

# ENVIRONMENTAL PROTECTION AGENCY ENVIRONMENTAL FINANCIAL ADVISORY BOARD STRATEGIC ACTION AGENDA FISCAL YEARS 2012-2013

## **BACKGROUND**

The Environmental Financial Advisory Board (EFAB) is chartered under the Federal Advisory Committee Act to advise EPA on environmental finance issues, options proposals, and trends. EFAB seeks ways of lowering costs and increasing investments in public purpose environmental facilities and services. EFAB is supported by EPA's Office of the Chief Financial Officer.

The Chair of the Board is Bradley Abelow, Chief Operating Officer, MF Global Holdings, Ltd. of New York, NY. EFAB's Designated Federal Official is Michael Shapiro, Deputy Assistant Administrator for the Office of Water. EFAB's plans and operation are aligned with the major environmental goals presented in EPA's strategic plan.

## **EPA GOALS AND EFAB ISSUES**

EFAB's work is organized in support of the 5 major goals in EPA's *Strategic Plan*:

- 1. Taking Action on Climate Change and Improving Air Quality**
- 2. Protecting America's Waters**
- 3. Cleaning Up Our Communities and Advancing Sustainable Development**
- 4. Ensuring the Safety of Chemicals and Preventing Pollution**
- 5. Enforcing Environmental Laws**

In its strategic planning process, EFAB applies these thematic EPA goals in the context of the requirement in its charter to provide advice and recommendations on the following issues:

- Reducing the cost of financing sustainable environmental facilities, discouraging polluting behavior, and encouraging stewardship of natural resources;
- Creating incentives to increase private investment in the provision of environmental services and removing or reducing constraints on private involvement imposed by current regulations;
- Developing new and innovative environmental financing approaches and supporting and encouraging the use of cost-effective existing approaches;
- Identifying approaches specifically targeted to small community financing;
- Assessing government strategies for implementing public-private partnerships, including privatization and operations and maintenance issues, and other alternative financing mechanisms;
- Improving governmental principles of accounting and disclosure standards to help improve sustainability of environmental programs;
- Increasing the capacity issue of state and local governments to carry out their respective environmental programs under current Federal tax laws;

- Increasing the total investment in environmental protection and stewardship of public and private environmental resources to help ease the environmental financing challenge facing our nation; and
- Removing barriers and increasing opportunities for the U.S. financial services and environmental goods and services industries in other nations.

Based on these goals and objectives and input from EPA, EFAB develops a *Strategic Action Agenda* describing its workgroup structure and lists ongoing and completed projects. Given the number, scope, and nature of the issues that EFAB addresses, its workgroups take the lead in developing projects for consideration and approval by the Full Board.

### **CURRENT EFAB WORKGROUPS**

- ▶ ***Clean Air Technology:*** Chaired by Sharon Dixon Peay, State of Connecticut, Hartford, CT

**EPA Strategic Goal:** Taking Action on Climate Change and Ensuring Air Quality  
**Primary Customer:** Office of Air and Radiation

- ▶ ***Tribal Environmental Programs:*** Co-Chaired by Debi Livesay, Torres Martinez Desert Cahuilla Indian Tribe, Salton City, CA, and Bill Cobb, Freeport-McRan Copper & Gold, Inc., Phoenix, AZ

**EPA Strategic Goals:** Protecting America’s Waters and Cleaning Up Our Communities and Advancing Sustainable Development  
**Primary Customer:** Office of International and Tribal Affairs

- ▶ ***Transit-Oriented Development/Sustainable Communities:*** Chaired by Phil Johnson, Green Terra Energy Corporation, Washington, DC

**EPA Strategic Goal:** Cleaning Up Our Communities and Advancing Sustainable Development  
**Primary Customer:** Office of Policy

- ▶ ***Green Infrastructure (Water):*** Co-Chaired by Lindene Patton, Zurich Financial Services, New York, NY, and Chiara Trabuchhi, Industrial Economics, Inc., Cambridge, MA

**EPA Strategic Goal:** Protecting America’s Waters  
**Primary Customer:** Office of Water

- ▶ ***Energy Efficiency/GHG Emissions Reduction:*** Co-Chaired by Ann Grodnik, University of Wisconsin, Madison, WI, and Karen Massey, Missouri Environmental Improvement and Energy, Jefferson City, MO

**EPA Strategic Goal:** Taking Action on Climate Change and Improving Air Quality  
**Primary Customer:** EPA Region 1, Office of the Regional Administrator

- ▶ ***Drinking Water Pricing and Infrastructure Investment:*** Co-Chaired by Rick Giardina, Malcolm Pirnie, Denver, CO, and Scott Haskins, CH2M Hill, Belluvue, WA

**EPA Strategic Goal:** Protecting America's Waters

**Primary Customer:** Office of Water

**Completed Reports  
FY 2012**

1. ***Financing Incentives for Replacing Boilers with Clean Air Technology,*** January 2012  
**EPA Strategic Goal:** Taking Action on Climate Change and Ensuring Air Quality  
**Primary Customer:** Office of Air and Radiation

**Completed Reports  
FY 2011**

1. ***Voluntary Environmental Improvement Bond (VEIB) Programs,*** May 2011  
**EPA Strategic Goals:** Taking Action on Climate Change and Improving Air Quality; and Protecting America's Waters  
**Primary Customers:** Office of Air and Radiation and Office of Water
2. ***SRF Investment Options: Current Status and Prospects for Enhancing SRF Sustainability,*** February 2011  
**EPA Strategic Goal:** Protecting America's Waters  
**Primary Customer:** Office of Water
3. ***Financial Assurance: Improving Cost Estimation,*** December 2010  
**EPA Strategic Goals:** Cleaning Up Our Communities and Advancing Sustainable Development; and Enforcing Environmental Laws  
**Primary Customers:** Office of Solid Waste and Emergency Response and Office of Enforcement and Compliance Assurance
4. ***Financial Assurance: Letter on the Use of Credit Ratings,*** December 2010  
**EPA Strategic Goals:** Cleaning Up Our Communities and Advancing Sustainable Development; and Enforcing Environmental Laws  
**Primary Customers:** Office of Solid Waste and Emergency Response and Office of Enforcement and Compliance Assurance

- ▶ This Strategic Action Agenda is a flexible planning tool and is updated during the fiscal year as needed. All revisions will be shown on the Board's home page at:  
<http://www.epa.gov/efinpage/efab.htm>

- ▶ EFAB will convene its full board meeting in Washington, DC on March 20-21, 2012. The purpose of this meeting is to hear from informed speakers on environmental finance issues, proposed legislation, EPA priorities and to discuss progress with current workgroup projects under EFAB's current Strategic Action Agenda.
- ▶ EFAB's Transit-Oriented Development/Sustainable Communities Workgroup will host a workshop on March 22-23, 2012 in Washington, DC. The purpose of the workshop is to identify innovative strategies and models that could be used to finance transit-oriented development infrastructure.
- ▶ Your comments are important and welcomed. For additional information, contact Vanessa Bowie at the Center for Environmental Finance at [bowie.vanessa.bowie@epa.gov](mailto:bowie.vanessa.bowie@epa.gov).

**EPA-190-B-12-007**