

The Environmental Cooperation Pilot Program evaluates innovative environmental regulatory methods including whole-facility regulation. It was introduced by Governor Thompson and passed by the State Legislature as part of the 1997-1999 Biennial Budget. The program provides the Department of Natural Resources (DNR) with the authority to enter into up to ten agreements over five years with persons who own or operate facilities that are covered by licenses or permits under current law.

Preliminary Application Materials for the Environmental Cooperation Pilot Program

Summary -- Developing a Cooperative Environmental Agreement

First, an interested company does some initial groundwork and contacts the DNR to discuss ideas. Second, an interested company writes a letter called a Preliminary Application that outlines four main topic areas as described below. Third, if DNR accepts the company into the program, the company writes a Draft Cooperative Environmental Agreement. It serves as the official application to the Program. Fourth, if, after negotiations and public comments, consensus is reached, the company and DNR sign a final Cooperative Environmental Agreement.

Initial Groundwork

Interested facilities should do the following groundwork before fully developing their Preliminary Application:

- Begin determining what the project is and what flexibility is needed or requested;
- Contact DNR's Bureau of Cooperative Environmental Assistance to discuss preliminary application ideas, even if only at very preliminary stages. DNR needs this information to discuss preliminary flexibility options with the U.S. Environmental Protection Agency (EPA). (See contact information at the end of this document); and
- Organize an "Interested Persons Group" and develop a stakeholder involvement plan consistent with proposal requirements (see below).

Preliminary Application

To be considered as a candidate for the Environmental Cooperation Pilot Program, an interested facility should write a letter to DNR that outlines these four areas: (details below)

- I. Information on the Interested Persons Group
- II. Facility Specific Information
- III. Environmental Performance Plan
- IV. Measurement and Performance Evaluation

This letter will serve as a *Preliminary Application*. Based on Preliminary Applications, the DNR will decide which companies proceed to the Draft Agreement stage.

I. Interested Persons Group Information:

An "interested person" is a person who is, or may be, affected by the activities at a facility that is covered, or proposed to be covered, by a Cooperative Environmental Agreement or a representative of such a person. This includes residents of the area in which the proposed facility is located and any other interested stakeholders.

Participating facilities must establish a documented "Interested Persons Group." DNR can assist companies in this area if requested.

- Information on the Interested Persons Group must include a description of the process used to establish the Interested Persons Group, a list of Interested Persons Group members, and a description of the involvement of the group in the development of the Draft Cooperative Environmental Agreement;
- Additionally, the facility must ensure that, and describe how:
 1. The Interested Persons Group will be involved in performance reviews and how they can comment on the facility's environmental management system (EMS). (Participating facilities must commit to meet with interested persons at least once every six months to discuss EMS implementation and receive comments on project progress);
 2. The Interested Persons Group will be assisted by the facility to understand how the Agreement will be implemented;
 3. Information will be provided to the public about the facility's environmental performance and project results, including environmental, social and economic impacts.

II. Facility Specific Information:

- Provide name of facility (or facilities), description of the manufacturing processes, facility practices, and pollutants to be covered by the agreement;
- Identify approvals or provisions currently in the participating facility's existing permits and approvals that the facility wishes to be modified by the Agreement;
- Describe the operational flexibility and any variances requested by the facility;
- Commit to implement and document an environmental management system (EMS) based on the standards issued by the International Organization for Standardization or an acceptable alternative EMS. This commitment to implement an EMS must include an estimated time line for development and adoption.

III. Environmental Performance Plan:

- Commit to superior environmental performance and to achieve measurable or noticeable improvements in environmental performance. This must include a facility's commitment to pollution limits that are verifiable, enforceable and at least as stringent as current legal limits;
- Identify changes in materials, product design, production methods, distribution or uses of products, and reuse, recycling or disposal of materials that the facility will implement to achieve process efficiency and reduce its environmental impact *and* provide an estimated time line for achieving this;
- Specify waste reduction goals in measurable and verifiable terms.

IV. Measurement and Performance Evaluation:

- Describe how facility will measure the opinions of its employees and the public concerning its participation in the program;
- Explain how facility will assess the success of the project in reducing the time and money spent by the facility on paperwork and other administrative activities that do not directly benefit the environment;
- Commit to completing Environmental Management System (EMS) data protocols provided by DNR. The data protocols were developed by University of North Carolina and the Environmental Law Institute for the purpose of gathering data on environmental performance of companies that implement an EMS. Collected data, to be sent to a nationwide database maintained by University of North Carolina, includes specific information on stakeholder involvement, cost/benefit analysis, environmental performance and compliance under the framework of an EMS.

- Commit to submit a baseline performance evaluation within 180 days of the date the Agreement is entered into and to provide periodic updates to that performance evaluation;
- Commit to report any violations discovered during a performance evaluation. *Under proper circumstances, facilities covered by a Cooperative Environmental Agreement are granted immunity for reported violations as long as those violations are not life-threatening and are corrected within 90 days or another agreed upon time frame.*

Completed Preliminary Applications should be mailed to:

Mark McDermid, Director
Bureau of Cooperative Environmental Assistance
Department of Natural Resources (CO/7)
PO Box 7921
Madison, WI 53707-7921
(608) 267-3125

For additional information on application procedures, please see the Cooperative Environmental Agreement legislation (Sec. 299.80 WI statutes) or contact Mark McDermid (above). Additional information may also be obtained at: dnr.wi.gov/org/caer/cea/ecpp/

¹An "environmental management system" is an organized set of procedures implemented by the owner or operator of a facility to evaluate the environmental performance of the facility and to achieve measurable improvements in environmental performance through planning and changes in the facility's operations.