

April 4, 2011

Improving Regulations Docket
Environmental Protection Agency
EPA Docket Center
Mailcode: 2822T
1200 Pennsylvania Ave., NW.
Washington, DC 20460



Transmitted via email: ImprovingRegulations.SuggestionBox@epa.gov

Attention *Docket ID No.* EPA-HQ-OA-2011-0158, -0161, -0164, -0165, and -0166

Dear EPA Staff:

The National Steering Committee for the national network of state Small Business Ombudsman (SBO) and Small Business Environmental Assistance Programs (SBEAP) thanks you for the opportunity to comment on the President's Executive Order 13563 of January 18, 2011. The state SBO/SBEAPs were created under section 507 of the Clean Air Act Amendments of 1990.

The 507 Programs serve the most productive yet vulnerable part of the US Economy, businesses that employ between zero and 100 employees. Beginning with the first comprehensive White House Report on the State of Small Business, (1984, US Small Business Administration) and continuing through the most recent version, businesses that employ 20 or fewer people continue to produce 90% or more of all of the NEW jobs (those that never existed before) in the economy. This resilient and creative small business sector has managed to retain and add jobs even in the midst of the current recession. In the past, small businesses have been instrumental in the recovery of the US Economy from periods of recession and have provided a solid economic foundation. Small businesses that employ between 1 and 200 employees have been the largest driver in job growth (as differentiated from creating new jobs) in recessionary times.

Recent studies confirm that small businesses are substantially disadvantaged in complying with environmental regulations when compared to their large business counterparts. In addition, small companies are more likely to be negatively affected by regulations if they do not participate in the development of those regulations and therefore do not anticipate/plan for them. Often they lack the technical expertise to implement regulatory requirements, as well as the financial resources to pay for new technologies, processes, or retraining of employees. Small business owners who are not linked into government information networks may miss opportunities, such as this one, to comment on how regulations affect them.

The federal Clean Air Act Amendments of 1990 recognized some of these vulnerabilities when it mandated each state and territory implement and include in its State Implementation Plan (SIP), a three part Small Business Technical Assistance Program (Title V, Section 507), which we now commonly refer to as the Small Business Environmental Assistance Programs (SBEAP).

The 507 programs provide: an Ombudsman to ensure access to timely information, including rules in plain language; technical assistance to understand how to comply with regulations; and a Compliance Advisory Panel, appointed by state governors and legislators, to ensure program accountability, assist with outreach and strengthen the government-small business owner relationship. Soon after their creation in the early 1990's, the Wall Street Journal called the SBEAPs the most effective programs in government (at reducing emissions, building relationships, and encouraging business success).

In the 21 years since they were established, and despite limited and often inadequate funding these programs have developed effective, non-enforcement, compliance assistance relationships with business owners in rural, suburban, and urban communities across the country. Businesses from California to Maine, and from the Virgin Islands to Iowa have partnered with their state SBEAP to help them protect their environment and comply with regulations while saving them precious time and expense that they can then focus on operating and growing their business. These state programs, many staffed by as few as one or two people, assist thousands of businesses annually and the demand for their services is continuing to increase as environmental regulation reaches further and further to reduce emissions. Even though more small businesses are struggling with environmental regulation than ever before, many states currently have incomplete, inactive, or nonexistent Small Business Environmental Assistance Programs to advocate and assist them as mandated by Congress.

As small business advocates, service providers, as well as stewards of the environment, the SBEAP recommendations contained in this document represent views based upon our experience with and comments from small business owners, as well as our experience working with other governmental and regulatory entities. We recognize the economic promise in our small business clients and are acutely aware that small business environmental compliance needs cut across the traditional media-specific regulatory silos of air, water, and waste and beyond the assistance mandates of Section 507 of the Clean Air Act. Attached you will find a range of environmental issues adversely affecting small businesses that have been grouped in the suggested categories of: Integration and Innovation; Least Burdensome/Flexible Approaches; Benefits and Costs; Small Business; and Compliance.

In closing, the SBO/SBEAP National Steering Committee appreciates the opportunity to comment on the President's Executive Order on Regulatory Reform, and would welcome the ability to meet with key EPA representatives to discuss ways to improve efficiencies, regulatory burden and compliance in terms of their impact on small business.

Sincerely,



Renee Lesjak Bashel
Chair, SBO/SBEAP National Steering Committee

cc: Jeanette Brown, USEPA, Director, Office of Small Business Programs
Joan Rogers, USEPA, Asbestos and Small Business Ombudsman
Esther Vassar, SBA National Ombudsman

Attachment A

Comments by category:

Integration and Innovation (EPA-HQ-OA-2011-0161)

1. Integrating Enforcement and Compliance Assistance:

Our first comment involves the state agreement and grant program, Performance Partnership Agreement/Grant (PPA/PPG), that provides the framework in which state environmental programs implement and operate US EPA's delegated programs. There are many missed opportunities within the PPA/PPG to utilize innovative strategies to improve the effectiveness of state and federal compliance assurance efforts and help businesses efficiently comply with the myriad of environmental requirements. Among these missed opportunities is the failure to provide for education and assistance like that of the SBEAPs in these agreements which we feel is a terrible waste of a critical opportunity to prevent violations from ever occurring to protect the environment and reduce emissions. In particular, we believe there would be a great benefit to integrating the work of the SBEAPs into state and federal media programs. Many of the states' 507 programs have developed innovative approaches to increase compliance and promote pollution prevention/sustainability concepts. The programs are underutilized by state environmental agencies and could be better integrated in environmental protection programs to yield higher efficiency and industry compliance through examination of each regulatory stage for ways that compliance assistance can be integrated from rule development to implementation and enforcement. We believe coupling compliance assistance activities with traditional enforcement activities in a methodical and logical order would enhance each program's effectiveness and yield higher compliance rates than independent execution of each approach alone. Ideally compliance assistance and enforcement should be seen as complimentary programs which both add value to environmental protection as they each have the end goal of encouraging compliance with the regulations and protecting the environment.

The traditional compliance model that EPA has required State delegated programs to follow has primarily focused state and federal agency resources on the same group of large facilities year after year. However, state agencies and federal NESHAP regulations have increased concerns about the cumulative impact of the large number of smaller sources. These sources can be in significant non-compliance and do not have professional environmental health and safety (EHS) staff to help them understand the requirements and best practices for managing hazardous materials, wastes, discharges, and emissions. State agencies do not have adequate resources to address these smaller sources if they must focus their limited staff almost exclusively on the large and major sources as required in the PPA/PPG. To address this challenge, state programs need greater flexibility in their agreement with EPA in order to best utilize innovative and efficient compliance strategies such as Environmental Results Programs (ERP) and compliance assistance like that of the SBEAP to address smaller sources.

We recommend that USEPA evaluate and strengthen current mechanisms to ensure all states are meeting the mandates of Section 507 of the Clean Air Act to provide adequate and fully functional Small Business Environmental Assistance Programs and explore opportunities to expand the reach of these programs to issues of water and waste and that the SBEAP's and ERP approaches be integrated into the 12 elements of the PPA/PPG, instead of as a separate and voluntary 13th element.

2. Environmental Results Programs Integrate Multiple Programs: 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. An ERP integrates multiple regulatory areas (e.g., air, waste, water, emergency response, OSHA) and measures performance for a specific industry group on key indicators in those areas, using statistical measurement principles. Using this innovative approach to compliance, states have

shown they can use state resources more efficiently while achieving environmental results. More information on state experience with ERP is available at: www.erpstates.org and in the EPA document, *ERP States Produce Results* available at: www.epa.gov/erp/files/2007reportfull.pdf.

Least Burdensome/Flexible Approaches (EPA-HQ-OA-2011-0165)

1. Once in/Always in Policy. This policy affects two types of facilities: those whose actual emissions are small but potential emissions are above major source thresholds and those whose actual emissions of HAPs are above major source thresholds.

There are many facilities (body shops, printers, small spray coaters) that have HAP PTE that exceed major source thresholds, but have small actual emissions. Under the federal Once in/Always In policy, small facilities like these that do not obtain a federally enforceable state operating permit that limits their operations below the major source level, an option that is only available within a short time frame, instead must obtain a complex, costly and stringent Title V permit. The OIAI policy creates a competitive disadvantage for these facilities and in essence delivers a lifetime punitive sentence on the affected business for a regulatory infraction that never actually exceeded the emission limitations contained in the regulations.

In addition, the current policy does not provide an incentive for reducing air emission once the emission threshold that triggers applicability is reached. By changing this policy to allow for business that makes process changes that permanently reduce their emission to fall to a lower regulatory tier you:

- provide incentive for businesses to make capital investment to pursue those changes;
- reduce the regulatory impact, particularly in the form of recordkeeping and reporting
- kick start innovation in seeking out new and different processes that ultimately result in lower emissions from the business
- make measurable improvements in air quality

2. Flexibility within State-EPA Performance Partnership Agreements (PPA): Allowing states to use proven compliance models with innovative techniques can reduce regulatory burden and still maintain or improve compliance rates.

There are a number of compliance certification programs states have piloted in recent years, and many have involved the efforts of the SBO/SBEAPs. The Environmental Results Program (ERP) is an example of an evidence-based approach that numerous states have successfully deployed. To achieve improved performance for any selected group, ERP uses a unique combination of:

- Plain language assistance tools that promote compliance and beyond compliance adoption
- Facility self-assessment and mandatory or voluntary compliance status certification
- Strategic government compliance inspections and enforcement activities
- Statistically based performance measurement

ERP usually employs a multi-media approach, which can be very cost effective and least burdensome approach both for the regulated facilities and for agencies. Please see the fact sheet in **Attachment B** for more information on ERPs.

A significant benefit of ERP is the use of random sampling and statistical analysis that allows the findings of inspections to be extrapolated to a whole group of similar facilities. As a result, agencies can understand the compliance status and non-compliance challenges facing a sector. This enables programs to target their limited compliance assistance and inspection resources to the most important needs. The data generated can also provide greater transparency for the public.

ERP states have successfully implemented initiatives for printers, dry cleaners, auto body shops, auto salvage yards, small quantity hazardous waste generators, facilities with underground storage tanks, and other sectors. EPA has provided critical funding for the

development and piloting of ERP projects over the past ten years. More information on state experience with ERP is available at: www.erpstates.org and in the EPA document, *ERP States Produce Results* available at: www.epa.gov/erp/files/2007reportfull.pdf.

3. Flexibility for Compliance Assistance funding: Because these ERPs, and similar certification programs, usually address multi-media environmental requirements, including flexibility in PPAs would provide the ability for states to use more flexible compliance models and would assist in the expansion of all the SBO/SBEAP programs to multimedia funding through 105 or 106 grants. Regulatory burden for small businesses can be minimized if tools are provided that reflect all of their environmental obligations, not just one.

4. One Industry - Multiple Regulations: Where multiple regulations affect one industry, they should be integrated and use matching definitions and terminology so the industry can better understand and more easily comply with the requirements. Specific examples include:

- Small engines and multiple NSPS and NESHAP rules - each of these rules are very complex and confusing for any particular business to understand, and now so many sectors are impacted by multiple rules it is hard to sort out.
- VOC sources with RACT rules as well as NSPS and/or NESHAPs - VOC based rules are often at odds or in conflict with the HAP rules, when the targeted HAPs are not VOC-based; EPA should still consider making consistent application across all aspects of their rules.

Consistent rules will achieve higher rates of compliance, while conflicting rules only create confusion and smaller businesses will just ignore them until forced to do something.

5. Improve Federal Guidance on Rules: There are a number of areas where regulatory burden can be reduced if EPA were to take a stronger lead on providing guidance on federal rules. Consistency from the federal level in materials and guidance help not only businesses that work across state lines and in different regions (EPA's regions) but also the compliance assistance providers. A couple specific examples include:

- provide example forms and summary documents with rule proposal so that gaps/details are clear up front and modifications can be made before final
- respond faster to technical questions to simplify implementation and compliance

6. Electronic Reporting: EPA should consider expanding electronic reporting and electronic tools within the compliance framework. Electronic reporting, tracking, permitting would greatly reduce regulatory burden across the board including the regulated community, state and federal regulators, and the public. In addition, it would greatly increase transparency of environmental data. ERP is primarily an electronic based tool and serves as a solid example on how electronic reporting increases efficiencies while reducing regulatory burden.

While electronic reporting is a cost saving tool for those with the equipment and access, it can be a burden if made mandatory. Until all businesses have the same level of reliable, fast internet access, mandatory electronic reporting would be an extreme burden on rural businesses across the nation.

7. Longer Rule Comment Periods: Increase the comment period for all proposed rules to enable states to reach out to stakeholders and sector associations, to improve the quality of the comments and feedback to EPA on proposed rules. SBEAPs have seen it time and again, that regulations resulting from a wider base of input from the affected businesses are more flexible and less burdensome to the affected businesses while achieving the desired protections.

Benefits and Costs (EPA-HQ-OA-2011-0158)

1. Streamline Reporting: Streamline and combine the multiple reporting options for emergency response. The requirement for making multiple calls and filing multiple reports to a range of agencies does not provide any additional environmental benefit, and only increases the costs for the company involved. There should be one primary call center for emergency response where the information then gets filtered to all other groups that need the information. This would save costs for not only business but the local, state and federal agencies as well.

2. Improve "Potential to Emit" (PTE) Guidance for Small Businesses: Due to the increased importance of calculating PTE as it relates to major or area source designations in NESHAPs and EPA's Once In Always In (OIAI) policy, it is important for EPA to provide additional technical assistance in this area by providing information on the type of operational limits that may be considered acceptable to limit the potential to emit for certain individual small source categories.

For example, an existing body shop, small spray coating or printing operation would likely have a PTE that is major for HAPs calculated using their equipment operated 8760 hours per year. These types of facilities would need a Title V permit if it is subject to a major source NESHAP.

Facilities with small actual emissions could typically qualify for a FESOP. However because of the OIAI policy and lack of clarification of acceptable physical limitations, they are subject to increased cost to apply and comply with a Title V permit. This creates a competitive disadvantage and an undue burden.

We ask EPA to further clarify acceptable inherent physical limitations for small coating or printing operations as intended according to its memo titled *Options for Limiting the Potential to Emit (PTE) of a Stationary Source Under Section 112 and Title V of the Clean Air Act*, dated January 25, 1995.

3. Expand Electronic Reporting: Develop more electronic reporting software for states to utilize. The benefits are great when a system is consistent across the board, yet costs would be immense if each state has to create its own system that still has to be compatible with a federal system.

Again, while electronic reporting is a cost saving tool for those with the equipment and access, it can be a burden if made mandatory. Until all businesses have the same level of reliable, fast internet access, mandatory electronic reporting would be an extreme burden on rural businesses across the nation.

Small Business (EPA-HQ-OA-2011-0164)

1. Small Business Regulatory Enforcement Fairness Act (SBREFA) and Regulatory Fairness Act (RFA) Application to Area Source NESHAP Regulations:

The Regulatory Flexibility Act (RFA), as amended by Small Business Regulatory Enforcement Fairness Act (SBREFA), provides small entities with an expanded opportunity to participate in the development of regulations. Under these requirements USEPA is to prepare an Initial Regulatory Flexibility Analysis (IRFA) for each proposed rule unless the rule will not have a *significant economic impact on a substantial number of small entities*. A regulatory flexibility analysis examines the type and number of small entities potentially subject to the rule, recordkeeping and compliance requirements, and significant regulatory alternatives, among other things. When an IRFA is required, EPA must also convene a Small Business Advocacy Review Panel before proposing a rule. The panel would include representatives from the Small Business Administration, the Office of Management and Budget, and EPA. A Panel conducts its own outreach to Small Entity Representatives likely to be subject to the rule and prepares a report to the Administrator of EPA on ways to reduce the potential impact of the rule on small entities. Each Panel's report becomes part of the rulemaking record for the proposed rule. In addition, if the rule may have a significant economic impact on a substantial number of small entities, the agency must prepare a Final Regulatory Flexibility Analysis that must summarize the significant issues raised by public comments on the IRFA, assess these issues, and describe any changes made in response to the comments.

To further mitigate the impact on small businesses, the USEPA must also publish Small Entity Compliance Guides that are written in plain language and explains the actions a small entity must take to comply with a rule or group of rules.

It is the SBO/SBEAP programs experience that the SBREFA requirements have not been applied with the spirit or intent that the SBREFA law was designed. In recent years, the USEPA has proposed and finalized dozens of area source NESHAP's which in our opinion significantly impacted thousands of small businesses across the country but yet, in most cases, no panel was formed nor Small Entity Compliance Guides designed as intended by SBREFA. It seems illogical to the SBEAP programs that the NESHAP for Coal- and Oil-fired Electric Utility Steam Generating Units and NESHAP for Lime Manufacturing would warrant SBREFA panels, formal analysis and Small Entity Compliance Guides but yet the NESHAP for Gas Distribution and NESHAP for Paint Stripping and Miscellaneous Coatings which regulate every gas station and auto body shop in the country and potentially thousands of other small coatings operations did not trigger the SBREFA requirements. In working to assist these small businesses across the country, we have found significant problems with these regulations that may have been avoided had the USEPA utilized the SBREFA process to include the industry in their development.

SBREFA and RFA requirements should be re-examined by the agency to insure the mandates are taken seriously and the applied with the spirit in which they were promulgated. It appears the criteria the agency is using to determine *significant economic impact on a substantial number of small entities* is either flawed or easily misinterpreted or incorrectly applied for so many of these rules to avoid the formal safeguards SBREFA was designed to provide small businesses.

2. Excessively Burdensome Recordkeeping requirements:

Important for verification, daily recordkeeping requirements can be reduced for small businesses to reflect the changes in product formulations that have occurred over the past 20 years as a result of regulation. For example, many states have adopted prohibition of sale regulations on products with VOC limits over a certain (low) threshold (examples: inks, solvents, and coatings). This means that businesses have adapted and the purchase and use of

low VOC products has become the “business-as-usual” model. Daily use/disposal record keeping for limited use of non-compliant products should still be required when applicable. Additionally, many jurisdictions now require manufacturers to report the quantity of product they sell by VOC content, providing regulators a good measure of what is in the marketplace for emissions inventory purposes. There is no need for small business operators to be required by EPA (and therefore by local regulators) to maintain daily records of VOC content of products that meet VOC requirements.

Businesses should have the flexibility of using quarterly or less frequent records of inventory and purchase records to prove compliance with permitted emission limits from such products. EPA would then have a new enforcement tool - if quarterly recordkeeping is required, less frequent recordkeeping (A GOOD ACTOR PASS) could be given to businesses with a 3-year clean record and an imposition of weekly or daily recordkeeping (A BAD ACTOR PENALTY) could be used for businesses who fail to keep required records. This would avoid penalizing the majority of small businesses who normally do the right thing and focus limited enforcement resources where most needed.

I don't think we can say it too often that, while electronic reporting is a cost saving tool for those with the equipment and access, it can be a burden if made mandatory. Until all businesses have the same level of reliable, fast internet access, mandatory electronic reporting would be an extreme burden on rural businesses across the nation.

3. Modeling: SCREEN3 should be updated for ease of use by small businesses. Its current form is very outmoded, having to run in a DOS format. A new SCREEN3 should: (1) be windows based; (2) have the ability to edit variables without reentering the whole set; (3) allow saving results in multiple formats (doc, txt, xls) with a known file name; (4) recommend minimum stack height needed to meet a particular standard; (5) run in either metric or English units; (6) allow printing (although that would be solved by windows most likely - function of dos).

4. Industrial Storm Water: The current Multi-Sector General Permit (MSGP) for Storm Water Discharges from Industrial Facilities regulates facilities based in Standard Industrial Classification (SIC) Codes. Many states and statistical agencies now use the North American Industrial Classification System (NAICS). Businesses registering for authorization to operate in states utilizing the NAICS are assigned a code (or multiple codes for multiple activities) that is used for conducting business and reporting quarterly tax revenue. When trying to determine applicability with the MSGP, the business must take the further step of converting their NAICS code to an SIC code before that applicability determination can be made. Because NAICS codes are more prescriptive, there are many more classified industries than in the SIC codes system, this results in a less than perfect conversion and identification process. The consistent use of NAICS codes would allow EPA to more accurately tailor the permit to industrial activities that have the potential to impact storm water quality.

An example of an industry that would be impacted in a positive manner by EPA converting to NAICS is the printing and publishing industry. The SIC manual groups printing and publishing together in the SIC series 2711 through 2796. This includes publishing and publishing without printing. The MSGP regulates the entire series. If a business is categorized as web publishing (which typically takes place indoors without an industrial process associated with the industry) they are still regulated under the MSGP and, at a minimum, must obtain authorization under the No Exposure Certification. The NAICS manual splits printing and publishing up into separate categories, NAICS Series 3231XX and 5111XX respectively. If EPA were to use NAICS codes rather than SIC codes they would be able to better identify the industries/activities that need regulating under the MSGP and exclude those, such as publishing, that don't pose a threat to water quality.

5. Unintended Consequences of EPA Rules: While EPA does have rules in place to allow for the Administrator to consider equivalent procedures, it is unclear what the process for these types of considerations are and what, if any, requirement EPA has to respond to an entity that brings information to EPA on the possible unintended negative impact of a rule.

Example: Testing of New Petroleum Dry Cleaning Machines

40 CFR 60.624 requires an initial test (at installation) to be performed to verify that the flow rate of recovered solvent is no greater than 1.7 fluid oz. (50 ml) per minute. The testing requirement applies to older machines as well as recently manufactured closed-loop machines. The test cannot be performed on closed-loop machines without breaking the integrity of the machine. Manufactures of these new machines perform the test prior to delivery and certify that the machines meet emission requirements. To comply with the existing rule, the integrity of the new manufacturer-certified machine would have to be breached. The result is:

- a machine that is now more susceptible to leaks, which negates the intent of the rule
- often voids the warranty the machine owner holds

40 CFR 60.623 allows the Administrator to consider equivalent procedures, if they are demonstrated to reduce VOC emission as effectively as the procedure prescribed in the rule. Test data on the testing procedures and results conducted by the manufacturer has been provided to EPA, but to date we are not aware of a response from EPA regarding this seemingly illogical requirement.

Compliance (EPA-HQ-OA-2011-0166)

1. Encourage States Use of the Small Business Audit Policies: Perhaps provide an incentive within the PPA/PPG for states to use the policies in some percentage of compliance assistance efforts. States that have been given support to utilize audit policies not only reduce businesses regulatory burden and increase compliance performance but also have a front line opportunity to introduce pollution prevention concepts which leads businesses towards economic and environmental sustainability.

2. MSDS standards: It is critical for small business to have an easier time demonstrating compliance with certain VOC and HAP requirements. To assist with that, EPA should work to standardize the format of Material Safety Data Sheets and improve the ability to use those documents for environmental compliance.

3. Compile Regulations with Multiple Amendments: Provide final rules in PDF versions, instead of just the text found on the e-CFR, where regulations have gone through multiple amendments. Having rules in a cohesive whole makes for easier final implementation for sources as well as assistance providers. For example:

- The dry cleaner NESHAP - which has had multiple amendments over multiple years.
- The gas distribution NESHAP - just recently had multiple corrections and changes finalized just prior to the compliance date; making it harder for everyone to understand what is required, with short notice.

Having the rule writer compile the final version may also help catch mistaken cross references and other typographical errors before publication. This would also improve compliance and minimize confusion.

4. Subpart HHHHHH - Paint Stripping and Misc Surface Coating area source NESHAP: A number of compliance related issues have come to our notice as the SBEAPs have assisted shops with compliance on this rule. These are two critical issues we feel should be reviewed:

- EPA should reconsider the 3 oz exception to the spray painting definition or clarify when it's allowed. There appears to be a major loophole that would allow circumvention of the intent of the rule in shops where they might line up a series of 3 oz cups, premixed, and keep running a job with these so called non-spray painting operations.
- The reporting burden of periodic notification of changes reports will be excessive for such small businesses. What level of change is required to be reported? Something as simple as the change in number of painters from a previous notification, even if they're all in compliance with the training requirement? If that is the case, there does not seem to be an environmental benefit to this excessive amount of reporting.

Attachment B

Environmental Results Program (ERP)

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 human resources to perform traditional compliance inspections for all facilities within a targeted or defined universe
- Wants to understand the compliance status and environmental performance issues that warrant further attention

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:

- While the individual facility impacts may be small, the cumulative human health and environmental impact of many facilities could be significant
- Many small facilities may be located in Environmental Justice (EJ) areas and the localized impacts from individual facilities can be an important community concern.
- Businesses that are not regularly inspected by environmental agencies may be in significant noncompliance and not understand the requirements and best practices for managing hazardous materials, wastes, discharges and emissions in the course of their normal operation

ERP is also 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 (SQGs) | stormwater discharges |
| underground injection control (UIC) wells | underground storage tanks (USTs) |

As reduced government resources available for traditional regulatory inspection programs continues to be the reality, approaches such as ERP will likely be increasingly needed to oversee and strategically respond to the measured performance levels of larger regulated facilities and more groups, 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 beyond compliance adoption
- Facility self-assessment and mandatory or voluntary compliance status certification
- 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
- Measureable compliance and environmental improvements

