



## NATIONAL METAL FINISHING STRATEGIC GOALS PROGRAM

### Second Annual Summit Chicago, IL June 26-27, 2000 *Meeting Summary*

The Strategic Goals Program Summit (SGP) met in Chicago, Illinois on June 26th and 27th. Attached are lists of speaker contact information, Summit attendees, government attendees, and general SGP contact information.

#### **Welcome, Introduction, and Overview of Summit – Monday, June 26th**

Robert Benson; US EPA, Sector Strategies Division (SSD) Director; convened the meeting by welcoming the attendees and introducing the SSD staff. He continued to highlight Monday afternoon's objectives. The three objectives were 1) to share tools and strategies for implementing the SGP; 2) to identify contacts for further assistance; 3) to learn about findings of the benchmark report and discuss its uses; and 4) to strategize about the future of the SGP.

Adam Saslow, facilitator, followed by outlining the day's agenda and introducing the first panel.

#### **Topic #1 - Providing Assistance to Meet the Goals**

*Southern California EMS Workshop Series – Laura Bloch (EPA Region 9) and Bob McBride (A.C. Plating Co.)*

Laura Bloch began the panel by discussing US EPA Region 9's EMS Workshop series. The Southern California EMS Template and Workshop Series outlined steps to effective EMS implementation. First, an ISO 14001-based EMS template was developed with industry and regulatory representatives. Second, the template was tried in a pilot test with a Southern California metal finisher. Third, the EMS template is being implemented with a peer group, step by step, over nine months.

Some important lesson learned included that the template is best implemented via workshops with a peer "support group," and mind that you "don't bite off more than you can chew."

Bob McBride offered perspectives on why industry should sign up for the program and use an EMS. Bob learned that good communication and a group format specific to metal finishers are keys to effective implementation. Bob was also successful in selling the program in a seminar format. He stressed that developing an environmental policy statement is the focus of your EMS and first task in implementation. Bob also suggested that the policy statement could be anywhere from four lines to two pages.

*Role of Assistance Providers – Shayla Barrett (The Clean Manufacturing and Technology Institute (CMTI))*

Shayla Barrett described his organization's role in Indiana's SGP. The Clean Manufacturing and Technology Institute (CMTI) at Purdue University provides confidential environmental assessments for SGP participants. These assessments focus on compliance and opportunities for pollution prevention. CMTI also verifies facilities for the Indiana recognition program, provides assistance to fill out SGP worksheets, offers a free pre-14001 audit assessment and issues a quarterly newsletter on the SGP.

*Linking with State Programs - Koren Carpenter (Michigan Department of Environmental Quality (DEQ))*

Koren Carpenter spoke on linking the SGP with the State of Michigan's pollution prevention programs, metal finishing initiative, and the Clean Corporate Citizen program (C3). A 1-800-telephone number is also available for pollution prevention related questions. The Michigan SGP has been able to blend these existing programs with the SGP to help facilities meet the goals, as well as be able to provide State benefits through the C3 program

## **Topic #2 - Recruiting Industry and Government Agencies**

*New Jersey - Jehuda Menczel (EPA Region 2) and Bob Sica (New Brunswick Plating)*

Jehuda Menczel described the recruiting process developed by the New Jersey SGP. NJ has had two successful recruitment meetings this past spring, but started off badly. This bad start was attributed to a combination of bad facilitation, an adversarial climate, and a lack of guidance.

First, the state of NJ joined the SGP and the stakeholders laid out a framework for the NJ SGP. Second, the group set up a planning committee to create a format for the recruitment and marketing of the program. This was considered crucial because this time industry felt like part of the meeting. Industry representatives felt that at past meetings the EPA was just talking at people and not including them in the conversations. Third, POTWs sent out invitation letters to a regional meeting to ensure all stakeholders would show up.

Both Jehuda and Bob Sica stressed that follow-up is crucial. If a facility or POTW did not sign up at the meeting then more than likely they would forget. Follow-up also showed commitment by the NJ SGP to build the program. In fact, Bob felt it was amazing that 200 companies signed on after Carol Browner launched the program in 1998, because he found recruiting soon after the launch to be extremely hard. He sent out invitations to 100 to 125 metal finishers and only got two responses in 18 months. He went on to say that follow-up is also needed to get baseline reports turned in on time.

The set backs faced by the group early on led to development of a plan that people would want to join. The NJ SGP framework was put together with all the stakeholders. The state was then divided into segments and POTWs sponsored a series of meetings. NAMF

called the invitees ahead of time and debriefed facilities after every meeting. Meetings were held to around three hours with refreshments. The theme of the meetings was “why should I join up”. Various metal finishers discussed why they signed up, and the group was able to get 30% of the invitees to sign up on site. Bob Sica went on to say that POTWs are the motivating force for getting people to attend the meetings.

*Texas – Buster Fichera (City of Ft. Worth) and J.Kelly Mowry (Gull Industries)*

An important issue affecting recruitment in Texas is the status of Tier 4 facilities. Tier 4 facilities are defined as companies that are in chronic non-compliance or are trying to unlawfully remain outside of the regulatory system. Buster Fichera mentioned that identifying and targeting Tier 4s is crucial to recruiting more facilities.

Peer pressure has also been an effective recruiting tool in Texas. Initially, only five POTWs signed up. However, as the program grew and presentations were given at such events as the Region 6 pretreatment workshop, more jumped on the bandwagon and now Texas has 15 POTWs participating.

Buster concluded by saying the program must have concrete benefits (e.g. pretreatment streamlining) to sell this program.

J. Kelly Mowry mentioned that with Texas Natural Resources Conservation Commission’s (TNRCC) help, the Texas SGP developed a list of Tier 4 facilities. Kelly said that TNRCC enforcement has a full calendar at this time, but will pick use the list as soon as they can to pursue inspections this year. Next year, TNRCC will start with the Tier 4 list.

### **Topic #3 - Benchmark Report**

*George Cushnie (CAI Resources, Inc.) and Paul Chalmer (National Center for Manufacturing Sciences)*

George Cushnie and Paul Chalmer presented the Metal Finishing Benchmarking Study, which was funded by a cooperative agreement with EPA. The purpose of the study was to answer two questions: 1) how do we judge pre-1992 environmental gains, and 2) what are the best performers doing right.

The team described the components of the study and went through a simulation to see how the benchmarking figures were derived. Key elements of the report that were presented included best practices/technologies for specific finishing processes, and ways to compare facilities against the “best in class” facilities’ performance in use of water, and energy, and waste generation.

Copies of the benchmark report will be made available to a representative from each SGP participating government agency and SGP facilities that have submitted all of their worksheets. Anyone else wishing to purchase a copy should contact Cindi Bousley at (734) 995-3075.

## **Topic #4 - Implementing the Performance Ladder**

*Accommodating Pre-1992 Achievements - Rich Sustich (Metropolitan Water Reclamation District of Greater Chicago)*

*Region 2 Stakeholder Review – Jehuda Menczel (EPA Region 2)*

The NJ SGP is the first group to lay out a set of operating procedures for awarding benefits for eligible facilities. This work-in-progress includes the make-up of the stakeholder review group, the application process, the process for movement along the performance ladder, communication to the larger stakeholder group, and the frequency for facility progress. Jehuda estimated that it takes about four months for benefits to be dispersed to a facility after it has submitted its worksheet to NCMS.

The New Jersey by-laws and operating procedures will be placed in the toolbox at the National Metal Finishing Strategic Goals Program web site ([www.strategicgoals.org](http://www.strategicgoals.org)).

*Awarding Benefits - Rick Federighi (Addison Village, Illinois)*

Rick Federighi of Addison Village, Illinois discussed his system of awarding benefits. Addison uses the national worksheet and scoring system ([www.strategicgoals.org](http://www.strategicgoals.org)), as well as a stakeholder review committee to evaluate facility claims. The Addison benefits are available today, and include reduced monitoring, penalty discretion, and expedited permit applications for new equipment.

## **Tuesday Morning – Report-Back from Government Break-Out Sessions**

*States – Terry Fabian (Pennsylvania DEP)*

Terry reported back to the group on the following points discussed in the State break-out session:

- Environmental management systems are the major focus of the future direction of the SGP.
- There is a concern over the lack of resources (especially time and money) that it takes to implement the SGP. This resource constraint is evident in the difficulty in implementing performance ladders. There is no state funding or cross-media funding available. More money will also be needed to continue providing workshops.
- The states also expressed concern over the lack of data available to show that the SGP is providing environmental results and economic benefits. The confidentiality of the data is part of the reason why we can't show real benefits.
- The EPA is the focal point for regulatory change since many states base their regulations on the EPA's. The States also believe that innovation at the EPA is

going in too many directions. States lack the resources to do it all and can't be expected to drop what they are doing and pick up every new program.

- States raised concerns about coordination with EPA's enforcement office, including pointing out that enforcement should be directed at Tier 4 facilities instead of SGP participants.
- There is a need for data in order to verify that the benefits lead to environmental improvement.

*POTWs – Phil Heckler (New York City DEQ)*

Phil reported back to the group on the following points discussed in the POTW break-out session:

- Focused on how to make sure the SGP would last past the next Administration change. The POTWs suggested that for this to occur the SGP must first be institutionalized among the states and different EPA offices. As an example of the culture change needed, some felt that Significant Industrial Users (SIUs) are a very small impact on total metals (from 1-10%). There are other industries and pollutants that are more of a concern. EPA regions and headquarters should look into this more closely.
- Concurring with the States thoughts, POTWs believed that EPA's enforcement office should focus on Tier 4 firms rather than others. Inspections should also focus on bottom-line effluent and bio-solid qualities and not bean counting.
- POTWs need pretreatment streamlining to allow them to focus on toxics of concern and attract more participants. The POTWs view this as crucial to be able to provide meaningful benefits to participants.
- The POTWs conceptualized a national SGP report card to highlight the successes and need for the SGP in the future. This document could be designed to go through NACEPT to Carol Browner. The proposed report card is to include POTW issues and challenges to EPA and States to integrate the program into their core business functions. Some of the topics include identifying environmental benefits, industry benefits, and benefits to POTW. The report would be drafted by a small group and then run through the SGP steering committee. The steering committee would direct the document to NACEPT and then finally to Carol Browner. Guy Aydlett added that we don't have perfect data but enough to list the issues and needed benefits. The report card should stay away from anecdotal evidence.

Adam Saslow summed up by adding that there are three prerequisites for the success of the SGP. One, POTWs need pretreatment streamlining. Two, there must be an OECA partnership and culture change. Three, continued funding is needed.

Bob Benson asked how this report card differs from other evaluation efforts. Rich Sustich responded that the report card would memorialize the POTWs perspective. The report card will also place an emphasis on the need to go beyond 2002, which now is viewed as the end.

Bob Benson responded by asking if the report card should be broader than just POTWs. Rich said yes, but Guy cautioned that broader the report card gets the less focused it will be. Guy added that it would be tough to get OECA to be a partner.

Rich proposed that the States and POTWs combine to form a document that stresses that the SGP needs full funding, hard benefits, and what steps need to be taken to institutionalize the Program.

Harry Gregori stated that the National Performance Track was announced earlier in the day. The Performance Track included air reporting flexibility, low inspection priority, and penalty discretion. He viewed this as positive step toward the necessary culture change.

It was also noted that pollution prevention needs to have the same status as air, water, and RCRA. Pollution prevention doesn't get the funds that the traditional programs receive.

Bob Tolpa mentioned that participation in the SGP doesn't single them out for enforcement and participants don't get special treatment. He also mentioned that the CSI or SGP would not take the place of enforcement.

#### *EPA – Bob Benson (EPA)*

Bob reported back to the group on the following points discussed in the EPA break-out session:

- The EPA group focused on the vision for SGP in 2002 and beyond. He summarized that there needs to be an ongoing relationship between the EPA and the SGP after 2002.
- One way to help institutionalize the SGP is to look for links with other state and local programs such as environmental management systems and the National Performance Track. These linkages will allow the SGP to be integrated and not just added on.
- The EPA's vision of the SGP after 2002 is a state and local oriented program. The program would have some national investment but reduced from its current levels. The group also encouraged participants to find clever ways to fund the Program. One way would be to break down the walls between traditional programs to fund multimedia/crosscutting initiatives.
- To further integrate the SGP, industry leadership needs to become actively involved and continually sign up more participants. Some other needs include

outreach and internal marketing, travel money for regional leads, tie in with existing programs, look for benefits beyond wastewater, look for military requirements and link in, and to complete the national report card.

- The EPA group also reported that more synergies need to be made with enforcement. The group decided that a statement of basic truths that everyone agrees on and facilitated meetings between OECA and SGP were necessary.
- Tier 4 enforcement is not the be all and end all. Other approaches will also be needed. Tier 4 enforcement is not a shield for SGP companies.
- Some felt that in order to fully integrate the SGP, the Program must be tied in to the core functions of the EPA. Bob Benson mentioned that he is currently having internal dialog with OECA.

## **Tuesday Afternoon – Steering Committee Meeting**

### **Regulatory Update**

*MP & M – Shari Barash (US EPA Office of Water)*

Metal Finishing Job Shops will have their own subcategory. Captives fall under the general metals subcategory. With the permit writer's discretion, mass based limits are available instead of concentration based limits. It is still being considered whether their will be a pollution prevention alternative to the regulation for job shops. The proposed rule will be published in October 2000, and will be finalized in 2002.

*Pretreatment Streamlining*

Pretreatment Streamlining proposed rule was published last fall, and was highlighted in the original SGP documents as critical to helping metal finishers meet the water goals. The EPA Office of Water has other priorities so it has been on the hold.

*F006*

- EPA has changed the 90-day storage rule to 180 days. It is now up to the states to adopt it. One concern pointed out is a lack of F006 recyclers.
- The F006 policy group has been looking at other opportunities to remove barriers to recycling and recovery of hazardous waste. EPA is currently looking at ion exchange as a way for encouraging recycling, before moving forward with a possible rulemaking.

### **Program Issues**

*Program Management*

The Coventry Group has been hired to replace Bob McDowell as the industry program management team. They will be focusing on getting worksheets in for the next three

months, as well as improving communications with participants. The Coventry Group SGP help-line is 703/354-2172.

#### *Evaluation Report*

Joel Ann Todd with The Scientific Group, has been hired by EPA to conduct an evaluation of the implementation of SGP. She will be talking with various stakeholders to define the lessons learned from the SGP. This evaluation will be used to provide guidance for other sectors working with EPA and to possibly identify near-term changes to the program.

#### *SGP Data Results – Mindy Gampel (U.S. EPA, OPEI)*

Changes have been made to the SGP web site to now display progress by companies in a variety of different ways. These changes include how many facilities have met each goal, aggregate and normalized changes, the number of worksheets that have been submitted for each year, and facility progress broken out by state. Additionally, the data are displayed in real-time on the web.

#### **Getting to 2002 and Beyond**

John Lingelbach led the discussion of how the SGP should move ahead, and what the different stakeholders need to institutionalize the program. The EPA needs to think about how others can step in and take over much of the program, including industry taking on a greater role.

Another key issue raised by the group surrounded the finalization of the pretreatment streamlining rule. Bob Benson mentioned that he would go to the Office of Water and find out the status of pretreatment streamlining. If the Office of Water says they can't move it faster, then the group will decide what the next steps should be. The POTWs will make a list for Bob of why pretreatment streamlining is important.

Culture change within EPA was also discussed by the group, in particular the relationship between SGP and core program functions like enforcement. Some steering group members identified the need for upper-level Agency dialog, as well as better coordination in general. Coming out of this meeting, Bob Benson agreed to continue staff-level dialog with EPA enforcement, and develop specific examples of OECA issues.

#### *Communication - National Report Card*

Bob Benson asked what do we need to demonstrate the value of the SGP and need to continue the Program. Improved lines of communication are one of the most important benefits of the Program (e.g. F006). The group discussed the components of a report that could convey where we are with the program and where we are headed. The following ideas were identified:

- Environmental improvements;
- Cost savings from participation;
- Number of companies signed up;

- A section on enforcement and SGP;
- Quantify EPA regional and headquarters commitment to industry (e.g. resources used so far and resources still needed);
- Transferability of the SGP to other sectors; and
- Vision for the program.

Rich Sustich mentioned the report should be very short (20-25 pages) and include the following elements:

- A discussion of what the SGP is ;
- Recruitment ;
- Implementation issues (e.g. approached to dispersing benefits);
- Success stories (region 9 workshops and specific companies);
- Environmental Impact;
- List of needs and problems ;
- Action Plan;
- Funding.

Bob Benson mentioned that September would be the targeted release date of the report, which will be published as an official EPA document.

### **Next Meeting**

The group agreed to hold the next steering committee meeting in January 2001 at AESF Week in Orlando, FL, unless there is pressing need this fall. There was a general consensus that there should also be another SGP Summit next year.

**MEETING ADJOURNMENT.**