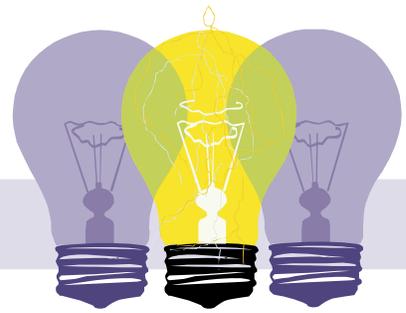


# State Innovations

## WINNERS' CIRCLE

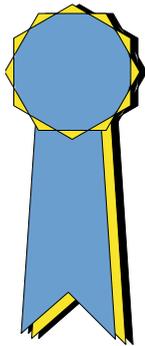


ECOS will recognize the three innovations featured in this section with special awards at the Annual Meeting in September. This second round of ECOS awards emphasizes initiatives that serve to enhance the state–federal partnership, but does not exclude other types of innovations. All states are welcome to borrow these “winning” ideas!

## IMPROVING WATER QUALITY STANDARDS REVIEW IN REGION 7

### Overview

**C**OMPELLED BY EVER-INCREASING DEMANDS on limited staff and resources, state environmental agency commissioners of Iowa, Kansas, Missouri, and Nebraska and executive leadership at Region 7 EPA have sought a new kind of relationship and more efficient ways of working together. They have begun to develop a common vision for their working relationship, and are working together to integrate that vision into everyday work. Why is this common sense approach innovative? Because it's working.



### Problem Addressed

At a fundamental level, the working relationship between EPA and the states is antiquated, and often too inflexible to address today's environmental and regulatory challenges. States have considered extreme measures, such as turning back delegated programs to EPA, to reduce workload. Leadership from EPA Region 7 and the state environmental agencies of Iowa, Kansas, Missouri, and Nebraska agree that they must revamp their processes and change the nature of their working relationship to effectively protect the environment with limited resources.

### Description

#### *A Good Idea*

In July 2006, the state environmental agency commissioners of Iowa, Kansas, Missouri, and Nebraska set a new agenda for their regular meetings with their EPA Region 7 counterparts: transform their relationship with EPA to support effective environmental protection.

The states and EPA face similar challenges: decreasing financial resources and staff to accomplish ever-expanding demands for environmental protection. Additionally, regulatory processes have calcified over the years, and frequently are too cumbersome and time-consuming to function effectively.

The states and EPA challenged themselves to form a relationship in which:

- ❖ Roles are clearly defined;
- ❖ Core programs and core activities within programs take priority;
- ❖ Priorities and objectives for delegated programs are jointly established;
- ❖ Work expectations are guided by established priorities, not by individual staff preferences;
- ❖ Oversight of region states is even-handed and consistent;
- ❖ There is no duplication of effort; and

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- ❖ EPA coordinates oversight plans prior to conducting them.

The goal: meaningful collective interaction resulting in jointly established priorities and better coordination and allocation of limited resources, all focused on improved environmental protection.

## Implementing a Good Idea

The basic idea is to update the relationship between EPA and the states to better serve present and future demands. However, the question immediately arises: “How do we integrate this idea in everyday work?” The states and EPA Region 7 selected the “Water Quality Standards Submittal, Review and Approval” process as their first improvement project. All agreed that the current process for states to submit complete water quality standards packages to EPA for review and approval was time-consuming, unpredictable, and frustrating for all. If improved, the water quality standards review and approval process would yield significant environmental results and time savings for the agencies.

The method chosen for process improvement is known as “Kaizen.” *Kaizen* is a Japanese word meaning “change” (*kai*) “for human good” (*zen*). Kaizen is a workplace improvement strategy, often associated with the Toyota Production System, that aims to eliminate waste, defined as “activities that consume resources but do not add value.” The improvement method, sometimes referred to as the Lean approach, often involves taking the process apart and putting it back together in a trimmer, better way. The “better way” is then standardized as everyday work.

For five days in June 2007, representatives from EPA Region 7, the EPA headquarters in Washington, and each of the four states gathered to tear apart the water quality standards submittal, review, and approval process. This cumbersome process has for many years resulted in a frustrating relationship and delayed environmental protection. Meeting participants ex-

amined the process, eliminated waste, and put back together a better process. “Waste” included time delays and non-value-added steps resulting from incomplete submissions, late communications, and multiple layers of review.



The water quality standards Kaizen team sought the facilitation assistance of Jim Scott of TBM Consulting Group, who guided the group through a week of intensive process examination. Mr. Scott has worked extensively with the State of Iowa, including facilitating several Kaizen events with the Iowa Department of Natural Resources.

Team members questioned whether “this Kaizen stuff really works,” and set demanding goals to define success. Goals identified were:

- ❖ 100% legally defensible approvals on time;
- ❖ EPA engages with state early and effectively in the water quality standards development process, including written comments during the public process;
- ❖ States address new EPA water quality standards recommendations within two triennial reviews; and
- ❖ States stay current in triennial review.

Additionally, the team expected Kaizen to help them accomplish a challenging list of objectives, some of which include:

- ❖ Establish and improve the partnership and trust between EPA and the states;

- ❖ Understand the process for water quality standards for each state, EPA Region 7, and EPA headquarters;
- ❖ Determine when and how to communicate with the public to facilitate the process, and understand the impact on the public;
- ❖ Maintain a high level of staff competence in the agencies (states and EPA);
- ❖ Clarify and improve the water quality standards process and everyone's roles for working together;
- ❖ Clarify and understand EPA's range of expectations for a water quality standards package;
- ❖ Maximize collective resources;
- ❖ Make EPA's review process consistent;
- ❖ Ensure that Region 7 has the confidence of EPA headquarters (no second guessing); and
- ❖ Develop a common understanding of protecting and sustaining waters of the United States.

## Results

Critical staff from all levels of each agency participated for the entire week. By Friday, a significantly shorter process ready for immediate implementation had been designed and agreed upon.

The new process reduces the number of steps in EPA's water quality standards approval process from 50 to 26, and further reduces the time required to complete each step. The four states and Region 7 developed an understanding of each other's processes, and gained an appreciation for the motivation and restrictions of these processes. This understanding allowed the team to identify strategic points where EPA's involvement in the states' water quality standards rulemaking process is most

critical and effective. Coordinating the state and EPA efforts early, when the states are beginning to consider new water quality standards or changes to existing standards, is the key to streamlining the submittal, review, and approval process.

Additionally, the Kaizen process was useful for creating the dialogue necessary to build trust to support meaningful change. The approach worked because front-line water quality staff and senior leadership responsible for making final decisions were present and fully engaged in the change process. Decisions made in the room were final decisions, ready for implementation.

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