

GOAL 5 - COMPLIANCE AND ENVIRONMENTAL STEWARDSHIP

Protect human health and the environment through ensuring compliance with environmental requirements by enforcing environmental statutes, preventing pollution, and promoting environmental stewardship. Encourage innovation and provide incentives for governments, businesses, and the public that promote environmental stewardship and long-term sustainable outcomes.

CONTRIBUTING PROGRAMS:

Compliance Assistance Program, Compliance Incentives Program, Monitoring and Enforcement Program, Toxic Substances Compliance Grant Program, Pesticide Enforcement Grant Program, Sector Grant Program, Pollution Prevention Program, State and Tribal Pollution Prevention Grants, National Center for Environmental Innovation, American Indian Environmental Office, Tribal General Assistance Program, Environmental Technology Verification Program, Resource Conservation Challenge, National Partnership for Environmental Priorities, Economic Decision Sciences Research, and Sustainability Research.

GOAL PURPOSE:

EPA ensures that government, business, and the public comply with federal laws and regulations by monitoring compliance and taking enforcement actions that result in reduced pollution and improved environmental management practices. To accelerate the nation's environmental protection efforts, EPA works to prevent pollution at the source, to encourage other forms of environmental stewardship, and to promote the tools of innovation and collaboration.

Effective compliance assistance and strong, consistent enforcement are critical to achieving the human health and environmental benefits expected from our environmental laws. EPA monitors compliance patterns and trends and focuses on priority problem areas identified in consultation with states, tribes, and other partners. The Agency supports the regulated community by assisting regulated entities in understanding environmental requirements, helping them identify cost-effective compliance options and strategies, and providing incentives for compliance.

EPA promotes the principles of responsible environmental stewardship, sustainability, and accountability to achieve its strategic goals. Collaborating closely with other federal agencies, states, and tribes, the Agency identifies and promotes innovations that assist businesses and communities in improving their environmental performance. EPA works to improve and encourage pollution prevention and sustainable practices, helping businesses and communities move beyond compliance and become partners in protecting our national resources and improving the environment and our citizens' health. It works with businesses to increase energy efficiency, find environmentally preferable substitutes for chemicals of concern, and change processes to reduce toxic waste. EPA promotes improved communication through data sharing and collaboration and conducts research on pollution prevention, new and developing technologies, social and economic issues, and decision making to help promote environmental stewardship. EPA also works with other nations as they

develop their own environmental protection programs, leading to lower levels of pollution in the United States and worldwide.

Ensuring compliance and promoting environmental stewardship is an important component of the Agency's efforts to protect human health and the environment in Indian country. EPA continues to provide resources to support federally recognized tribes and inter-tribal consortia in assessing environmental conditions on their lands and building environmental programs tailored to their needs. Tribes, the first stewards of America's environment, provide an invaluable perspective on environmental protection that benefits and strengthens all of our stewardship programs.

Objective 1: Achieve Environmental Protection through Improved Compliance

FY 2007 Obligations: Goal 5, Objective 1 (in thousands)	FY 2007 Expenditures: Goal 5, Objective 1 (in thousands)
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>Improve Human Health and the Environment in Indian Country \$75,666.8, 10%</p> </div> <div style="text-align: center;"> <p>Enhance Societies Capacity for Sustainability through Science and Research \$66,228.8, 8%</p> </div> </div> <div style="text-align: center; margin: 20px 0;"> </div> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>Improve Environmental Performance through Pollution Prevention and Other Stewardship Practices \$124,456.7, 16%</p> </div> <div style="text-align: center;"> <p>Achieve Environmental Protection through Improved Compliance \$521,869.9, 66%</p> </div> </div>	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>Improve Human Health and the Environment in Indian Country \$83,933.2, 11%</p> </div> <div style="text-align: center;"> <p>Enhance Societies Capacity for Sustainability through Science and Research \$75,731.6, 9%</p> </div> </div> <div style="text-align: center; margin: 20px 0;"> </div> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>Improve Environmental Performance through Pollution Prevention and Other Stewardship Practices \$122,382.2, 16%</p> </div> <div style="text-align: center;"> <p>Achieve Environmental Protection through Improved Compliance \$496,644.3, 64%</p> </div> </div>

FY 2007 Resources for Program Projects Supporting this Objective*

Program projects are EPA's fundamental unit for budget execution and cost accounting and they serve as the foundations for the Agency's budget. Frequently, program projects support multiple PMs and objectives. This table lists the program projects and associated resources that support this objective.

**Resources associated with Program projects may not match the Goal and Objective obligations and expenditures exactly due to rounding*

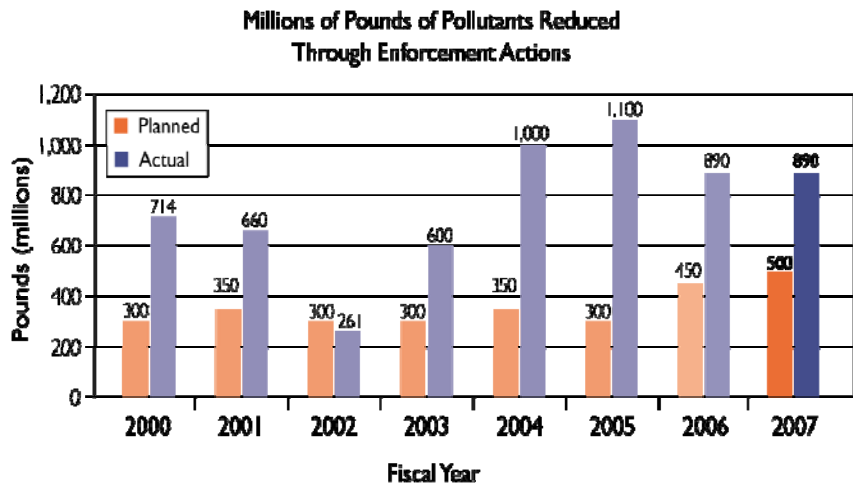
Goal 5: Objective 1 - Achieve Environmental Protection through Improved Compliance

Program Project	FY 2007 Obligations	FY 2007 Expenditures
Categorical Grant: Pesticides Enforcement	\$18,404.5	\$18,312.1
Categorical Grant: Toxics Substances Compliance	\$5,272.4	\$5,794.3
Categorical Grant: Sector Program	\$1,161.1	\$1,543.7
Civil Enforcement	\$124,038.2	\$122,709.6
Compliance Assistance and Centers	\$28,404.6	\$29,034.7
Compliance Incentives	\$9,699.4	\$9,366.7
Compliance Monitoring	\$92,683.6	\$85,544.2
Congressionally Mandated Projects	(\$7.2)	\$165.9
Criminal Enforcement	\$49,136.1	\$47,017.6
Enforcement Training	\$3,479.5	\$3,709.4
Homeland Security: Communication and Information	\$1,463.3	\$609.8
Homeland Security: Critical Infrastructure Protection	\$5,812.6	\$4,901.1
Homeland Security: Protection of EPA Personnel and Infrastructure	\$1,794.9	\$2,619.8
International Capacity Building	\$6.3	\$10.3
Administrative Law	\$795.6	\$757.8
Alternative Dispute Resolution	\$212.7	\$168.5
Central Planning, Budgeting, and Finance	\$10,216.9	\$9,927.7
Civil Rights / Title VI Compliance	\$1,877.6	\$1,821.9
Congressional, Intergovernmental, External Relations	\$9,771.7	\$9,774.7
Exchange Network	\$5,464.7	\$3,195.2
Facilities Infrastructure and Operations	\$82,270.8	\$77,497.8
Acquisition Management	\$5,265.1	\$4,517.0
Human Resources Management	\$5,827.0	\$5,522.0
Information Security	\$452.8	\$445.4
IT / Data Management	\$40,262.6	\$33,890.6
Legal Advice: Environmental Program	\$7,201.3	\$7,173.1
Legal Advice: Support Program	\$2,172.7	\$2,100.0
Audits, Evaluations, and Investigations	\$2,545.8	\$2,640.1
Regional Science and Technology	\$640.7	\$590.3
Science Advisory Board	\$770.9	\$722.2
Small Minority Business Assistance	\$379.5	\$317.7
Financial Assistance Grants / IAG Management	\$1,601.8	\$1,544.1

Regulatory/Economic-Management and Analysis	\$2,790.4	\$2,699.1
Total	\$521,869.9	\$496,644.4

EPA assists members of the regulated community in understanding environmental regulations and improving their environmental management practices (EMPs) with the goal of reducing the amount of pollution they produce or discharge. The Agency offers compliance assistance directly, through onsite visits and training, and through its Compliance Assistance Centers. EPA uses inspections, investigations, and enforcement actions to identify egregious violations and return violators to compliance as quickly as possible, greatly reducing impacts on sensitive populations. To increase compliance and improve EMPs, EPA encourages facilities to identify, disclose, and correct violations through incentives such as reduced or eliminated penalties.

EPA's progress toward this objective can be demonstrated through a few key performance accomplishments. EPA has reduced, treated, or eliminated 890 million pounds of pollution through enforcement actions in FY 2007. That is the same amount as last year and represents a significant contribution to environmental protection.



Pollutant reduction totals show large variations from year to year due to the fact that reductions tend to be driven by the results from a few very large cases. For additional information on recent enforcement cases, please visit EPA's website:

<http://www.epa.gov/compliance/resources/cases/index.html>. As a result of concluded enforcement actions, violators have committed to spending \$10.6 billion to improve their environmental performance or improve their EMPs. Ninety-one percent of facilities receiving direct compliance assistance from EPA have improved their EMPs.

Compliance Assistance

The Agency exceeded its compliance assistance performance targets in FY2007 due to changes in how it calculates results. EPA poses set questions to compliance assistance recipients regarding their improvements in environmental practices and pollutant reductions. These measures are not calculated from a representative sample of the regulated entity universe. The percentages are based, in part, on the number of regulated entities that answered affirmatively to these questions on voluntary surveys. The percentages do not account for the number of regulated entities who chose not to

answer these questions or the majority of entities who chose not to answer the survey. Even for those respondents who respond positively, there is no objective way to verify the accuracy of their response.

Compliance Incentives

In FY 2007, 17 voluntary disclosures under EPA's Audit Policy resulted in an estimated 1.2 million pounds of pollutants reduced, treated, or eliminated. Unlike traditional enforcement cases, voluntary disclosures under EPA's Audit Policy are completely dependent upon regulated entities choosing to disclose violations. Pollutant reductions vary significantly from year to year because reductions tend to be driven by a small number of audit settlements. As an example of the variability in performance results under the compliance incentives program, EPA reduced, treated or eliminated an estimated 1.9 million pounds of pollutants in FY2005, and an estimated .05 million pounds of pollutants in FY2006. In an effort to maximize environmental outcomes from Audit Policy disclosures, the Agency recently sought public comment on the appropriateness of a tailored incentives designed to encourage new owners of regulated entities to audit facilities and self-disclose violations to the Agency, and whether the Agency should test this idea through a pilot program. If a pilot is proposed, it will be circulated for public comment in FY 2008.

Monitoring & Enforcement

Pollutant reduction results show large variations from year to year due to the fact that the overall reductions occur from a few large cases. Two large cases, Wisconsin Electric Power Company and the East Kentucky Power Cooperative, Inc. resulted in agreements to reduce, treat or eliminate an estimated 341 million pounds of pollutants.

EPA surpassed the FY 2007 performance target for the dollars invested in improved environmental performance and management practices by \$6.4 million dollars due to particularly high injunctive relief requirements in FY 2007 Clean Air Act settlements. Total dollars invested in environmental performance or improved environmental management practices are dependent on a small number of significant cases that vary widely from year to year due to specific case settlements that are entirely unpredictable when the Agency sets performance targets two years in advance. For example, three of the largest Clean Air Act settlements in FY 2007 account for nearly \$1.6 billion of the total \$4.2 billion dollars of injunctive relief. Similarly, the two largest Clean Water Act settlements to bring critical municipal sewer systems into compliance account for over \$3.3 billion of the FY 2007 performance result.

Explanation of the Missed Measures

EPA missed the performance target for complying actions taken by a facility during an on-site inspection/evaluation. Activities taken by a facility to correct deficiencies identified at the time of an on-site inspection/evaluation are known as complying actions. The absolute number of facilities that took complying actions went up by 9.4% - from 1,234 in FY 2006 to 1,350 in FY 2007. While inspectors communicated deficiencies to over 7,000 facilities this year, not all deficiencies can be corrected immediately while the inspector is on-site. The Agency plans to address the failure to meet the performance target in FY 2008 by expanding the type of corrective actions

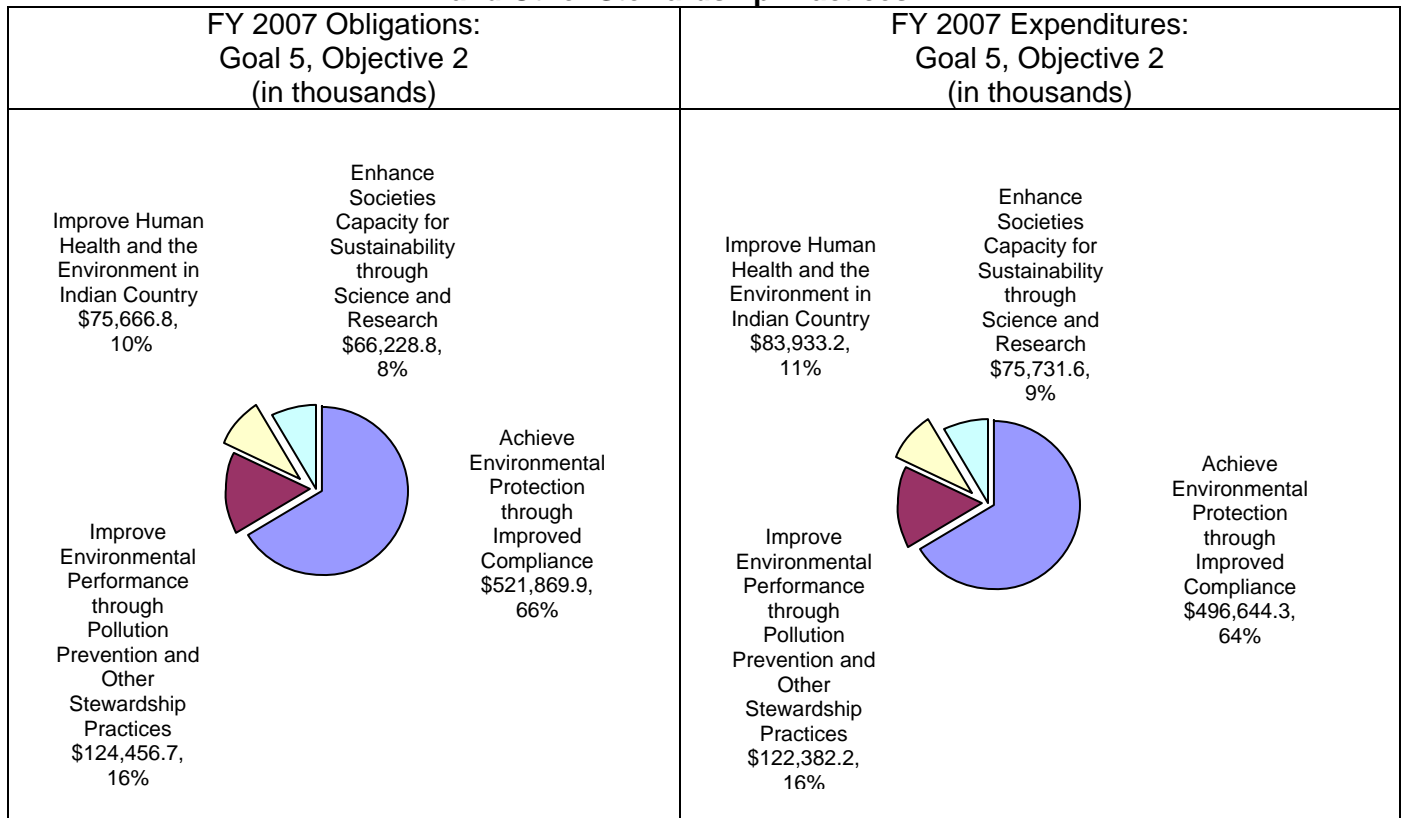
reported to include those which occur after the inspector leaves the site but prior to an enforcement action.

EPA slightly missed the performance target for the percentage of concluded cases that require pollutant reductions in FY 2007. It is not possible to predict the number of enforcement actions that will be concluded in a given year or the percentage that will actually require pollutants to be reduced. The absolute number of concluded enforcement cases has increased over the last three years. And, for those three years, EPA has exceeded its targets for pounds of pollutants reduced. In FY 2007, EPA settled a few cases with very significant pollutant reductions. As a result, only three large Clean Air Act settlements in FY 2007 account for nearly 50% of the total pollution reductions.

Additional Information Related to Objective 1	
Program Evaluations:	<p>Office of the Inspector General: (1) <i>Assessment of EPA’s Projected Pollutant Reductions Resulting from Enforcement Actions and Settlements</i>; (2) <i>Overcoming Obstacles to Measuring Compliance: Practices in Selected Agencies</i>; (3) <i>Better Enforcement Oversight Needed for Major Facilities with Water Discharge Permits in Long-Term Significant Non-compliance</i>; (4) <i>Federal Facilities in Chesapeake Bay Watershed Generally Comply with Major Clean Water Act Permits</i>.</p> <p>Government Accountability Office: <i>EPA-State Enforcement Partnership Has Improved, but EPA’s Oversight Needs Further Enhancement</i>.</p> <p>Additional information on this report is available in the Program Evaluation, Appendix A.</p>
Grants:	Categorical Grants – Pesticides Enforcement; Toxic Substance Compliance.
PART:	<p>The EPA Enforcement of Environmental Laws (Civil) program was first assessed in the 2002 PART process and initially received a rating of “results not demonstrated.” The program was reassessed in the 2004 PART process and received a rating of “adequate.” As a result of the PART process, the program is conducting follow-up actions which include development of statistically valid compliance rates for its national priority implementation when it is feasible and serves a clear management purpose. OECA has recently revised its national priority strategies for the FY 2008-2010 cycle and is determining which strategies would benefit most from the development of a compliance rate. OECA continues to work with the Office of Air and Radiation to characterize the human health benefits accruing from pollutant reductions due to concluded air enforcement cases. A headquarters/regional workgroup is reviewing options for developing a problem-based strategic architecture. It is projected the workgroup will finalize a proposal by</p>

	<p>the end of 2007.</p> <p>The Enforcement of Environmental Laws (Criminal) program was first assessed in the 2003 PART process and received a rating of “results not demonstrated.” The program was reassessed in the 2004 PART process and received a rating of “adequate.” As a result of the PART process, the program is conducting follow-up actions which include developing recidivism baselines and targets for criminal enforcement.</p> <p>The Pesticide Enforcement Grant program was assessed in the 2004 PART process and received a rating of “ineffective.” As a result of the PART process, the program is conducting follow-up actions which included finalizing outcome performance measures in March 2005 and negotiating state and tribal cooperative agreements in 2006. The program will also develop baselines and targets for the performance measures and will evaluate the cost-effectiveness.</p>
Web Links:	<p>Compliance and Enforcement Program: http://www.epa.gov/compliance, Compliance and Enforcement Data, Planning and Results: http://www.epa.gov/compliance/data/results/index.html Civil Enforcement Program: http://www.epa.gov/compliance/civil/index.html</p>

Objective 2: Improve Environmental Performance through Pollution Prevention and Other Stewardship Practices



FY 2007 Resources for Program Projects Supporting this Objective*
Program projects are EPA's fundamental unit for budget execution and cost accounting and they serve as the foundations for the Agency's budget. Frequently, program projects support multiple PMs and objectives. This table lists the program projects and associated resources that support this objective.
**Resources associated with Program projects may not match the Goal and Objective obligations and expenditures exactly due to rounding*

Goal 5: Objective 2 - Improve Environmental Performance through Pollution Prevention and Other Stewardship Practices

Program Project	FY 2007 Obligations	FY 2007 Expenditures
Homeland Security: Communication and Information	\$241.4	\$99.9
Homeland Security: Protection of EPA Personnel and Infrastructure	\$521.5	\$760.6
Administrative Law	\$128.9	\$122.7
Alternative Dispute Resolution	\$31.4	\$25.5
Central Planning, Budgeting, and Finance	\$2,001.4	\$1,939.1
Civil Rights / Title VI Compliance	\$263.6	\$255.4
Congressional, Intergovernmental, External Relations	\$1,188.6	\$1,182.4
Exchange Network	\$896.4	\$531.8
Facilities Infrastructure and Operations	\$15,662.0	\$14,606.4
Acquisition Management	\$736.4	\$704.9
Human Resources Management	\$1,220.7	\$1,207.3
Information Security	\$142.0	\$140.0
IT / Data Management	\$9,831.7	\$8,389.3
Legal Advice: Environmental Program	\$1,213.9	\$1,205.4
Legal Advice: Support Program	\$393.0	\$380.3
Audits, Evaluations, and Investigations	\$674.4	\$719.1
Regional Science and Technology	\$83.9	\$79.6
Science Advisory Board	\$124.9	\$117.0
Small Minority Business Assistance	\$61.5	\$51.4
Financial Assistance Grants / IAG Management	\$1,142.1	\$1,211.1
Regulatory/Economic-Management and Analysis	\$452.0	\$437.2
Categorical Grant: Pollution Prevention	\$6,010.3	\$5,382.2
Categorical Grant: Environmental Information	\$15,194.4	\$17,315.7
Congressionally Mandated	\$2.2	\$2,646.2

Projects		
NEPA Implementation	\$14,790.2	\$13,906.8
Pollution Prevention Program	\$17,606.3	\$16,831.0
RCRA: Waste Minimization & Recycling	\$2,971.3	\$2,778.3
Regulatory/Economic-Management and Analysis	(\$86.3)	\$118.7
Regulatory Innovation	\$19,510.1	\$17,463.7
Environmental Education	\$7,678.4	\$7,870.9
Small Business Ombudsman	\$3,768.0	\$3,902.3
Total	\$124,456.6	\$122,382.2

During FY 2007, EPA made significant progress in preventing pollution at the source. As of early November 2007, businesses, institutions, and governments participating in EPA's pollution prevention programs reduced use of hazardous materials by 419.5 million pounds, reduced use of energy by 1,035 billion BTUs, conserved 290 million gallons of water, and achieved \$30.8 million in cost savings.^{49,50} This progress boosted cumulative results since FY 2000 to 2.0 billion pounds reduced, 8.3 trillion BTUs, conserved, 9.7 billion gallons of water conserved, and \$182 million in cost savings toward the Agency's strategic targets.^{51,52}

These substantial pollution prevention results were achieved collectively through a wide variety of established and innovative approaches:

- Regional EPA offices administered Source Reduction and State and Tribal Assistance Grants to prevent pollution.
- P2RX centers enabled states and industry to produce P2 results by providing comprehensive and innovative P2 information across regions.
- In response to the Presidential Green Chemistry Challenge, businesses and academia have developed safer chemicals and processes.
- The federal government has increased its purchase of environmentally preferable products through the Federal Electronics Challenge and the Electronic Product Environmental Assessment Tool (EPEAT).
- Through the Green Suppliers Network, the National Institute of Standards and Technology expanded the Lean Manufacturing business paradigm and associated technical assistance to include pollution prevention practices.
- Partnership for Sustainable Healthcare enabled hospitals and other healthcare facilities to prevent pollution and reduce hazardous wastes, such as mercury.
- Under the Design for the Environment Program, partners collaborated to develop safer and effective substitutes for tin lead solder and safer detergents.

Environmentally Preferable Purchasing

EPA made considerable progress in promoting environmentally preferable purchasing by federal agencies. In FY 2007, EPA finalized FY 2006 data for the Federal Electronics Challenge (FEC) Program and Electronic Product Environmental Assessment Tool (EPEAT) programs. Through EPA's Federal Electronics Challenge, the federal government decreased its use of hazardous materials by 2.8 million pounds, conserved 452 billion BTUs of energy, and saved \$11.4 million. Finalized FY 2006

results became available in 2007 resulting from the EPEAT program finalizing the Institute of Electrical and Electronic Engineers (IEEE) 1680 Standard for Environmental Assessment of Personal Computer Products which decreased hazardous materials by 9.3 million pounds, conserved 1,457 billion BTUs, and saved \$37 million.

Green Suppliers Network

EPA's Green Suppliers Network (GSN) provides technical assistance in lean manufacturing and pollution prevention techniques to improve suppliers' productivity, efficiency, and environmental performance leveraging a national network of manufacturing technical assistance resources. By the end of 2007, the GSN completed 49 technical reviews and identified over \$27.2 million in potential cost savings.⁵³

Presidential Green Chemistry Challenge Program

The Presidential Green Chemistry Challenge Program fosters development of new chemistries that cost less, reduce hazardous chemical usage and waste, and reduce the need for dangerous manufacturing processes. Through FY 2007, award winners collectively account for 193 million pounds of hazardous materials reduction. Since its inception in 1995, the program has reduced hazardous materials by 942 million pounds and saved 605 million gallons of water.⁵⁴

Design for the Environment Program

Collaborating with industry and nongovernmental organizations to reduce risk from chemicals, the Design for the Environment (DfE) Program promotes opportunities for pollution prevention and stewardship in the design and use of chemical products and formulations. Since 1997, DfE's Formulator Program has reviewed and recognized more than 280 products. In FY 2007, all active partnership projects within DfE reduced more than 200 million pounds of chemicals of concern.⁵⁵

Mercury Switches

The National Vehicle Mercury Switch Recovery Program (NVMRP) has the potential to recover 80 to 90 percent of available mercury switches from old automobiles that wind up in scrap yards to be shredded and melted to make new steel—the source of at least half of the mercury emitted by electric arc furnaces, the nation's fourth largest source of mercury air emissions. Working together, EPA's Offices of Solid Waste; Policy, Economics, and Innovation; Air; and Pollution Prevention and Toxics met the goal of the first year—to engage States to encourage automobile and scrap recyclers in their states to participate in the NVMSRP. Every state now participates in a mercury switch recovery program. Data show that by late August 2007, over 5,900 automobile dismantlers had joined the program; and 680,000 switches have been collected, representing 1,500 pounds of mercury that will not be emitted to the environment during 2007, its first year of implementation.

National Partnership for Environmental Priorities

The National Partnership for Environmental Priorities (NPEP) works to reduce priority chemicals from waste streams. Under EPA's new strategic plan, the NPEP program has committed to reducing 4 million pounds of priority chemicals from FY 2007

to FY 2011. This past fiscal year, actual reductions reported by NPEP partners and confirmed by EPA total 1.3 million pounds against the 2007 target of 500,000 pounds. NPEP achievements are also being used to report on historical measures from the old strategic plan as they more accurately reflect EPA activities as opposed to economic conditions that influence priority chemical generation. Since program inception, NPEP partners have reduced over 3.5 million pounds of priority chemicals through both source reduction and recycling activities.

Performance Track

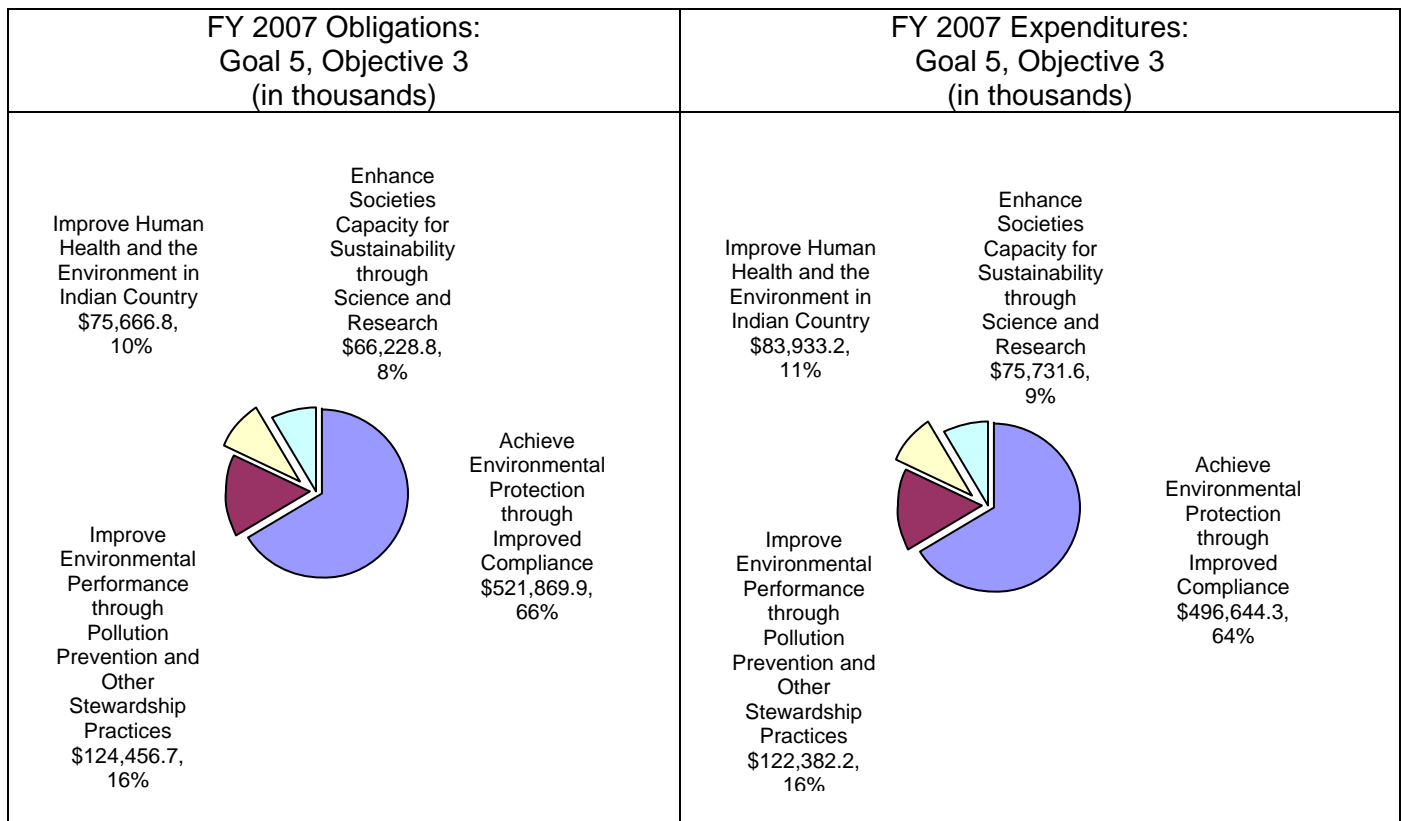
In FY 2007, Performance Track members worked toward goals they set in 31 different environmental indicators. Performance Track has six priority areas for reducing environmental impacts: water use, energy use, materials use, air emissions, discharges to water, and solid waste. Members reported normalized reductions of 5,300,000,000 gallons of water, 72,000 tons of air emissions, and 64,000 tons of materials used. Although the targets were not met in FY 2007 for energy use, discharges to water, and non-hazardous waste, members reported normalized reductions of 2,600,000 MMBTUs of energy use and 175,000 tons of solid waste. Discharges to water increased by 623 tons in FY 2007.

Also, the number of Performance Track members demonstrating improved performance on a normalized basis increased for water use, energy use, solid waste, and discharges to water. (The number of water use improvements grew from 105 to 113; energy use improvements grew from 129 to 144; solid waste improvements increased from 127 to 148; and the reductions in discharges to water grew from 20 to 28.) In fact, in these four areas, the number of improvements has grown steadily every year since FY 2003. This growth reflects not only an increase in Performance Track membership, but also the program’s increasing emphasis on key performance areas. Improvements made by Performance Track members demonstrate that facilities of all types and sizes are willing and able to identify and commit to beyond-compliance environmental performance improvement opportunities and to share their results with the public.

Additional Information Related to Objective 2	
Grants:	State and Tribal Assistance Grants, Source Reduction Grants, and grants which fund Pollution Prevention Resource Exchange Centers.
PART:	EPA's Pollution Prevention Program underwent PART review in 2006 and received a “moderately effective” rating, confirming that the program produces important environmental results in a well-managed and efficient manner. The Agency’s PART improvement plan calls for EPA to evaluate and implement Science Advisory Board Report recommendations for improving performance measures to better demonstrate Pollution Prevention results, work to reduce barriers confronted by industry and others in attempting to implement source reduction, fully implement the P2 State Reporting

	System, and develop additional efficiency measures. The Pollution Prevention Program has already developed one efficiency measure focusing on the Design for the Environment Program and is in the process of developing an efficiency measure for the Federal Electronic Challenge Program.
Web Links:	Pollution Prevention (P2) Program: http://www.epa.gov/p2/ , P2 Grants and Funding: http://www.epa.gov/p2/pubs/grants/index.htm , The Pollution Prevention Resource Exchange: http://www.p2rx.org/ , Design for the Environment (DfE) Program: http://www.epa.gov/oppt/dfel/ , Federal Electronics Challenge Program: http://www.federalelectronicschallenge.net/ , Green Chemistry Program: http://www.epa.gov/oppt/greenchemistry/ , P2 Partnership for Sustainable Healthcare: http://www.epa.gov/p2/pubs/psh.htm , The Green Suppliers Network: http://www.epa.gov/greensuppliers/ , The National Pollution Prevention Roundtable: http://www.p2.org/

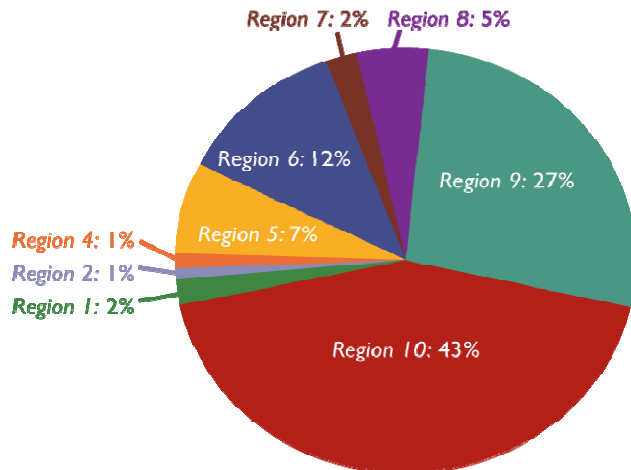
Objective 3: Improve Human Health and the Environment in Indian Country



FY 2007 Resources for Program Projects Supporting this Objective*		
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Goal 5: Objective 3 - Improve Human Health and the Environment in Indian Country		
Program Project	FY 2007 Obligations	FY 2007 Costs
Categorical Grant: Tribal General Assistance Program	\$57,758.3	\$66,410.2
Congressionally Mandated Projects	(\$282.6)	\$46.1
Homeland Security: Communication and Information	\$56.2	\$23.2
Homeland Security: Protection of EPA Personnel and Infrastructure	\$46.8	\$68.3
Tribal - Capacity Building	\$11,048.5	\$10,700.1
Administrative Law	\$30.0	\$28.5
Alternative Dispute Resolution	\$7.3	\$5.9
Central Planning, Budgeting, and Finance	\$408.8	\$397.5
Civil Rights / Title VI Compliance	\$76.4	\$74.8
Congressional, Intergovernmental, External Relations	\$325.7	\$325.0
Exchange Network	\$208.5	\$123.7
Facilities Infrastructure and Operations	\$2,980.0	\$2,827.0
Acquisition Management	\$82.2	\$79.6
Human Resources Management	\$169.7	\$170.0
Information Security	\$12.8	\$12.6
IT / Data Management	\$1,285.4	\$1,147.5
Legal Advice: Environmental Program	\$270.9	\$271.1
Legal Advice: Support Program	\$81.3	\$80.5
Audits, Evaluations, and Investigations	\$555.5	\$592.3
Regional Science and Technology	\$29.5	\$30.5
Science Advisory Board	\$29.0	\$27.2
Small Minority Business Assistance	\$14.3	\$12.0
Financial Assistance Grants / IAG Management	\$367.2	\$377.9
Regulatory/Economic-Management and Analysis	\$105.1	\$101.7
Total	\$75,666.8	\$83,933.2

EPA has demonstrated improvements in core tribal environmental program capacity critical to protecting human health and the environment in Indian country. In 2007, EPA met its overall annual performance goal of assisting federally recognized tribes in assessing the condition of their environment, helping build their capacity to implement environmental programs where needed to improve tribal health and environments, and implementing programs in Indian country where needed to address environmental issues. EPA considers the Indian General Assistance Program (GAP) to be the core component for achieving the objective of building tribal capacity. GAP provides funds for tribes to plan, develop and/or establish an environmental protection program. Working with the tribes, the Agency met its goal of providing 90 percent of federally recognized Indian tribes with access to GAP grants.

GAP Regional Distribution
FY 2007 Enacted Budget \$56,654,000



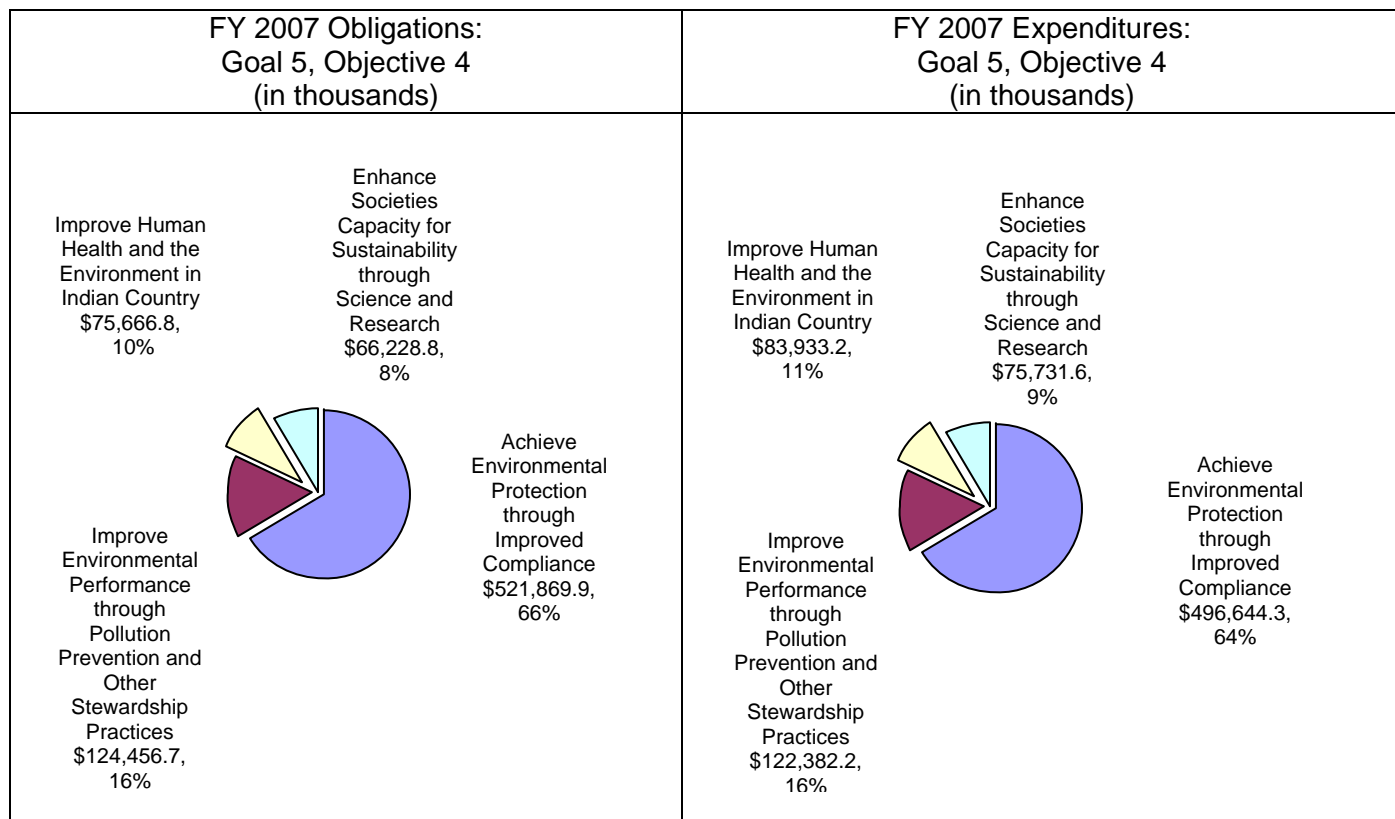
Progress in building tribal capacity is also shown by exceeding targets established for their performance measures:

- *Percent of tribes with EPA-approved multimedia workplans (cumulative)* - exceeded target of 42 percent by achieving 59 percent. The additional 17 percent of tribes above the target was achieved as tribes broadened their scope of environmental activities⁵⁶.
- *Percent of tribes with delegated and non-delegated programs (cumulative)*- achieved 73 percent against the goal of 49 percent. The Agency exceeded its goal as a result of continued efforts to reach out to smaller less advantaged tribes⁵⁷.
- *Percent of tribes with EPA reviewed monitoring and assessment occurring (cumulative)*- exceeded the target of 31percent by achieving this measure for 43 percent of tribes. This measure counts the number of tribes with EPA reviewed Quality Assurance Project Plans (QAPPS).
- *Number of environmental programs implemented in Indian country per million dollars*- exceeded the target of 12.3 percent by 14 percent for this annual efficiency measure⁵⁸.

EPA will continue to increase our efforts to work with tribes to provide efficient measures to assess environmental conditions in Indian country.

Additional Information Related to Objective 3	
Program Evaluations:	An independent evaluation of the Indian Environmental General Assistance Program was completed in May 2007. The results of this evaluation clearly establish that GAP has been effective in building the foundation of environmental capacity among tribes.
Grants:	Categorical Grant—Tribal General Assistance Program, authorized by the Indian Environmental General Assistance Program Act, 42 U.S.C. § 4368b (1992), as amended
PART:	The Tribal GAP program underwent its second PART assessment in 2007 and received an overall rating of “moderately effective.” As a result of the PART process, EPA has set ambitious goals and revised GAP performance measures to strengthen their relevance and accuracy. In response to the evaluation, EPA is implementing the GAP tracking system. Regional training will be conducted in Sept-Dec. 2007. The system will be evaluated in 2008 and recommendations for improvement will be updated. Development of a long-term solid waste measure is being considered.
Web Links:	Evaluation of the Tribal GAP program: http://www.epa.gov/evaluate/GAPFinalReport.pdf The American Indian Environmental Office (AIEO): http://www.epa.gov/indian/ American Indian Tribal Portal: http://www.epa.gov/tribalportal

Objective 4: Enhance Science and Research



<p>FY 2007 Resources for Program Projects Supporting this Objective*</p> <p><i>Program projects are EPA's fundamental unit for budget execution and cost accounting and they serve as the foundations for the Agency's budget. Frequently, program projects support multiple PMs and objectives. This table lists the program projects and associated resources that support this objective.</i></p> <p><i>*Resources associated with Program projects may not match the Goal and Objective obligations and expenditures exactly due to rounding</i></p>		
Goal 5: Objective 4 - Enhance Societies Capacity for Sustainability through Science and Research		
Program Project	FY 2007 Obligations	FY 2007 Expenditures
Congressionally Mandated Projects	\$3,577.6	\$9,959.3
Forensics Support	\$17,542.9	\$16,303.5
Homeland Security: Communication and Information	\$121.3	\$51.3
Homeland Security: Protection of EPA Personnel and Infrastructure	\$358.1	\$546.5

Research: Environmental Technology Verification (ETV)	\$1,405.3	\$1,947.5
Research: Pollution Prevention	(\$403.5)	\$9,520.4
Administrative Law	\$68.6	\$65.3
Alternative Dispute Resolution	\$21.7	\$16.5
Central Planning, Budgeting, and Finance	\$1,136.1	\$1,087.3
Civil Rights / Title VI Compliance	\$94.8	\$91.2
Congressional, Intergovernmental, External Relations	\$348.9	\$340.7
Exchange Network	\$457.3	\$259.9
Facilities Infrastructure and Operations	\$3,566.5	\$3,550.7
Acquisition Management	\$1,221.6	\$1,021.3
Human Resources Management	\$1,009.5	\$963.5
Information Security	\$125.3	\$144.8
IT / Data Management	\$5,722.5	\$4,599.1
Legal Advice: Environmental Program	\$623.8	\$614.8
Legal Advice: Support Program	\$204.8	\$196.1
Audits, Evaluations, and Investigations	\$370.7	\$378.7
Regional Science and Technology	\$18.9	\$18.6
Science Advisory Board	\$66.4	\$62.2
Small Minority Business Assistance	\$32.7	\$27.4
Financial Assistance Grants / IAG Management	\$538.0	\$522.5
Research: Economics and Decision Science(EDS)	\$2,290.3	\$393.9
Research: Sustainability	\$25,468.1	\$22,815.8
Regulatory/Economic-Management and Analysis	\$240.5	\$232.6
Total	\$66,228.7	\$75,731.4

EPA continues to strengthen the scientific evidence and research supporting environmental policies and decisions on compliance, pollution prevention, and environmental stewardship. Two examples of this research are:

Shepherd Creek Urban Watershed Management Pilot Project

In 2007, EPA's Shepherd Creek Urban Watershed Management pilot project continued to collect hydrologic, ecological, and water quality monitoring data in Cincinnati, Ohio's Shepherd Creek. As part of this project, EPA completed an experimental auction that provided market-based economic incentives to home-owners in an effort to control pollution from non-point sources. The detailed assessment of all impervious areas in the creek watershed completed in 2006 was used to determine which geographic locations within the watershed would most benefit from best management practices (BMPs) designed to reduce urban stormwater runoff. Through the auction, homeowners were asked to bid on, purchase, and install the BMP of their

choice (several types were available). With the auction completed and the BMPs in place, an evaluation of their effectiveness is now in progress. ORD expects to develop a series of generalized methodologies for watershed management using the hydrologic/ecological data, land-use practices, and economic incentives employed in this pilot project.

Technology for a Sustainable Environment (TSE) Grant Program

In 2007, EPA published a report⁵⁹ synthesizing the scientific innovations, environmental results, and economic benefits derived from the Technology for a Sustainable Environment (TSE) grant program, a partnership between EPA and NSF from 1994 to 2003. The program invested over \$50 million in innovative interdisciplinary research in green chemistry, green engineering, and industrial ecology at universities throughout the U.S, and supported multiple EPA goals and regional environmental protection efforts.

The results of TSE-funded research on organic solvents⁶⁰ exemplify the TSE’s program’s success. Organic solvents are used in hundreds of industrial processes ranging from manufacturing Teflon to developing film; some of these solvents are highly toxic or can break down into ozone-depleting gases, and some processes contaminate billions of gallons of wastewater. Given these detrimental environmental impacts, the TSE program funded research to identify alternatives to organic solvent-based processes. Under this grant, researchers developed detergent-like “surfactants” that allow CO2 to dissolve substances that would not normally be soluble. One of the consumer applications of this research is an alternative dry cleaning solution that replaces the organic solvent perchloroethylene. This detergent system is now used in more than 100 dry cleaning establishments in over 12 states. Additionally, a follow-up grant has allowed for the extension of this solvent research into applications for the microelectronics industries.

Additional Information Related to Objective 4	
Program Evaluations:	EPA’s Board of Scientific Counselors conducted a comprehensive assessment of the Sustainability Research Program in April, 2007. The report resulting from this review will be available in FY 2008.
Grants:	In FY 2007, recipients of EPA project-specific grants found that, while companies are willing to participate in voluntary programs that target changes in production processes, there are no significant sustained improvements in environmental performance. Of the industry-led programs, only the adoption of a formal Environmental Management System seems to be associated with some environmental improvements. (These Results Were Supported by the Following Grants: (1) “Environmental Management Strategies and Corporate Performance: Identification and Analysis of the Motivators of Regulated Entities’ Environmental Behavior and

	Performance,” (2) “Do Formalized Management Systems Produce Superior Performance?” (3) “Environmental Management Systems: Informing Organizational Decisions,” (4) “Oregon Business Decisions for Environmental Performance,” (5) “Pollution Prevention: The Role of Environmental Management and Information,” and (6) “Comparative Plant-Level Analysis of Three Voluntary Environmental Programs.”
PART:	The Sustainability Research Program received a “Results Not Demonstrated” rating on its 2003 PART assessment, which was conducted under the title Pollution Prevention and New Technologies Research . As a result of the PART process, the program has improved its strategic planning, and has instituted a plan for regular external review. The program has also worked to establish performance measures, and instituted a new efficiency measure in FY 2007.
Web Links:	Sustainability Research Program: http://www.epa.gov/sustainability/

¹Koehler, D.A. “Voluntary Environmental Programs – Policy at a Crossroads?” forthcoming Policy Studies Journal, 2007.

GOAL 5: COMPLIANCE AND ENVIRONMENTAL STEWARDSHIP

Protect human health and the environment through ensuring compliance with environmental requirements by enforcing environmental statutes, preventing pollution, and promoting environmental stewardship. Encourage innovation and provide incentives for governments, businesses, and the public that promote environmental stewardship and long-term sustainable outcomes.

OBJECTIVE: 5.1: ACHIEVE ENVIRONMENTAL PROTECTION THROUGH IMPROVED COMPLIANCE

By 2011, maximize compliance to protect human health and the environment through enforcement and other compliance assurance activities by achieving a 5 percent increase in the pounds of pollution reduced, treated, or eliminated by regulated entities, including those in Indian country.

PMs Met	PMs Not Met	Data Available After November 15, 2007	Total PMs
6	2	0	8

SUB-OBJECTIVE: 5.1.1: Compliance Assistance

By 2011, prevent noncompliance or reduce environmental risks, with an emphasis on achieving results in all areas including those with potential environmental justice concerns, through EPA compliance assistance by maintaining or improving on the following percentages for direct assistance provided to regulated entities, including those in Indian country: 50 percent of the regulated entities receiving direct assistance improve their management practices; and 12 percent of the regulated entities receiving direct assistance reduce, treat, or eliminate pollution.

No Strategic Target

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
<i>Percentage of regulated entities receiving direct compliance assistance from EPA reporting that they improved environmental management practices as a result of EPA assistance.</i>			50	51	50	74	50	91	<i>Percent</i>
Baseline - The FY 2006 baseline for the percentage of regulated entities receiving direct compliance assistance from EPA reporting that they improved EMP as a result of EPA assistance is 74 percent. These measures are <u>not</u> calculated from a representative sample of the regulated entity universe. The percentages are based, in part, on the number of regulated entities that answered affirmatively to these questions on voluntary surveys. The percentages do not account for the number of regulated entities who chose not to answer these questions or the majority of entities who chose not to									

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
answer the surveys.									
<i>Percentage of regulated entities receiving direct assistance from EPA reporting that they reduced, treated, or eliminated pollution, as a result of EPA assistance.</i>			25	13	15	28	15	50	Percent
Baseline - The FY 2006 baseline for the percentage of regulated entities receiving direct compliance assistance from EPA reporting that they reduced, treated, or eliminated pollution as a result of EPA compliance assistance is 28 percent. These measures are <u>not</u> calculated from a representative sample of the regulated entity universe. The percentages are based, in part, on the number of regulated entities that answered affirmatively to these questions on voluntary surveys. The percentages do not account for the number of regulated entities who chose not to answer these questions or the majority of entities who chose not to answer the surveys.									

SUB-OBJECTIVE: 5.1.2: Compliance Incentives

By 2011, identify and correct noncompliance and reduce environmental risks, with an emphasis on achieving results in all areas including those with potential environmental justice concerns. Use of compliance incentives will result in a 5 percentage point increase in the number of facilities that use EPA incentive policies to conduct environmental audits or other actions that reduce, treat or eliminate pollution or improve environmental practices at their facilities, including those in Indian country.

No Strategic Target

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Pounds of pollutants estimated to be reduced, treated, or eliminated, as a result of audit agreements.			0.25	1.9	0.4	0.05	0.4	1.2	Million Pounds
Baseline - The FY 2006 baseline for pounds of pollutants estimated to be reduced, treated, or eliminated as a result of audit agreements is 0.05 million pounds of pollutants									

SUB-OBJECTIVE: 5.1.3: Monitoring and Enforcement

By 2011, identify, correct, and deter noncompliance and reduce environmental risks, with an emphasis on achieving results in all areas including those with potential environmental justice concerns, through monitoring and enforcement of regulated entities' compliance, including those in Indian country, by achieving: a 5 percent increase in the number of facilities taking complying actions during EPA inspections and evaluations after deficiencies have been identified; a 5 percentage point increase in the percent of enforcement actions requiring that pollutants be reduced, treated, or eliminated FY 2005 baseline: 28.8 percent); and a 5 percentage point increase in the percent of enforcement actions requiring improvement of environmental management practices.

No Strategic Target

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Pounds of pollution estimated to be reduced, treated, or eliminated as a result of concluded enforcement actions. (civil enf)			300	1,100	450	890	500	890	Million Pounds
Baseline - The FY 2004-2006 rolling average baseline for pounds of pollution estimated to be reduced, treated, or eliminated is 997,000,000 pounds of pollutants.									
Percentage of concluded enforcement cases requiring that pollution be reduced, treated, or eliminated.			30	28.8	30	Data Avail FY 2008	30	27	Percent
Baseline - The FY 2007 baseline for the percentage of concluded enforcement cases requiring that pollutants estimated to be reduced, treated, or eliminated is the FY2005 result which is 28.8 percent. The reason for using the FY2005 result as the FY2006 baseline is due to the data lag in the FY2006 result.									
Percentage of concluded enforcement cases requiring implementation of improved environmental management practices.			60	72.5	65	82	70	70	Percent
Baseline - The FY2006 baseline for the percentage of concluded enforcement cases requiring implementation of improved environmental management practices is 82 percent.									
Percentage of regulated entities taking complying actions as a result of on-site compliance inspections and evaluations.			10	19	25	16	30	18	Percent

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Baseline - The FY 2006 baseline for the percentage of regulated entities taking complying actions as a result of on-site compliance inspections and evaluations is 16 percent.									
<i>Dollars invested in improved environmental performance or improved environmental management practices as a result of concluded enforcement actions (i.e., injunctive relief and SEPs)</i>			4	10	4.1	5	4.2	10.6	Billion Dollars
Baseline - The FY 2004-2006 rolling average baseline for dollars invested in improved environmental performance or improved environmental management practices is \$6,600,000,000.									

OBJECTIVE: 5.2: IMPROVE ENVIRONMENTAL PERFORMANCE THROUGH POLLUTION PREVENTION AND OTHER STEWARDSHIP PRACTICES

By 2011, enhance public health and environmental protection and increase conservation of natural resources by promoting pollution prevention and the adoption of other stewardship practices by companies, communities, governmental organizations, and individuals.

PMs Met	PMs Not Met	Data Available After November 15, 2007	Total PMs
2	1	3	6

SUB-OBJECTIVE: 5.2.1: Prevent Pollution and Promote Environmental Stewardship by Government and the Public

Prevent Pollution and Promote Environmental Stewardship. By 2011, reduce pollution, conserve natural resources, and improve other environmental stewardship practices while reducing costs through implementation of EPA's pollution prevention programs.

Strategic Target (1)

By 2011, reduce 4.5 billion pounds of hazardous materials cumulatively compared to the 2000 baseline of 44 million pounds reduced.

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Pounds of hazardous materials	120	155	290	315	401	394	414	419.5	Million

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
reduced by P2 program participants.									Pounds
Baseline - The baseline for the Pollution Prevention Program hazardous material reduced was 44 million pounds in FY 2000.									
<p>Explanation - In FY 2004, the program was able to exceed its target due to the combined reporting of the Green Chemistry, P2RX, Design for the Environment, and Partnership for Sustainable Healthcare centers of results. Results from Green Chemistry Presidential award winners were the primary contributor for the program.</p> <p>In FY 2005, the program continued to exceed its target due to the combined reporting of EPAs 10 Regions via Grant results, Green Chemistry, P2RX, Design for the Environment, and Partnership for Sustainable Healthcare centers of results. Articulated and substantial Regional grant results as well as expanded results from the Design for the Environment program were primary contributors to exceeding the target.</p> <p>FY 2006 results represent data from six of seven P2 centers of results. All six of these centers generated substantial results leading to the program's highest reported number of pounds to date. Partial data has been received for P2RX and our State partners through the National P2 Results Database. It is anticipated that when more States report, the program will hit its target.</p> <p>FY 2007 results represent data from five of seven centers of results and represent significant achievements from those centers who reported. Data from the last two centers will further increase these results during the next Fiscal Year.</p>									

Strategic Target (2)

By 2011, reduce, conserve, or offset 31.5 trillion British Thermal Units (BTUs) cumulatively compared to the 2002 baseline amount of 0 BTUs reduced, conserved, or offset.

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
<i>BTUs of energy reduced, conserved or offset by P2 program participants.</i>					906.7	4,442	1,106.8	<i>Data Avail FY 2008</i>	<i>Billion BTUs</i>
Baseline - The baseline reference point for reductions of pollution and conservation of BTUs and water is zero for 2002.									
<p>Explanation - - In FY 2006, the Environmentally Preferable Purchasing Center of results came on-line and started producing results. These results from both the Federal Electronics Challenge and the Electronics Product Environmental Assessment Tool (EPEAT) when combined with significant Regional Grant results explain why these results are significantly greater than targets. We anticipate revising these targets at the next available opportunity.</p> <p>FY 2007 results are incomplete. Full results from both Regions and the EPP center of results will enable the program to exceed its FY 2007 target.</p>									

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Full results will be available next Summer for the Fall PART update.									

Strategic Target (3)

By 2011, reduce water use by 19 billion gallons cumulatively compared to the 2000 baseline amount of 220 million pounds reduced.

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
<i>Gallons of water reduced by P2 program participants.</i>					328.8	2,272	1,790.1	<i>Data Avail FY 2008</i>	Million Gallons
Baseline - The baseline for the Pollution Prevention Program gallons of water was 220 millions gallons in FY 2000.									
Explanation - In FY 2006, Regional Grant results produced greater than anticipated results allowing the program to significantly exceed its FY 2006 Performance target. Full P2 Grant Results have been made publicly available and can be viewed here: http://www.epa.gov/p2/pubs/public_reporting_fy06.pdf .									
In FY 2007, Regional Grant reports have not been received for all Grantees and from other P2 Centers of Results.									

Strategic Target (4)

By 2011, save \$791.9 million through pollution prevention improvements in business, institutional, and governmental costs cumulatively compared to the 2002 baseline of \$0.0 saved.

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Business, institutional and government costs reduced by P2 program participants.			30.4	27.5	38.2	86.2	44.3	<i>Data Avail FY 2008</i>	Million Dollars Saved
Baseline - The baseline for the Pollution Prevention Program cost savings was zero dollars in FY 2002.									
Explanation - FY 2007 results have not yet been received from all centers of results, including Environmentally Preferable Purchasing (EPP) Program. Results will be available in Summer 2008.									

Strategic Target (5)

By 2011, reduce 4 million pounds of priority chemicals from waste streams as measured by National Partnership for Environmental Priorities (NPEP) contributions, Supplemental Environmental Projects (SEPs), and other tools used by EPA to achieve priority chemical reductions.

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Number of pounds (in millions) of priority chemicals reduced, as measured by National Partnership for Environmental Priorities members.							0.5	1.3	Million Pounds
<p>Baseline -The number of pounds (in millions) of priority chemicals reduced by industry through the NPEP program. The baseline is numerically zero every year as new reductions are directly based on fiscal year partner achievements. The 2006 – 2011 strategic plan goal is to reduce four million pounds of priority chemicals by 2011. The FY 2008 and FY 2009 targets are 1 million pounds per year. The new performance measure reflects the fact that NPEP has significantly increased its membership and now has over 150 partners who have removed over 3.5 million pounds of priority chemicals from the environment. Reductions will be achieved primarily through source reduction made possible by safer chemical substitutes. The FY 2007 target was exceeded because two large facilities achieved greater than expected naphthalene and lead reductions ahead of schedule.</p>									
Number of pounds reduced (in millions) in generation of priority list chemicals from 2001 baseline of 84 million pounds.	1.2	1.0	1.2	0.94	1.2	1.28	No FY 2007 Target	N/A	Million Pounds
<p>Baseline – The 2001 baseline of priority chemicals reported to the Toxic Release Inventory (TRI) changes yearly as reporting errors are corrected. This necessitated changes in performance targets which made tracking progress difficult. The NPEP measurement system described above is being used to report on FY 2005 and FY 2006 priority chemical reduction targets because it more directly reflects reductions that are a result of EPA activities and not a result of economic conditions that correlate to priority chemical generation. Added benefits to using this system include: reductions correspond to the fiscal year instead of the calendar year; there is no reporting time lag; and it captures reductions of priority chemicals not reported to TRI. Historical data is available for these years because program success was being tracked by reductions through NPEP partner achievements; this history was a major reason for changing the performance measure with the new strategic plan.</p>									
<p>Explanation – NPEP fell short of the FY 2005 goal as the first big wave of partner commitments were just starting to be achieved. The economic recovery in 2005 made reaching the goal more difficult as increased industrial output is correlated with increased priority chemical generation. As a testament to program effectiveness, NPEP met the target set under the old measure for FY 2006.</p>									

SUB-OBJECTIVE: 5.2.2: Promote Improved Environmental Performance through Business and Community Innovation

Promote Improved Environmental Performance Through Business and Community Innovation. Through 2011, improve environmental performance with sustainable outcomes through sector-based approaches, performance-based programs, and assistance to small business.

Strategic Target (1)

By FY 2011, the reported results of Performance Track member facilities collectively will show the following normalized annual reductions: 5.1 billion gallons in water use; 13,000 tons of hazardous materials use; 230,000 megatons of carbon dioxide equivalent (MTCOE) of greenhouse gases; 300 tons of toxic discharges to water; and 5,500 tons of combined NOx, SOx, VOC, and PM emissions. (Performance Track member facilities make commitments to, and report yearly progress on, performance improvements in up to four environmental areas. In FY 2005, Performance Track members achieved normalized annual reductions of 3.4 billion gallons in water use; 8,794 tons of hazardous materials use; 151,129 MTCO2E of greenhouse gases; 186 tons of toxic discharges to water; and 3,533 tons of combined NOx, SOx, VOC, and PM emissions.)

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
<i>Reduce 3.7 billion gallons of water use; 16.3 million MMBTUs of energy use; 1,050 tons of materials use; 460,000 tons of solid waste; 66,000 tons of air releases; & 12,400 tons of water discharges.</i>							4	3	<i>Media reduction</i>
<p>Baseline - For Performance Track, the baseline year is 2001 for FY 2005, 2006, and 2007. Performance will be measured against the 2001 baseline annual reduction of 475 M gallons of water conserved, 0.24 million MMBTUs of energy conserved, 150,000 tons of solid waste reduced, 1,113 tons of air emissions reduced, 6,870 tons of water discharged, and -2,154 tons of materials reduced. For FY 2008, the baseline year is 2005. The 2005 baseline annual normalized reductions are: 3,387,333,545 gallons of water reduced, 8,794 tons of hazardous materials reduced, 151,129 MTCO2Es of greenhouse gas emissions reduced, 186 tons of toxic discharges to water reduced, and 3,533 tons of NOx, SOx, VOCs and PM emissions reduced.</p>									
<p>Explanation - The goal for FY07 was to meet 4 of the strategic targets for reducing environmental impacts in 6 priority areas. The reductions, normalized for changes in production or activity level at a facility were met and/or exceeded in 3 areas, i.e., water use-reductions of 5,300,000,000 gallons; air emissions -72,000 tons; and materials use-64,000 tons. The targets were not met for energy use, discharges to water and non-hazardous waste. Discharges to water increased by 623 tons. Setting annual targets is a challenge because it is difficult to predict the number, size, and environmental impacts of the facilities that will join. It is also difficult to predict the 4 environmental areas that each new and renewing member will select to set goals (facilities can choose from 31 different environmental indicators). Aggregate results are heavily impacted by large facilities whose use of materials can be orders of magnitude higher than other participants in the program. Outlier results are difficult to predict as a few large facilities significantly impact the overall results. Specifically, the energy use, discharges to water, and solid waste targets were not met due to this issue. The FY07 targets were based on extrapolation of FY2005 results. A large portion of the savings achieved in FY 2005 for these areas was by a few large facilities. PT assumed that similar reductions could be made in future years. In summary, the targets were based on results achieved in FY 2005 by a</p>									

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
few outliers. Similarly, the materials use and water use targets were exceeded in FY 2007 due to a few facilities that achieved large reductions. The Performance Track Program will revisit ways to set targets in FY 2008.									

Strategic Target (2)

By 2011, the participating manufacturing and service sectors in the Sector Strategies Program will achieve an aggregate 10 percent reduction in environmental releases to air, water, and land, working from a 2004 baseline and normalized to reflect economic growth.

SUB-OBJECTIVE: 5.2.3: Promote Environmental Policy Innovation

Through 2011, achieve measurably improved environmental results, promote stewardship behavior, and advance sustainable outcomes by testing, evaluating, and applying alternative approaches to environmental protection in states, companies, and communities. This work also will seek to improve the organizational cost effectiveness and efficiency for regulatory agencies as well as regulated entities.

Strategic Target (1)

By 2011, innovation projects under the State Innovation Grant Program and other piloting mechanisms will achieve, on average, an 8 percent or greater improvement in environmental results (such as reductions in air or water discharges, improvements in ambient water or air quality, or improvements in compliance rates), or a 5 percent or greater improvement in cost effectiveness and efficiency.

OBJECTIVE: 5.3: IMPROVE HUMAN HEALTH AND THE ENVIRONMENT IN INDIAN COUNTRY

Protect human health and the environment on tribal lands by assisting federally-recognized tribes to build environmental management capacity, assess environmental conditions and measure results, and implement environmental programs in Indian country.

PMs Met	PMs Not Met	Data Available After November 15, 2007	Total PMs
3	0	0	3

Strategic Target (1)

By 2011, increase the percent of tribes implementing federal environmental programs in Indian country to 9 percent.

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Percent of tribes with EPA-approved multimedia workplans.			39	33	39	42	42	59	Percent Tribes
Baseline - There are 572 tribal entities that are eligible for GAP program funding. These entities are the ones for which environmental assessments of their lands will be conducted.									
Explanation - In 2008, the Tribal GAP program will be reporting new measures approved by OMB during our re-PART that are more specific and accurately capture criteria to be measured.									

Strategic Target (2)

By 2011, increase the percent of tribes conducting EPA-approved environmental monitoring and assessment activities in Indian country to 26 percent.

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Percent of Tribes with EPA-reviewed monitoring and assessment occurring.			25	29	30	30.8	31	43	Percent Tribes
Baseline - There are 572 tribal entities that are eligible for GAP program funding. These entities are the ones for which environmental assessments of their lands will be conducted.									
Explanation - In 2008, the Tribal GAP program will be reporting new measures approved by OMB during our re-PART that are more specific and accurately capture criteria to be measured.									

Strategic Target (3)

By 2011, increase the percent of tribes with an environmental program to 67 percent.

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Percent of tribes with delegated and non-delegated programs (cumulative).			44	47	48	57	49	73	Percent Tribes
Baseline - There are 572 tribal entities that are eligible for GAP program funding. These entities are the ones for which environmental assessments of their lands will be conducted.									

Annual Performance Measures and Baselines	FY 2004		FY 2005		FY 2006		FY 2007		Unit
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Explanation - In 2008, the Tribal GAP program will be reporting new measures approved by OMB during our re-PART that are more specific and accurately capture criteria to be measured.									

OBJECTIVE: 5.4: ENHANCE SOCIETIES CAPACITY FOR SUSTAINABILITY THROUGH SCIENCE AND RESEARCH

Conduct leading-edge, sound scientific research on pollution prevention, new technology development, socioeconomic, sustainable systems, and decision-making tools. By 2011, the products of this research will be independently recognized as providing critical and key evidence in informing Agency policies and decisions and solving problems for the Agency and its partners and stakeholders.