

[Federal Register: May 17, 2004 (Volume 69, Number 95)]
[Notices]
[Page 27922-27924]
From the Federal Register Online via GPO Access [wais.access.gpo.gov]
[DOCID:fr17my04-76]

ENVIRONMENTAL PROTECTION AGENCY

[FRL-7663-1]

Description of Program Changes for the National Environmental
Performance Track

AGENCY: Environmental Protection Agency(EPA).

ACTION: Notice.

SUMMARY: This notice describes program changes for the National
Environmental Performance Track program ('`Performance Track``'). These
changes reflect experience gained during the program's first three
years of implementation, and are intended to improve the quality and
effectiveness of the Performance Track program.

ADDRESSES: Office of Policy, Economics, and Innovation, U.S. EPA,
Performance Incentives Division, Ariel Rios Building, Mailcode 1808T,
1200 Pennsylvania Avenue NW., Washington, DC 20460. Additional
information may be found at

[[Page 27923]]

the Performance Track Web site at <http://www.epa.gov/performancetrack>

or at the Performance Track Information Center 1-888-339-PTRK (7875).

FOR FURTHER INFORMATION CONTACT: Michael Branagan, Office of Policy,
Economics, and Innovation, 202-566-2836 or by e-mail at
branagan.michael@epa.gov.

SUPPLEMENTARY INFORMATION:

I. Introduction

II. Program Changes

- A. Defining Small Facilities
- B. Independent Assessment of the EMS
- C. Challenge Commitment Policy

III. Advanced Notice of Additional Changes

Corporate Membership

I. Introduction

On June 26, 2000, The Environmental Protection Agency (EPA)
launched the National Environmental Performance Track program
('`Performance Track``'). The program is designed to recognize and
encourage top environmental performers--those who go beyond compliance
with regulatory requirements to attain levels of environmental
performance and management that benefit people, communities, and the
environment. The program design was published in the Federal Register

on July 6, 2000 (65 FR 41655).

While initial design of the Performance Track program was successful during the first three years of program implementation, experience has shown that some aspects of the design could be improved to better meet program goals. These improvements include broadening and deepening program membership, enhancing the program's value for creating a standard of achievement for its members, and promoting innovative performance-based approaches to protecting the environment. The following section describes these Performance Track program improvements. The program changes will become effective starting with those facilities applying to the program during the application period which began on February 1, 2004.

II. Program Changes

A. Defining Small Facilities

Currently, Performance Track defines a facility as small if the company, as a whole, is both a small business as defined by the Small Business Administration (65 FR 30386, May 15, 2000), and the facility itself employs fewer than fifty full-time employees. Currently the Small Business Administration defines a small business as having fewer than 500 employees. Small facilities participate in the Performance Track program by demonstrating past achievements in one environmental aspect, rather than the two required by larger facilities, and with two future performance commitments rather than the four required for larger facilities.

To promote participation by small facilities, the EPA has changed the small facility designation to include any facility with fewer than fifty full-time employees. This provision would encourage small facilities in larger companies to participate in Performance Track. This re-definition removes the above Small Business Administration criterion. The requirement for small facilities to demonstrate past achievements in one environmental aspect and with two future performance commitments remains unchanged.

B. Independent Assessment of the EMS

The EPA is adding a criterion that applicants to Performance Track not certified under ISO 14001 conduct an independent assessment of the facility's Environmental Management System (EMS) within three years prior to application.

The EPA believes that an independent assessment will increase the public's confidence in the quality of the EMS, and the Performance Track membership, without imposing much additional work or expense on potential applicants.

Independent assessments will not require formal third-party certification. New Performance Track facilities can select from a number of options for an independent party assessment of their EMS, including a pre-acceptance site visit conducted by the EPA, assessment by a qualified auditor, or a corporate audit, among others.

More details on the independent assessment criteria are available on the Performance Track Web site at <http://www.epa.gov/performancetrack>

C. Challenge Commitment Policy

The EPA recognizes that environmental priorities vary by region. For example, water efficiency may be especially important in one region, while urban air quality may be a top priority in another. The EPA also recognizes that Performance Track facilities have the

potential to help address local and regional environmental priorities.

In order to challenge Performance Track member facilities to respond to regional environmental priorities while also addressing their own significant environmental aspects, renewing Performance Track members can receive double credit for addressing a regional environmental priority in their performance commitments. The EPA Regions will have the discretion to designate ``Challenge Commitments'' that correspond to regional environmental priorities.

In deciding whether to use a ``Challenge Commitment'', the EPA believes that facilities should focus first on those environmental aspects that are affected by their individual activities. Performance Track applicants should then determine whether potential performance commitments, with related objectives and targets as identified in their EMS's, also align with EPA Regional environmental priorities.

A renewing Performance Track member making a Challenge Commitment may, with the agreement of the relevant EPA Regional office, count that single commitment as two future performance commitments. Thus, such a facility need only make three future commitments, rather than the normal four, so long as one of the commitments addresses a regional priority.

The Challenge commitment option will only be available to larger facilities, because small facilities already are allowed a reduced number of commitments.

Challenge commitments will be chosen by the EPA Regional offices in consultation with state and local governments. Regional offices may choose not to establish a challenge commitment. When designating a challenge commitment, a Region will identify no more than one category (e.g. Air Emissions, Discharges to Water, etc.) and no more than two environmental aspects (e.g. NOX, SOX, etc.) within that category. The commitment must have a minimum quantitative target and will be memorialized in a memorandum to the EPA Headquarters from the Regional Administrator.

III. Advanced Notice of Additional Changes

Corporate Membership

The EPA will enhance the current Performance Track program by adding a corporate recognition component for companies that participate substantially in the facility program and whose performance, practices, and policies at a corporate level meet criteria associated with environmental excellence.

The establishment of a corporate designation within Performance Track will allow the Performance Track program to more effectively engage corporate leaders and promote the goals of the program, while giving the EPA an opportunity to encourage and recognize

[[Page 27924]]

corporate leadership. Additionally, corporate membership will allow the EPA to explore broad and innovative approaches to achieving environmental benefits stemming from corporate-level decisions, such as supply chain management and product stewardship.

The criteria for corporate members are expected to include: participation by a substantial number of their facilities in Performance Track or similar State programs and commitment to increase this participation over time. The EPA believes this link between the corporate and facility programs will encourage stronger corporate-level commitment to Performance Track and performance excellence. Other criteria would parallel those that Performance Track currently applies to facilities, with a greater emphasis on companies working with their

suppliers and customers to achieve environmental improvements.

EPA expects to solicit applications for this program later in 2004.

Dated: April 27, 2004.

Jessica Furey,
Associate Administrator, Office of Policy, Economics and Innovation.
[FR Doc. 04-11111 Filed 5-14-04; 8:45 am]

BILLING CODE 6560-50-P