



May 29, 2009

THE
ENVIRONMENTAL
COUNCIL OF
THE STATES

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PAST PRESIDENT

R. Steven Brown
Executive Director

The Honorable Lisa P. Jackson
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue NW
Washington, DC 20004

Dear Administrator Jackson:

The Environmental Council of the States (ECOS) would like to thank U.S. EPA for offering states an opportunity to discuss the agency's analysis of alternative approaches for exchanging data with the Integrated Compliance Information System (ICIS). The selected technical approach will have significant ramifications for states and EPA for years to come and we appreciate the chance to engage in a dialogue on the technical and financial barriers to implementation and maintenance.

The states had candid discussions about the ICIS Alternatives Analysis with representatives from the Office of Enforcement and Compliance Assurance (OECA) and the Office of Environmental Information (OEI). States respectfully disagree with the recommendations in the Alternatives Analysis and urge EPA to adopt an approach consistent with Alternative number 2.

While states recognize that Alternative 1 may be the least costly for EPA at this point in the project, we feel very strongly that the analysis fails to adequately consider the costs for states to develop, implement, and maintain the solution. Alternative 2 offers an approach that is more efficient, less costly overall, and more consistent with our joint commitment to the original vision of the National Environmental Information Exchange Network.

The technical requirements imposed by the design of ICIS require users to perform very targeted transactions when updating information in ICIS. For the 22 states that run their own NPDES data management systems, this fine-grained approach to updating records is quite onerous. Each state would need to add functionality to its existing data system to accommodate the data exchange solution proposed in Alternative 1. Under Alternative 2, the functionality to accommodate the data exchange needs of ICIS is built once at EPA rather than repeatedly, and perhaps inconsistently, in each of the 22 states.

States also incur a much more significant data management burden over the long term to operate and maintain Alternative 1. Alternative 2 allows states to make updated data available to EPA in a more simplified manner that is much more consistent with the principles of the Exchange Network.

Several state participants submitted their own estimates of the costs and level of effort required to implement each alternative (see attachment). Our analysis indicates that a state can conservatively expect to spend an additional \$1.1 million in development, operations, and maintenance costs over ten years to support Alternative 1 over Alternative 2. Multiplied by 22 states, the additional cost balloons to \$24.5 million over ten years.

This greatly exceeds EPA's estimated additional costs to develop and support Alternative 2. It is also important to note that EPA's proposed rule making effort will further impact the level of effort required to exchange data with ICIS-NPDES if EPA does expand the number of data elements or the size of the universe of regulated facilities.

States, EPA, and the taxpayers reap the cost benefits of a more efficient design under Alternative 2. As co-regulators, states and EPA need to cooperatively build a data sharing solution that works well for all partners over the long-term.

As you deliberate on the approach to data exchange, we ask EPA to fully consider the impact to states and select a solution that balances state and EPA costs and level of effort. We believe Alternative 2 offers such a solution. ECOS and the states would be happy to provide any additional information to help support the decision making process and we respectfully ask for an opportunity to engage in further dialogue once a decision is made.

Again, we very much appreciate the opportunity to voice state concerns on this issue and look forward to continuing to work in partnership with EPA. Thank you.

Sincerely,



Michael Linder
President, Environmental Council of the States
Director, Nebraska Department of Environmental Quality



Karen Bassett
Chair, ECOS Data Management Work Group
Deputy Director, AR Department of Environmental Quality



Melanie Morris
Vice-Chair, ECOS Data Management Work Group
Chief, Data Integration Division, MS Department of Environmental Quality

Enclosure

cc: Catherine McCabe, U.S. EPA OECA
Linda Travers, U.S. EPA OEI
Lisa Lund, U.S. EPA OECA
John Dombrowski, U.S. EPA OECA
Lucy Reed, U.S. EPA OECA

**Individual State Estimates of Costs to Implement and
Maintain ICIS-NPDES Data Exchange Alternatives**

State	Alternative 1 10 Year Costs	Alternative 2 10 Year Costs	10 Year Cost Difference
Delaware	\$ 812,645	\$ 354,290	\$ 458,355
Iowa	\$ 600,000	\$ 400,000	\$ 200,000
Mississippi	\$ 2,247,508	\$ 982,820	\$ 1,264,688
New Jersey	\$ 3,343,847	\$ 1,328,596	\$ 2,015,251
Washington	\$ 2,924,974	\$ 1,273,807	\$ 1,651,167
Average of State Costs	\$ 1,985,795	\$ 867,903	\$ 1,117,892