



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
INSPECTOR GENERAL

April 10, 2018

MEMORANDUM

SUBJECT: Project Notification:
Audit of the EPA's Oversight of Smokestack Emissions Testing and Reporting
Project No. OA&E-FY18-0186

FROM: James L. Hatfield, Director *James L. Hatfield*
Air Directorate
Office of Audit and Evaluation

TO: Bill Wehrum, Assistant Administrator
Office of Air and Radiation

Susan Bodine, Assistant Administrator
Office of Enforcement and Compliance Assurance

Chris Hladick,
Regional Administrator, Region 10

The Office of Inspector General (OIG) for the U.S. Environmental Protection Agency (EPA) plans to begin preliminary research for an audit of the EPA's oversight of smokestack emissions testing and reporting, with an initial emphasis on EPA Region 10. This project is based on the OIG's internal planning process.

The OIG's objective is to determine the effectiveness of EPA oversight in assuring emission stack tests are conducted in accordance with EPA regulation, policy and guidance. We plan to conduct work in the Office of Air and Radiation at EPA headquarters and at Research Triangle Park, North Carolina. Work will also be conducted in the Office of Enforcement and Compliance Assurance at EPA headquarters, EPA Region 10, and at selected state and local agencies. Applicable generally accepted government auditing standards will be used in conducting our project. The anticipated benefits of this project are to improve any identified weaknesses in the EPA's oversight of smokestack emissions testing and reporting so that the agency can better assess facility compliance with emission limits based on facility-reported data.

We will contact you to arrange a mutually agreeable time to discuss our objectives and the purpose of the preliminary research phase of our project. We would also be particularly interested in any areas of concern that you may have. We will answer any of your questions about the project process, reporting procedures, methods used to gather and analyze data, and what we should expect of each other during the course of the project. Throughout the project, we will provide updates on a regular basis, as agreed

upon at the kickoff meeting. To expedite our review, please provide the following before or at the kickoff meeting:

- Access to any EPA databases that Region 10 facilities use to report required stack testing data (including quality assurance data) to the EPA.
- Policies, procedures and guidance related to stack testing; EPA Methods 1, 2 and 5; and the EPA's oversight of stack testing and reporting.

We respectfully note that the OIG is authorized by the Inspector General Act of 1978, as amended, to have timely access to personnel and all materials necessary to complete its objectives. We will request that you resolve the situation if an agency employee or contractor refuses to provide requested records to the OIG or otherwise fails to cooperate with the OIG. We may report unresolved access matters to the Administrator and include the incident in the *Semiannual Report to Congress*.

I will supervise the project and the Project Manager will be Renee McGhee-Lenart. Any information related to the project should be addressed to me at (919) 541-1030 or hatfield.jim@epa.gov, or to Renee McGhee-Lenart at (913) 551-7534 or mcghee-lenart.rence@epa.gov.

cc: Ryan Jackson, Chief of Staff
Henry Darwin, Chief of Operations
Kevin Chmielewski, Deputy Chief of Operations
Elizabeth Shaw, Career Deputy Assistant Administrator, Office of Air and Radiation
Lawrence Starfield, Principal Deputy Assistant Administrator, Office of Enforcement and Compliance Assurance
Peter Tsirigotis, Director, Office of Air Quality Planning and Standards, Office of Air and Radiation
Rosemarie Kelley, Acting Director, Office of Civil Enforcement, Office of Enforcement and Compliance Assurance
Gwendolyn Spriggs, Audit Follow-Up Coordinator, Office of Enforcement and Compliance Assurance
Marc Vincent, Audit Follow-Up Coordinator, Office of Air and Radiation
Bobbie Trent, Agency Follow-Up Coordinator
Liz Bowman, Associate Administrator for Public Affairs
Regional Audit Follow-Up Coordinators, Regions 1-10
Arthur A. Elkins Jr., Inspector General
Charles Sheehan, Deputy Inspector General
Alan Larsen, Counsel to the Inspector General
Kevin Christensen, Assistant Inspector General for Audit and Evaluation
Patrick Sullivan, Assistant Inspector General for Investigations
Edward Shields, Assistant Inspector General for Management
Rich Eyermann, Deputy Assistant Inspector General for Audit and Evaluation
Christine El-Zoghbi, Deputy Assistant Inspector General for Audit and Evaluation
Jennifer Kaplan, Deputy Assistant Inspector General for Congressional and Public Affairs
Jeffrey Lagda, Congressional and Media Liaison, Office of Inspector General
Tia Elbaum, Congressional and Media Liaison, Office of Inspector General
Renee McGhee-Lenart, Project Manager, Office of Inspector General
Richard Jones, Program Analyst, Office of Inspector General
Alicia Mariscal, Social Scientist, Office of Inspector General