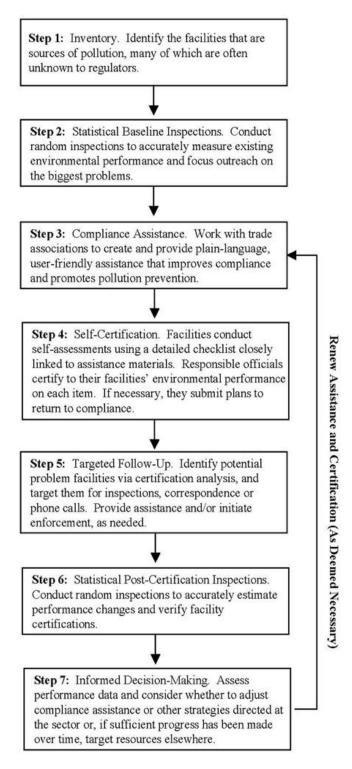


Figure Source: www.erpstates.org/HowERPWorks.aspx

* NEWMOA is a nonprofit, nonpartisan interstate association that has a membership composed of the hazardous waste, solid waste, waste site cleanup, and pollution prevention program directors for the environmental agencies in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont. NEWMOA was established by the Governors of the New England states as an official regional organization to coordinate interstate hazardous and solid waste, pollution prevention, and waste site cleanup activities, and was formally recognized by the U.S. Environmental Protection Agency (EPA) in 1986.