

Jay Benforado, Deputy Associate Administrator
Office of Policy and Reinvention (mailcode 1801)
U.S. Environmental Protection Agency
401 M Street SW
Washington, DC 20460

Re: Withdrawal of State of Minnesota Proposal Under Project XL

The purpose of this letter is to withdraw the State of Minnesota's proposal under Project XL. We believe that we have accomplished what we intended and no longer need to pursue this proposal.

In June 1995, the Minnesota Pollution Control Agency (MPCA) submitted a Project XL proposal to the U.S. Environmental Protection Agency (EPA). The thrust of this proposal was to have EPA delegate to the MPCA the authority to establish three to five pilot projects under Project XL. Toward this end, the Minnesota legislature enacted the Minnesota Regulatory Innovations Act in March 1996.

Although the MPCA and EPA have been unable to reach a Project XL agreement, the MPCA has been successful in piloting four XL projects on a case by case basis. Two of the Project XL pilots, Andersen Windows and Steele County, are successfully moving forward into the implementation phase. One pilot, US Filter, is in the Final Project Agreement development phase. The fourth pilot, 3M Hutchinson, was unsuccessful and did not make it to implementation. As a result, we have met our original goal of conducting three to five pilot projects and do not need to proceed with our 1995 Project XL proposal.

In closing, I would like to thank your staff for the hard work and dedication in providing opportunities to conduct regulatory innovation experiments. We remain committed to exploring ways to improve environmental protection through innovation pilot projects. We believe that the ECOS/EPA Regulatory Innovation Agreement provides the best opportunity for future pilots in Minnesota.

Sincerely,

Lisa Thorvig, Deputy Commissioner,
Minnesota Pollution Control Agency

Cc: Lisa Lund, EPA, Office of Policy and Reinvention
John Glenn, EPA, Office of Policy and Reinvention
David Ullrich, EPA Region V, Deputy Administrator
Joan Tanaka, EPA Region V
Gordon Wegwart, MPCA