

## **Business Roundtable Meeting Notes**

### **July 25, 2002**

#### Attendance List

G. Ezovski, T. Aubee, J. Callanan, K. Camp, A. Cantara, M. Conway, M. Geisser, M. Hackman, P. Lombardi, J. Martiesian, A. McManus, D. Moon, M. Viera, R. Cerio, J. McClanaghan, J. Chambers, B. Elmendorf, E. Stephens, R. Lizotte and B. Preston

#### DEM

J. Reitsma, F. Vincent, E. Stone, R. Chateaufneuf, R. Gagnon, J. Keller, S. Majkut, G. McAvoy, T. Bisson, PJ Therrien and T. Getz

### **I. Old Business**

#### **1. March Meeting Notes**

There were no additions to the March meeting notes and they were accepted as written.

#### **Budget Update**

The Director provided a brief update on the budget. He said the DEM approved budget represented a cut of 9.5% from the previous year. DEM managed to avoid employee layoffs by enhancing revenues and shifting people from state budget sources to federal restrictive receipt accounts. The director said DEM was trying to be creative to maintain environmental protection through approaches like self-certification or by using third parties to certify compliance. He mentioned that he does not have a lot of flexibility to shift personnel resources to fill in program gaps because of the existing union contract.

The director mentioned the Office of Technical and Customer Assistance was targeted for \$200,000 budget cut. OTCA conducts pre-application and technical assistance meetings that help applicants to understand the permitting process. This program does not duplicate the work of any of the offices it serves.

#### **Mercury**

The director mentioned that there are ongoing meetings concerning the regulation of mercury products. This group has expanded due to recent legislation. DEM anticipates that some regulations will be available by January 1, 2003.

#### **Small Tanks Group**

Gary Ezovski mentioned the small tanks group would meet on August 15, to continue their discussions. They will contact DEM when they are further along in the process.

#### **Brownfields Program**

DEM is working with the Economic Policy Council to analyze the use of Licensed Site Professional in Rhode Island. This analysis should be complete in the fall and a final report is due in December.

## **II. New Business**

### **1. Bio-Fuel Discussion**

Robert S. Cerio, the Energy Educator/Manager for the Warwick Public Schools briefed the group on the issue of using bio-fuel as a fuel source in boilers. Mr. Cerio provided a short PowerPoint presentation of his research Project. He presented the results of a 10%, 15% and 20 % blend of bio-fuel / number 2 fuel oil.

His major findings were:

- The boilers ran cleaner- there was little / no soot build up in the boiler tubes
- The burner nozzles had no appreciable carbon build-up indicating a more efficient burning of fuel
- Maintenance requirements were lowered
- Lower SOx emissions were emitted(directly related to the bio-fuel ratio)
- NOx emissions were slightly increased (Approximately 1%)
- \$.02/gal increased cost of burning bio fuel

He indicated that he is refining his research to see if changing the oxygen ratio will have any impacts on NOx emissions. He mentioned this fuel is derived from plants that are grown in the United States and could be a means of lowering our foreign oil dependency. Steve Majkut raised a concern about the increase in NOx level. Another comment was raised on the impact of a release and the possible impact on the environment. Mr. Serio indicated that bio-diesel is not water-soluble and may not be a problem, but more work may need to be done in this area.

The director indicated that this topic should be looked more closely in the Greenhouse Gas Stakeholder Group.

### **2. UST Program Regulation Development Discussion**

DEM revised the Underground Storage Tank regulations and concerns were raised that the Office of Waste Management did not use a stakeholder process. The DEM proposed revisions generated significant comments at the public hearing.

The fee portion of the regulation revision has moved forward. The lack of a stakeholder group was driven by the need to get the fee increases in place before July 1, when the fees are paid. The program kept the comment period open for another month to receive comments on the non-fiscal portion of the revisions. The comment period is now closed and the program is responding to comments.

These changes were significant since the regulations had not been revised since 1993. DEM is not proposing major changes to the regulations since the changes, for the most part, reflect current practices. Two issues that were controversial included:

- The installation of monitoring wells at all facilities with single walled tanks, and
- Annual testing of spill containment basins and sumps.

The program has indicated that these two issues will be tabled for now and will be addressed in the next regulation revision that will commence in September. The next revision is being pushed by legislation that will require UST inspections every two years. The program anticipated using a stakeholder process for this next revision.

One member indicated that the fees proposed were reasonable with respect to the fees charged by our neighboring states. Nevertheless, the regulation revision would have benefited by a stakeholder group.

### **3. Environmental Results Program Discussion**

The director said he was very interested in this approach and has seen the environmental benefits when it was implemented in Massachusetts. The ERP or self-certification programs are geared to smaller industries that predominate in Rhode Island. The Environmental Excellence Program typically target larger companies and would have less an environmental impact in the state if this model were adopted. Ron Gagnon then briefed the group on some basic elements of an Environmental Results Program. He mentioned that an ERP is an initiative developed to improve environmental performance at a business, especially smaller facilities that are not inspected by DEM on a regular basis. This program replaces state permits with a self-certification procedure. The program also has a system for performance measurement to gauge results and track performance changes.

Ron mentioned three tools that could be used to implement an environmental results program. The first approach allows sources to self-certify their compliance status. This could be done with a workbook or a checklist. The second approach would require DEM to initiate a compliance assistance program. The third approach would entail using performance measurements using Environmental Business Practice Indicators. In the case of an autobody shop the following indicators could be used:

- ◆ The correct labeling of hazardous waste drums.
- ◆ The use and existence of a hazardous waste contingency plan.
- ◆ The amount of methylene chloride used in the shop
- ◆ The availability and use of ventilated sanders.
- ◆ The proper plugging of floor drains.
- ◆ The percentage of compliant coatings used.

Ron then discussed the need for an autobody environmental results program. He that there are numerous small shops and DEM is not able to adequately inspect these small sources of pollution. He said these facilities are a problem because the sanding operation is usually uncontrolled and generates high levels of lead. Workers are also exposed to solvents like methylene chloride and isocyanate. Overall these facilities pose both a human health and environmental risk.

Ron mentioned that the autobody program would be started this year. He also mentioned that DEM is investigating the possibility of expanding this concept to UST facilities, dry cleaners, junkyards and facilities that add mercury to a product. DEM needs to decide on the form of the program and to finalize the program approach, such as:

- Implementing a voluntary or mandatory program.
- Allowing facilities self-certify,
- Using licensed third parties to verify compliance.

After the presentation, one participant suggested that this program should be tied into the Compliance Incentive Act. Initiation of an environmental results program could be a way a facility gets into compliance. Another participant suggested DEM should look at this concept for the Wetlands program.

Ray Lizotte, from Texas Instrument, briefed the group on his company's experience with EPA's Performance Track Program. He said the program goal is to recognize and reward a company's effort to operate beyond the limits of environmental compliance. The program also has the advantage of allowing the regulatory agency to focus on other facilities that may not have made the commitment to perform at this level.

Companies that participate in this program must document past and future achievements that show continuous improvement and operate at levels beyond compliance. Companies must demonstrate achievement in two areas and commit to improvements in four areas. They are also required to annually report on their progress. He said the benefits of the program include:

- ◆ Public recognition and the ability of the facility to use a logo in advertisements
- ◆ The lower rate of inspections saved the company about \$20,000 per year
- ◆ Increased regulatory flexibility
- ◆ Senior management is more involved and gets a better understanding of environmental issues.
- ◆ Energy costs and paperwork were reduced.

#### **4. Next Meeting**

The meeting was adjourned and the next meeting was set for October 24. (This date was later changed to October 30.)