

MEMORANDUM

SUBJECT: Measuring and Reporting Performance Results for the Pollution Prevention Program Need Improvement
Report No. 09-P-0088

FROM: James J. Jones
Acting Assistant Administrator

TO: Melissa M. Heist
Assistant Inspector General for Audit
Office of Inspector General (OIG)

In accordance with EPA Manual 2750, my Office is providing you with a written response to the findings and recommendations in OIG's January 28, 2009 report, *Measuring and Reporting Performance Results for the Pollution Prevention Program Need Improvement*.

Measuring results is an essential component of any successful program. The P2 Program has worked diligently to develop a strong set of outcome measures that capture the critical and fully quantifiable results it produces, and seeks to continually improve its operations and strengthen its performance measures. Demonstration of the program's commitment to continuous improvement in its measures includes our 2008 request to the Science Advisory board (SAB) to review the current set of indicators and related methodologies, and development and utilization of program Logic Models for all our P2 Centers.

We believe that implementing all of your recommendations will further contribute to the Pollution Prevention (P2) Program's ability to measure and report on its important results. Below is an action plan that addresses all of the recommendations in the report.

Recommendation 3-1: Focus on the select P2 pollutants where health effects are known and develop higher level performance indicators that address reductions of environmental risks or impacts to the ecology or human health.

August 2009: The Program will focus on known health effects of diisocyanates. Diisocyanates is the leading cause of occupational asthma. OPPT will develop a measure that will track the potential reduction in lung and respiratory effects to workers and local communities as a result of a reduction in exposures to diisocyanates accomplished through the implementation of best practices in automotive refinishing operations.

Recommendation 3-2: Using the results of Recommendation 3-1, design a strategy for developing P2-wide PART higher level measurements that could be used as a model to further develop P2 Program-wide higher level measurements.

October 2009: The Program will utilize information from 3-1 to develop a strategy for targeting reductions in chemical substances known to pose a significant risk to human health and the environment. In instances where chemical hazard, exposure, monitoring and surveillance information is readily available, or reasonably ascertainable, this strategy will explore employing data extrapolations and/or modeling to the extent feasible and verifiable. Findings will be posted on the Program's website identifying sources and methodology. Note that this strategy currently cannot be universally applied across all P2 programs because robust chemical data that might support a higher level indicator currently is not attainable in many instances.

Recommendation 3-3: Report program accomplishments as they relate to the universe for the targeted chemical in the specified uses addressed by the P2 Program to provide a better perspective of the program's relative effectiveness.

October 2009: As part of the strategy developed in 3-2, OPPT will explore reporting targeted reductions in high global warming potential chemical substances through its new greenhouse gas (GHG) measure as they relate to the universe for those targeted chemicals in the specified uses addressed by the P2 Program. Many high global warming potential chemicals are manufactured in the United States and must be reported to the Agency under the Toxic Substances Control Act Inventory Update Rule (IUR). The purpose of the IUR program is to collect quality screening-level, exposure-related information on chemical substances for use by EPA and the public. In addition, the existing GHG inventory and the DRAFT Agency reporting rule for GHGs will provide additional reference points for these substances. The P2 Program will be able to express its relative effectiveness using its GHG measure and comparing its efforts to existing universe information and the subset of that universe that the Program is likely to be able to reach. The Program will post this report on its website.

Recommendation 4-1: Revise the P2 Program procedures for calculating program results to collect and use current year data from its voluntary partners to calculate annual program results.

September 2009: OPPT conducted a consultation with EPA's Science Advisory Board's Environmental Engineering Committee in September 2008 to obtain advice on how to more fully reflect the P2 Program's benefits by measuring its recurring as well as new annual results. The P2 Program is proactively working on a framework to comprehensively incorporate recurring results into measurement as well as continue to track annual reductions. Measures will clearly distinguish between those tracking new annual results and those tracking results using the recurring results framework.

Recommendation 4-2: Require the development of QAPPs for collecting environmental data.

While we agree with this recommendation, statements made in the report regarding the P2 programs' QAPPS are inaccurate. On page 15, second paragraph from the bottom, the second sentence states: "At the time of our review, we did not find that a QAPP was developed for P2 projects." On page 16, last paragraph, the second sentence states: "We maintain that at the time of completion of our audit we had not received evidence that any QAPPs were in effect for the Program whether for contractors and grantees, regions or centers, or voluntary partners." As we pointed out in reviews of earlier drafts, QAPPs have been developed for many P2 program activities. Our P2 programs that collect scientific and technical data or undertake scientific or technical studies, for example leachability studies as part of a life cycle assessment, have reviewed and approved QAPPs in place for those activities. The Centers were and still are ready to provide the necessary documentation.

October 2009: The P2 Program has Quality Assurance (QA) requirements in place for all programs which collect and submit environmental data to the Agency and which receive funding from EPA. These requirements include the preparation of Quality Management Plans (QMPs) covering the operations of the organization and Quality Assurance Project Plans (QAPPs) covering data collection activities. The P2 Program will ensure that these requirements continue to be implemented as required. The P2 Program will also develop, as part of its Standard Operating Procedures, a set of metrics that will govern the type, format and quality of data to be submitted to the Agency for use in reporting performance of P2 programs. This information will be shared with partners before they collect data. EPA will also implement data validation and verification procedures that will be conducted after the data are submitted, to ensure they meet the needs of the Agency.

Recommendation 4-3: Implement controls to ensure full implementation of the Pollution Prevention QMP.

October 2009: OPPT will ensure full implementation of the P2 QMP by developing and instituting a set of Standard Operating Procedures (SOPs). These SOPs will be applied for one full information collection cycle and be reflected in data reported for end of year 2009.

Recommendation 5-1: Have the P2 Program plan and schedule periodic evaluations of its pollution prevention efforts to identify areas where program improvements are needed and implement needed corrective actions.

June 2009: The P2 Program will continue to implement recommendations of the recently completed P2RX evaluation and will develop a schedule outlining additional opportunities for program evaluation across Centers over the next 5 years.

Recommendation 5-2: Develop actions to address the PART questions where the P2 Program was not awarded any points during the FY 2006 PART Assessment and include the PIP in the next PART update to promote continual P2 Program improvements.

May 2010: Subject to anticipated OMB guidance on continued management of PART Follow-Up Actions, OPPT will introduce two new PART follow-up actions that target improvement areas for which the P2 Program did not receive any points in the P2 PART.

As noted in our previous comments, we appreciate the quality and extent of OIG's work in researching the Pollution Prevention (P2) Program.

cc: Wendy Cleland-Hamnett
Barbara Cunningham
Bruce Berkley
Tanya Mottley
Thomas Tillman
Robert Lee
Carol Hetfield
Mike Burns