



State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

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August 16, 2007

Ms. Liz Doornink
Jon-De Farm, Inc.
2061 30th Avenue
Baldwin, WI 54002

Subject: Tier 1 Acceptance in Green Tier Program

Dear Ms. Doornink:

Congratulations! The Department of Natural Resources (DNR) is pleased to approve your Tier 1 application and accept you into the Green Tier Program. This letter of acceptance covers Jon-De Farm, Inc. (identified in your application). This letter of acceptance is authorized by The Environmental Results Program Act, s. 299.83, Wis. Stats., created by 2003 Wisconsin Act 276.

With this letter, you are authorized to use the Green Tier Program logo on written materials that are related to your facility. You will receive a unique certificate that recognizes you for participating in the Green Tier Program. The DNR will work with you to annually celebrate your participation in the Green Tier Program through a joint press release to local newspapers and will maintain your company's name on a list of participants that is available on the DNR's website.

You have agreed to pursue and report on goals that will improve your environmental performance. Your Environmental Management System (EMS) will be the cornerstone of documenting and reporting your performance under Green Tier. As a participant of Green Tier you will have a number of milestones to meet. First, you have committed to implement and maintain an EMS that either conforms to the ISO 14001 standard or is demonstrated to be functionally equivalent. Attached to this letter is a guidance document for demonstrating EMS functional equivalency. Second, you have committed to annual EMS audits with at least every third audit performed by an outside environmental auditor approved by DNR. Third, you have committed to submit an annual report to the DNR that describes any EMS audit non-conformances, actions taken or proposed to correct the non-conformance, and progress toward meeting objectives identified in the EMS.

As a participant in the Green Tier Program, you are entitled to deferred civil enforcement, as described in s. 299.83(6m)(d), Wis. Stats. In brief, this means that if you discover either a non-conformance in your EMS or you discover a violation with an existing environmental requirement, and if you provide DNR notice of your discovery along with a corrective action plan that conforms to the requirements in the statute and if you successfully and timely implement the corrective action plan, DNR will not seek to impose penalties for the self-disclosed non-conformance or violation. You are reminded that nothing in this letter replaces any obligation that you have to report on and correct any violation of law or regulation.

After you have demonstrated that your EMS conforms to the ISO 14001 standard or is functionally equivalent, the DNR commits to inspect Jon-De Farm, Inc. at the lowest frequency permitted by law, unless the DNR has reason to believe the facility to be out of compliance.

Finally, if you have any questions about your interaction as a Tier 1 participant with the DNR, John Shenot has been assigned to serve as your single point of contact until further notice. John will be your point of contact concerning communications within the program, approvals you may be required to obtain and technical assistance. This decision may be reconsidered by mutual consent if in the future it becomes apparent that another DNR employee would be a more suitable single point of contact.

Your acceptance into the Green Tier Program is good for 5 years, and your status as a Green Tier company can be extended for additional amounts of time that we mutually agree to. You may withdraw from the program at any time by notifying us of your decision to withdraw. We may also withdraw you from the program if we believe that it is in the best interest of the Green Tier program to end the relationship that is created with this letter.

We welcome you as a Tier 1 company under the Environmental Results Program.

Sincerely,

Scott Hassett, Secretary
Wisconsin Department of Natural Resources

Attachments:

[Tier 1 Application Packet](#)

Green Tier Logo Guidelines

[EMS Functional Equivalency Guidance](#)

[Generic Suite of Green Tier Environmental Indicators](#)

Certificate of Recognition

Proving EMS Functional Equivalency

Draft Final Guidance

Environmental Management Systems (EMS) are the foundation for Green Tier participation. Participants are expected to utilize an EMS that either meets the requirements of the ISO 14001:2004 standard or has been determined to be functionally equivalent to an ISO 14001 EMS. If an applicant has an ISO 14001 EMS, conformance to this requirement can be demonstrated by providing an ISO 14001 certificate of registration issued by a certification body that has been accredited by an International Accreditation Forum (IAF) member. If an applicant has a functionally equivalent EMS, they shall choose one of the options below.

For Tier 1:

At the time of application to the Green Tier program, if a Tier 1 applicant has an EMS in place that is not an ISO 14001 EMS, it shall document that its EMS is functionally equivalent under either Option A or Option B below. If the applicant does not have an EMS in place at the time of application, it will need to develop an EMS within one year from the date of application to the program, and either submit a certificate of registration under the ISO 14001 standard or document that their EMS is functionally equivalent under either Option A or B below. It is important to understand that in order to demonstrate functional equivalence, a Green Tier participant must demonstrate both “equivalency”, meaning that each component of an environmental management system is present, and also “functionality”, meaning that each component of the system is actually being implemented. For instance, an audit procedure must exist (the equivalency piece), and the EMS must, in fact, have been audited (the functional piece).

Tier 1 – Option A:

The applicant provides documentation that the components in its EMS satisfy each of the 12 components identified under Wis.Stats. §299.83(1)(dg) (see box). The applicant documents both equivalency and functionality and has the responsibility for supplying evidence that demonstrates conformance to each requirement. All of

Wis.Stats. §299.83(1)(dg)

(dg) “Functionally equivalent environmental management system” means an environmental management

system that includes all of the following elements and any other elements that the department determines are essential elements of International Organization for Standardization standard 14001:

1. Adoption of an **environmental policy** that includes a commitment to compliance with environmental requirements, pollution prevention, and continual improvement in environmental performance.
2. An analysis of the **environmental aspects and impacts** of an entity's activities.
3. Plans and procedures to achieve **compliance** with environmental requirements and to maintain that compliance.
4. Identification of all **environmental requirements** applicable to the entity.
5. A process for **setting environmental objectives** and **developing appropriate action plans** to meet the objectives.
6. Establishment of a structure for **operational control** and responsibility for environmental performance.
7. An employee **training program** to develop awareness of and competence to manage environmental issues.
8. A plan for taking actions to prevent environmental problems and for taking **emergency response** and **corrective actions** when environmental problems occur.
9. A **communication plan** for collaboration with employees, the public, and the department on the design of projects and activities to achieve continuous improvement in environmental performance.
10. Procedures for **control of documents** and for keeping records related to environmental performance.
11. Environmental management system **audits**.
12. A plan for **continually improving environmental performance** and provision for senior **management review** of the plan.

the documentation supplied under this option will be a matter of public record and may be put on the DNR web site. The documentation is to be accompanied by a declaration from the senior manager that signed the Green Tier application. This declaration shall include the following, *“I have reviewed the information provided. I find that the information provided conforms to each of the 12 requirements in Wis.Stats. §299.83(1)(dg) as a functionally equivalent environmental management system.”*

Tier 1 – Option B:

The applicant shall submit to an outside environmental auditor (see DNR guidance on auditor qualifications) evidence that their EMS conforms to the 12 components identified in the statute. The auditor will then submit to the DNR a declaration that they have examined the evidence provided by the applicant and that the EMS has procedures that satisfy each of the 12 components, and that the procedures for each of the 12 components are in deed being implemented. This declaration shall include the following: *“I have reviewed the information submitted by the participant, and as an outside environmental auditor, I find that the information provided conforms to each of the 12 requirements in Wis.Stats. §299.83(1)(dg) as a functionally equivalent environmental management system.”* All of the documentation supplied under this option will be a matter of public record and may be put on the DNR web site.

For Tier 2:

At the time of application to the Green Tier program, if a Tier 2 applicant has an EMS in place that is not an ISO 14001 EMS, they shall document that their EMS is functionally equivalent under either Option A or Option B below.

Tier 2 – Option A:

The applicant provides documentation that its EMS is both equivalent and functional so that each of the 12 components identified under Wis.Stats. §299.83(1)(dg) (see box) are satisfied. The applicant is responsible for demonstrating how its system satisfies each of the twelve components of the statute, and for documenting the effectiveness of its system. Baseline information must be provided, along with at least one year of additional results to indicate effectiveness and performance. All of the documentation supplied under this option will be a matter of public record and may be put on the DNR web site. The documentation is to be accompanied by a declaration from the senior manager that signed the Green Tier application. This declaration shall include the following, *“I have reviewed the information provided. I find that the information provided conforms to each of the 12 requirements in Wis.Stats. §299.83(1)(dg) as a functionally equivalent environmental management system.”*

Tier 2 – Option B:

Prior to submitting an application, the applicant shall provide evidence to an outside environmental auditor (§299.83(9)(1)(dr) and §299.83(7m) (see box and DNR guidance on auditors) that their EMS conforms to the 12 components identified in §299.83(1)(dg) (see above). The outside environmental auditor shall review the evidence submitted and evidence of the effectiveness of the EMS and certify that each of the 12 components are satisfied. This certification should accompany the application, and will become part of the public record and may be included on the DNR's Green Tier web site. This certification

shall be signed by the outside environmental auditor and shall include the following: *"I have reviewed the information submitted by the participant, and as an outside environmental auditor, I find that the EMS conforms to each of the 12 requirements in 299.83(1)(dg) as a functionally equivalent environmental management system."*

Upon receipt of a certification of functional equivalency for either a Tier 1 or a Tier 2 application,, the DNR project manager shall review the certification and determine whether the environmental management system is a functionally equivalent environmental management system.

Wis.Stats. §299.83(9)(1)(dr)

§299.83(9)(1)(dr) "Outside environmental auditor" means an auditor who is functionally or administratively independent of the facility or activity being audited, but who may be employed by the entity that owns the facility being audited or that owns the unit that conducts the activity being audited.

Wis.Stats. §299.83(7m)

§299.83(7m) ENVIRONMENTAL AUDITORS. The department may not approve an outside environmental auditor for the purposes of sub. (3) (d) 4. or (5) (c) 2. unless the outside environmental auditor is certified by the Registrar Accreditation Board or meets criteria concerning education, training, experience, and performance that are equal to the criteria in International Organization for Standardization guidance 19011.

The following Indicators are proposed for all Green Tier participants. In addition to this Generic List, it is expected that other indicators/metrics will come out of your Environmental Management System and would be used to document accomplishments. This Generic List is meant to help Jon-De Farm, Inc. and the DNR document the relative success of the program.

Environmental Indicators

Some of the environmental indicators are already provided to the DNR. You would not be asked to report this information again if you have already reported it.

1.1 Water

- 1.1.1 Total water use
- 1.1.2 Total amount of phosphorous released into water
- 1.1.3 Total waste water produced

1.2 Air Emissions

- 1.2.1 Total greenhouse gas emissions
- 1.2.2 Total emissions of ozone-depleting substances
- 1.2.3 Total air emissions

1.3 Waste

- 1.3.1 Total solid waste produced
- 1.3.2 Total percentage of material ending up as waste
- 1.3.3 Amount/percentage of waste that is hazardous
- 1.3.4 Amount of mercury lost or released into the environment
- 1.3.5 Amount/percentage of waste recycled

1.4 Energy

- 1.4.1 Total energy used, listed by source
- 1.4.2 Amount/percentage of energy from renewable resources

1.5 Transportation

- 1.5.1 Total fuel consumption
- 1.5.2 Amount/percentage of vehicles using alternative fuels

1.6 Spills

- 1.6.1 Number of spills
- 1.6.2 Total amount of hazardous substances released due to spills

1.7 Land Use

- 1.7.1 Total amount of land owned and percentage that is permeable (not paved or covered)

1.8 TRI

- 1.8.1 Total TRI emissions

Economic Metrics

- 2.1 Total sales – revenue brought in from annual sales before subtracting any costs.
- 2.2 Profit or loss – Quantify the profit or loss during the most recent fiscal year
- 2.3 Workforce changes – number of people employed, and the change over the previous year (using Jan 31 as the baseline date)



Social Metrics

- 3.1 Amount provided to support alternative transportation options for employees
- 3.2 Income inequality – the multiple between lowest paid employee and highest paid employee
- 3.3 Percent of purchases made from companies in the state