

## **Narrative on Information Collection Instruments (Part 2 Question 6)**

No single instrument will be used for collection of information for the regulatory pilot projects identified in this ICR. EPA will collect information on performance outcomes and implementation process for projects done collaboratively with project sponsors. Each project conducted by project sponsors (usually State environmental agencies) will be unique in its design as a pilot test and will require information collection instruments appropriate for the project.

Typically, pilot projects conducted by States look at the application of specific regulatory innovation within a permitting program for a business sector or part of a sector within the State. Information collection instruments and methodologies would need to be designed for each new project based upon the specific performance indicators or implementation processes for each new business sector application.

In many instances, States have collected compliance data (covered by other EPA programmatic ICRs) for use as an indicator of performance outcomes resulting from use of an innovative approach. States are increasingly interested in the use of other indicators such as Environmental Business Process Indicators (EBPIs) as a way of more reliably assessing the direct environmental effects of an innovative practice. This ICR amendment will facilitate the collection of information that will provide more effective measures of environmental outcomes derived from the State Innovation Grant Program.

EPA has asked States that are recipients of assistance agreements supporting these projects to comply with Agency grant policies on reporting progress and outcomes. EPA has provided guidance to the recipient-States on preparation of quarterly progress reports and final project outcome reports but has not mandated a specific instrument for reporting. EPA understands that State's sponsoring these regulatory innovation pilot projects will require flexibility to configure their reporting in ways that are specific and meaningful for the individual projects.