

Green Business Initiative
Tiered Approach Outline

- I. Level 1 – Green Business Certification – (Three year certification period)
 - A. For organizations making a sincere effort towards improving their environmental footprint by finding ways to prevent pollution and to conserve natural resources.
 - B. Sustained Compliance - must have a record of compliance with environmental laws; be in compliance with all applicable environmental requirements; and commit to maintaining the following level of compliance needed to qualify for Level I certification.
 1. Criminal Activity
 - a. No corporate criminal conviction or plea for environmentally-related violations of criminal laws involving the corporation or a corporate officer within the past 5 years
 - b. No criminal conviction or plea of employee at the same facility for environmentally-related violations of criminal laws within the past 5 years
 - c. No ongoing criminal investigation/prosecution of corporation, corporate officer, or employee at the same facility for violations of environmental law
 2. Civil Activity
 - a. Can not have five or more significant violations by the company owning the facility in the past 3 years
 - b. Can not have unresolved, unaddressed Significant Non-Compliance (SNC) or Significant Violations (SV) by the company owning the facility
 - c. There are no planned but not yet filed judicial or administrative action against the company owning the facility
 - d. There are no ongoing federal, state, or county initiated litigation against the company owning the facility
 - C. Implement initiatives, totaling 300 or more points, related to:
 1. Awareness – Raising environmental consciousness
 - a. Internal efforts
 - b. External efforts
 2. Pollution Prevention
 - a. Ongoing/New initiatives
 - i. Develop/Update Pollution Prevention Plan
 - ii. Develop/Update Preventative Maintenance Program
 - iii. Housekeeping/Cleaning
 - iv. Inventory Management
 - b. Results achieved (indicate units of measurements used)

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- i. Type/Amount of hazardous substance or toxic material eliminated or reduced
 - ii. Leaks or unwanted emissions identified and corrected
 - c. Benefits realized (quantify, if possible)
 - i. Reduced costs
 - ii. Improved efficiency
 - iii. Improved compliance
- 3. Air Emissions
 - a. Ongoing/New initiatives
 - b. Results achieved (indicate units of measurements used)
 - i. Reduction in Hazardous Air Pollutants emissions
 - ii. Reduction VOCs, NOx, CO, SO2, PM10, etc.
 - c. Benefits realized (quantify, if possible)
 - i. Reduced costs
 - ii. Improved efficiency
 - iii. Improved compliance
 - iv. Improved relationship with surrounding community
- 4. Energy Conservation
 - a. Ongoing/New Initiatives
 - i. Conduct/Update an Energy Audit
 - ii. Alternative Energy Source
 - iii. Upgrade/Replace Equipment and Appliances
 - iv. Upgrade/Replace Lighting
 - v. Upgrade/Replace HVAC
 - b. Results achieved (indicate units of measurements used)
 - i. Energy Reduction achieved
 - ii. Renewable Energy increases
 - c. Benefits realized (quantify, if possible)
 - i. GHG emissions reduced/avoided
 - ii. Reduced costs
- 5. Water Conservation
 - a. Ongoing/New Initiatives
 - i. Conduct/Update a Water Audit
 - ii. Install/Expand greywater system
 - iii. Initiate/Update Leak Detection and Prevention Program
 - b. Results achieved (indicate units of measurements used)
 - i. Reduction in potable water usage
 - ii. Increased use of greywater
 - c. Benefits realized (quantify, if possible)

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- i. Reduced costs
 - ii. Improved efficiency
 - 6. Waste Reduction
 - a. Ongoing/New initiatives
 - i. Conduct/Update a Solid Waste Assessment
 - ii. Electronic vs. Paper usage
 - iii. Double-sided Printing/Copying
 - iv. Internal Re-use program
 - v. Waste Exchange program
 - vi. Bulk Purchasing
 - b. Results achieved (indicate units of measurements used)
 - i. Reduction in generation of solid waste
 - ii. Reduction in generation of hazardous waste
 - c. Benefits realized (quantify, if possible)
 - i. Reduced costs
 - ii. Increased compliance
 - 7. Segregate/Reuse/Recycle
 - a. Hazardous/Toxic material reused/recycled
 - b. Non-standard supplies reused/recycled
 - i. Office supplies
 - ii. Paper towels, tissues, etc
 - iii. Boxes and bags
 - iv. Utility bins and drums
 - c. Standard items reused/recycled
 - i. Cardboard
 - ii. Newspaper
 - iii. Office paper
 - iv. Metals
 - v. Glass
 - vi. Plastics
 - vii. Packaging (e.g. bubble wrap, foam peanuts)
 - viii. Used oil
 - ix. Wood pallets
 - x. Used alkaline/carbon, nickel cadmium and lithium batteries (handled as Universal Waste)
 - D. Benefits/Incentives
 - 1. Recognition
 - a. Annual Green Business Conference
 - b. Listing on ADEQ web-page
 - 2. Opportunity to participate in pilot projects
 - 3. Future Incentives (Discussions on potential future incentives)
 - E. Verification Method
 - 1. Electronic submittals of applicable documentation to ADEQ

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- a. Copies of invoices, or other purchase records, for energy saving or resource conservation equipment/supplies claimed
 - b. Copies of policies (e.g. environmental, green purchasing); action plans (e.g. P2 plan, environmental management plan); schedules (e.g. inspections, audits) claimed
 - 2. Photos documenting initiatives implemented
 - a. Available on facility's web-site
 - b. Link from ADEQ's web-page to facility's photo gallery
 - c. Opportunity, on ADEQ's web-page, for the public to notify ADEQ if photos on facility's web-page are inconsistent with real time observations
 - 3. Self-certification by senior manager at the facility
- F. Annual Reporting – Quantify success achieved in the implementation of any Initiative listed under Section B and due on April 1 of each year, beginning with the April 1st following the year in which a member is accepted into the program, and annually thereafter
- II. Level 2 – Environmental Management - (Three year certification period)
- A. Develop and implement an environmental management system (EMS)
- 1. Consistent with the ISO 14001 standard and includes:
 - a. Environmental Policy Statement committing to
 - i. Compliance with legal requirements and voluntary commitments
 - ii. Pollution prevention
 - iii. Continuous improvement in environmental performance, including areas not subject to regulations
 - iv. Sharing information on environmental performance with the community
 - b. Planning
 - i. Identification of significant environmental aspects and legal requirements, including procedures for integrating anticipated changes to the facility's requirements
 - ii. Measurable objectives and targets to meet policy commitments and legal requirements, to reduce the facility's significant environmental impacts, and to meet the performance commitments made as part of the facility's participation in the program. In setting objectives and targets, the facility should

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- consider preventing non-compliance, preventing pollution at its source, minimizing cross-media pollutant transfers, and improving environmental performance
- iii. Active, documented programs to achieve the objectives, targets, and commitments in the EMS, including the means and time frames for their completion
- c. Implementation and Operation
 - i. Established roles and responsibilities for meeting objectives and targets of the overall EMS and compliance with legal requirements, including a top management representative with authority and responsibility for the EMS
 - ii. Defined procedures for
 - (a) Achieving and maintaining compliance and meeting performance objectives
 - (b) Communicating relevant information regarding the EMS, including the facility's environmental performance, throughout the organization
 - (c) Providing appropriate incentives for personnel to meet the EMS requirements
 - (d) Document control, including where documents related to the EMS will be located and who will maintain them
 - iii. General environmental training programs for all employees, and specific training for those whose jobs and responsibilities involve activities directly related to achieving objectives and targets and to compliance with legal requirements
 - iv. Documentation of the key EMS elements
 - v. Operation and maintenance programs for equipment and for other operations that are related to legal compliance and other significant environmental aspects.
 - vi. An emergency preparedness program
- d. Checking and Corrective Action
 - i. An active program for assessing performance and preventing and detecting nonconformance with legal and other requirements of the EMS,

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- including an established compliance audit program and an EMS audit program
 - ii. An active program for prompt, corrective action of any non-conformance with legal requirements and other EMS requirements
 - e. Management Review
 - i. Document management review of performance against the established objectives and targets
 - ii. Document the effectiveness of the EMS in meeting policy commitments
 - 2. Implement initiatives, totaling 350 or more points, related to the Initiatives listed in I.B. above.
 - 3. EMS Self-Assessment
- B. Sustained Compliance - must have a record of compliance with environmental laws; be in compliance with all applicable environmental requirements; and commit to maintaining the following level of compliance needed to qualify for Level II certification
 - 1. Criminal Activity
 - a. No corporate criminal conviction or plea for environmentally-related violations of criminal laws involving the corporation or a corporate officer within the past 5 years
 - b. No criminal conviction or plea of employee at the same facility for environmentally-related violations of criminal laws within the past 5 years
 - c. No ongoing criminal investigation/prosecution of corporation, corporate officer, or employee at the same facility for violations of environmental law
 - 2. Civil Activity
 - a. Can not have four or more significant violations by the company owning the facility in the past 3 years
 - b. Can not have unresolved, unaddressed Significant Non-Compliance (SNC) or Significant Violations (SV) by the company owning the facility
 - c. There are no planned but not yet filed judicial or administrative action against the company owning the facility
 - d. There are no ongoing federal, state, or county initiated litigation against the company owning the facility
- C. Continuous Improvement
 - 1. Commit to future improvements (i.e. set aggressive goals) in two separate environmental aspects from the following categories
 - a. Upstream Stage: material procurement and suppliers' environmental performance

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- b. Inputs Stage: material use, water use, energy use, and land use
- c. Non-Product Outputs Stage: air emissions, discharges to water, waste, noise and vibration
- d. Downstream Stage: products
- 2. Commitments are to represent actions that go beyond existing legal requirements
- D. Communication plan for informing public on environmental impact
 - 1. Establish a public outreach program (e.g., newsletters, sponsorship of community activities, performance reporting)
 - 2. Highlight outreach plan on an organization's web-page
- E. Benefits/Incentives
 - 1. The Benefits listed in I.D. above
 - 2. Enforcement Discretion for Self-Disclosed, Non-Significant Violations
 - a. ADEQ may forgo issuing a Notice of Opportunity to Correct (NOC) or other notice to a Level II member for those non-significant violations that are self-disclosed to ADEQ in writing, in a self-inspection report or otherwise
 - b. The disclosure must include documentation that the violation has been resolved or a commitment that it will be resolved within a timeframe agreed upon by the appropriate Participating Department
 - 3. Agency Point of Contact
 - a. For disclosure of non-significant violations
 - b. Broker non-enforcement communication (e.g. technical assistance, compliance assistance) with ADEQ Program areas
 - 4. Multi-media inspection, if requested
 - a. ADEQ will make best efforts to conduct multi-media inspections (i.e. more than one program area inspector on site concurrently)
 - b. Coordinate with EPA or County inspectors, when possible
- F. Verification method
 - 1. Consistent with I.E. above
 - 2. QAPP for the commitments made in II.C. (*Julie H.*)
- G. Annual Reporting - due on April 1 of each year, beginning with the April 1st following the year in which a member is accepted into the program, and annually thereafter
 - 1. Report on progress made on commitments established in II.C. above
 - 2. Report on progress towards meeting EMS objectives and targets, including brief descriptions of the EMS self-

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Assessments (i.e. self-audits) conducted and improvements made

3. Quantify success achieved in the implementation of any Initiative listed under I.B. above

III. Level 3 – Performance Track - (Three year certification period)

- A. Sustained Compliance - must have a record of compliance with environmental laws and be in compliance with all applicable environmental requirements and commit to maintaining the level of compliance needed to qualify for the program
 1. Criminal Activity
 - a. No corporate criminal conviction or plea for environmentally-related violations of criminal laws involving the corporation or a corporate officer within the past 5 years
 - b. No criminal conviction or plea of employee at the same facility for environmentally-related violations of criminal laws within the past 5 years
 - c. No ongoing criminal investigation/prosecution of corporation, corporate officer, or employee at the same facility for violations of environmental law
 2. Civil Activity
 - a. Can not have three or more significant violations by the company owning the facility in the past 3 years
 - b. Can not have unresolved, unaddressed Significant Non-Compliance (SNC) or Significant Violations (SV) by the company owning the facility
 - c. There are no planned but not yet filed judicial or administrative action against the company owning the facility
 - d. There are no ongoing federal, state, or county initiated litigation against the company owning the facility
- B. Environmental Management System (EMS)
 1. Consistent with the ISO 14001 Standard and includes the items listed in II.A.1. above
 2. One full EMS cycle completed
 3. Implement initiatives, totaling 400 or more points, related to the Initiatives listed in I.B. above.
 4. Independent EMS Assessment - an independent party is one that is neither directly employed by the applying facility nor has played a substantive role in developing the facility's EMS
- C. Continuous Improvement

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1. Past environmental achievement in at least two separate environmental aspects from the categories listed in II.C.1. above
 2. Commit to future improvements (i.e. set aggressive goals) in four separate environmental aspects from the categories listed in II.C.1. above (NOTE: Two of these aspects may be in the same category, and they may be the same as those used to demonstrate past performance)
- D. Community Outreach, which should include a process for:
1. Identifying and responding to community concerns
 2. Informing the community of important matters that affect it
 3. Reporting on the facility's EMS and performance commitments
- E. Pollution Prevention - Establish an operational pollution prevention program or plan which includes specific goals and actions to significantly reduce releases of pollution or the use of resources beyond the reductions required by law or permit. Priority should be given to the most significant environmental impacts identified during the development of the EMS.
- F. Environmental Preferable Purchasing
Make a demonstrable commitment to using products or services that have a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. The product or service comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, or disposal.

Alternatively, commit to the development of a preferred vendor program for other Arizona Performance Track members. The preferred vendor program should result in the use of products and/or services of other Arizona Performance Track Members, all else being equal. The purpose of this requirement is to promote membership by creating an additional incentive not offered by ADEQ

- G. Benefits/Incentives
1. The Benefits listed in II.E. above
 2. Reduced Inspection Frequency
 - a. ADEQ will consider inspections of Level III Members a low priority, reducing the frequency of routine (i.e., non-complaint based) inspections by at least 50% for those programs without a frequency specified in statute or rule
 - b. In lieu of government performed inspections, the Level III Member must conduct self-inspections using department-approved inspection checklists according to the frequency established in the appropriate department's policy

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- i. The self-inspection checklists must be submitted to the appropriate program or Agency Contact within 48 hours of completion
 - ii. The self-inspection checklists must include a certification of accuracy signed by a responsible official, with a commitment (including timeframes) to address violations discovered during a self-inspection
 - c. ADEQ will randomly audit self-inspections to evaluate whether the self-inspections are adequate
 - i. The audit will consist of a department compliance inspection conducted as soon as practicable following receipt of the self-inspection report
 - ii. Any such inspections would be conducted in accordance with A.R.S. § § 41-1009 and 49-471.03
3. Enforcement Notice
 - a. ADEQ will provide a courtesy telephone call at least 24 hours prior to issuance of a Notice of Opportunity to Correct (NOC), Notice of Violation (NOV), administrative order or civil complaint
 - b. The courtesy call will be made by the appropriate unit or section manager, or Agency Contact after the action has been approved by the appropriate Division Director, Regional Office Manager, Director or Control Officer
4. Inspection Notice
 - a. ADEQ will consider providing advanced notice of on-site, non-complaint based inspections for Level III Members on a case-by-case basis as requested
 - b. In deciding whether to include advanced notice as an incentive for participation in the program, ADEQ will consider the nature of the facility's operations and whether notice of the inspection would frustrate the its ability to evaluate compliance
5. Reporting Consolidation

ADEQ strongly supports the concept of consolidating reports as an incentive for Level III Members. ADEQ will consider consolidation of reports on a case-by-case basis as proposed by the applying facility. In deciding whether to allow report consolidation for participation in the program ADEQ will consider whether all reporting requirements will continue to be met and whether there are legal restrictions prohibiting consolidation.
6. Permit Flexibility

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ADEQ supports the concept of permit flexibility as an incentive, and will consider operational flexibility within existing permits (i.e., process modifications without permit modifications) as proposed in an application

- H. Verification method
 - 1. Consistent with I.E. above
 - 2. QAPP for the commitments made in III.C. (*Julie H.*)
 - 3. Independent EMS assessment
 - a. Not directly employed by the facility
 - b. Did not play a substantive role in developing the EMS
 - c. (*Need minimum competency/qualification requirements*)

- I. Annual Reporting - due on April 1 of each year, beginning with the April 1st following the year in which a member is accepted into the program, and annually thereafter
 - 1. A summary of the facility's EMS assessment activities and progress towards meeting EMS objectives and targets, including brief descriptions of audits conducted and improvements made
 - 2. A brief report on progress made in meeting the facility's environmental performance commitments
 - 3. A summary of the facility's public outreach activities
 - 4. A self-certification that the facility continues to meet Performance Track's criteria for membership
 - 5. Quantify success achieved in the implementation of any Initiative listed under I.B. above