

Fact Sheet — Overview of the February 2018 EPA SIP Processing Lean Event

IMPROVING THE SIP DEVELOPMENT AND REVIEW PROCESS

- EPA and air agencies have focused considerable attention and hard work over a number of years on improving State Implementation Plan (SIP) management and reducing the SIP backlog. Timely action on SIPs is a priority for Administrator Pruitt, as reflected in EPA's recently released Strategic Plan for FY2018 – 2022 and the Agency's Reform Plan. The Reform Plan highlights priority areas where EPA plans to apply lean tools in order to make further progress.
- During the week of February 12 – 16, 2018, EPA regional and headquarters staff and representatives of four state and local air agencies met to examine the State Implementation Plan (SIP) review process. The goal of the event was to define the elements of a Lean Management System for SIPs in which EPA will use visual management, standard work, and other tools to help EPA more routinely act on SIPs within Clean Air Act deadlines while working to eliminate the backlog of SIPs that EPA is overdue in acting upon.
- At the lean event, participants mapped the current SIP process, identified root causes of inefficiencies, and brainstormed solutions in order to develop the structure and flow of a Lean Management System for SIPs.
- One important recommendation that emerged from the event is for EPA to work more proactively with interested air agencies during SIP development to provide EPA's position on approvability early on, before the SIP is submitted for EPA review and action. The event also reinforced the importance of timely issuance of EPA rules and guidance to help air agencies better understand EPA's expectations with respect to approvable SIP submissions.
- Other improvement opportunities focused on strengthening internal EPA operations by clarifying roles and responsibilities, using standard procedures and templates when possible, and using visual management tools to quickly identify and resolve impediments to timely SIP processing as they arise.

BENEFITS OF LEAN MANAGEMENT OF THE SIP PROCESS

Once all improvements identified in the SIP lean event are fully implemented, the following expected benefits are anticipated:

- *Less re-work for States and EPA.* Under lean management of the SIP process, EPA would work with willing air agencies early in the SIP development process to support identification and resolution of approvability issues before the SIP is adopted by the air agency and submitted to EPA. This should reduce re-work by the air agencies and EPA. The commitment to early engagement supports the principles of cooperative federalism and will further strengthen EPA's partnership with air agencies.

- *Faster action on SIPs once they are submitted to EPA.* Earlier engagement with air agencies and clearer guidance from EPA is anticipated to result in quicker EPA action on submitted SIPs using fewer devoted resources, and to help prevent additional SIPs from becoming backlogged. In addition, EPA's use of a standard SIP review process and decision points across regions and headquarters should reduce waiting times.
- *Greater regulatory certainty.* Prompter action by EPA on submitted SIPs should provide more regulatory certainty for regulated sources and economic benefits associated with faster redesignation actions. In addition, reducing the lag time between SIP submittal and EPA approval will reduce the chance that policy changes related to legal decisions or other unpredictable events will require late-stage rework.
- EPA's lean management of the SIP process will not require air agencies to do their work differently, but agencies who choose to engage early with EPA are likely to realize more of these anticipated benefits.

IMPLEMENTATION

- EPA is developing an implementation plan to guide regional and headquarters offices as they transition to lean management of SIPs by March 2019. The plan will address the deployment of visual management boards and other tools within EPA to track progress on SIP development and processing, as well as communications and training, including involvement from and communications with air agencies.
- Once EPA has developed some of the tools needed to successfully implement lean management of SIPs submitted for review and action, EPA and air agencies will have the opportunity to try out the new approach with some newly-triggered SIPs, such as those SIPs "triggered" by the upcoming 2015 ozone nonattainment area designations.
- EPA is also looking at the currently pending SIPs (both backlogged and not) awaiting EPA action, and evaluating options for handling those SIPs in a manner consistent with lean management.
- EPA will provide air agencies with regular updates on implementation of lean management for SIPs, and expects there will be opportunities for air agency input on specific tools as they are developed, recognizing that many of the initial steps focus on improvements to internal EPA operations.

FOR MORE INFORMATION

- For more information about EPA's SIP lean effort, please contact Vera Kornylak in EPA's Office of Air Quality Planning and Standards at 919-541-4067 or Debra Suzuki at EPA Region 10 at 206-553-0985.