

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

MAR 1 6 2009

THE ADMINISTRATOR

MEMORANDUM

SUBJECT: Next Steps for the National Environmental Performance Track Program and the

Future of Environmental Leadership Programs

TO: Performance Track Members

Performance Track Corporate Leaders State Environmental Commissioners

As our environmental challenges have multiplied, enlightened stewardship by progressive companies has been an important adjunct to the U.S. Environmental Protection Agency's programs. These stewardship initiatives should not take the place of our regulatory framework but should augment it by bringing to bear advanced technology and innovation to achieve progress on emerging problems that our regulations do not yet address. Many leading companies, for example, have made significant reductions in greenhouse gas emissions and energy consumption. In nearly all cases they have done this because they have seen that it is in their economic interest, as well as the interest of their shareholders and the environment. It has been and continues to be EPA's policy to encourage enlightened environmental stewardship.

Since 2000, the National Environmental Performance Track Program has been an important vehicle through which EPA has recognized and encouraged such actions. Currently, we have Performance Track partnerships with over 500 facilities and 200 companies and close relationships with 22 states.

Now it is time to pause and reflect on Performance Track's achievements and opportunities for improvements. Performance Track was developed in a different era and may not speak to today's challenges. There has been much recent discussion about the benefits of the program. Members of Congress and stakeholders have also asked us to pause and consider what approaches might be best for the future. Therefore, I have decided to halt the current Performance Track Program with the intent of refining those concepts that can lead us to a stronger system of environmental protection as we go forward.

Our initial step will be to complete two major reviews of Performance Track and environmental leadership programs in general. First, we will convene a multi-stakeholder subcommittee under the National Advisory Council for Environmental Policy and Technology (an advisory group sanctioned under the Federal Advisory Committee Act) to focus on the future

of EPA environmental leadership programs. This subcommittee will give us a platform for open dialogue about the opportunities for accelerating stewardship through environmental leadership programs and the challenges for EPA in designing and managing such programs into the future. We will also continue an evaluation of the Performance Track program by the RAND Corporation. This RAND Corporation study will advance our understanding of environmental leadership programs as viable tools for protecting the environment. I also encourage you to offer your own input to me on how we should proceed.

EPA values its partnerships with environmental leaders, and I look forward to working with you to set new objectives for environmental stewardship and sustainability. I thank you for your hard work and dedication to Performance Track. You have created a foundation of achievement, innovation, and progress that will inform our future efforts to recognize and drive environmental excellence.

In the near future, program staff will communicate with current members of Performance Track, states that currently have Memoranda of Agreement with EPA, and other parties affected by this action to transmit further instructions on how to proceed.

Lisa P. Jackson