

Address by Rob Kantner

to chapter meeting of Wisconsin Institute of Scrap Recycling Industries (WISRI) –
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Editor's Note: In October 2005, the Cooperative Compliance Program (CCP), a coalition of Wisconsin scrap recyclers, entered into a Charter with the State of Wisconsin Department of Natural Resources. This Charter, which comes under Wisconsin's Green Tier program, provides for certain benefits to subscribing scrap recyclers who implement an approved environmental management system.

In this address, Rob Kantner, executive director of 9000 Solutions Group (www.ScrapLeaders.com), briefs WISRI chapter members on details of the generic Environmental Management System (EMS) that Kantner is developing under contract to CCP.

This transcript has been edited for content. Heckling, asides, and jokes that did not work, have been removed.

Good evening. I am pleased and honored to have this opportunity to address the members of WISRI tonight. Special thanks to my friends Tom Knippel and Bob Est. And thanks also to Tom Eggert for the excellent overview of the Green Tier program.

I'm Rob Kantner, and I'm with 9000 Solutions Group, a national consulting firm based in Michigan. I'm here to give you some early details on the Environmental Management System that I've been contracted to develop, with CCP, in conjunction with the Charter for Environmental Management that CCP signed with Wisconsin's DNR back in October.

In the next few minutes I'll share with you some background on our company. I'll give you some thoughts on environmental management in scrap recycling operations, from our experienced perspective. I'll briefly define the term EMS, and the term ISO 14001. I'll briefly map out the structure and content of the EMS we'll develop for Wisconsin scrap recyclers. I'll briefly describe how it works. And I'll have a brief word about the benefits of implementing an EMS.

(Notice my repeated use of the term "briefly.")

Background - 9000 Solutions Group

I started our consulting firm back in '95. Since then, about 50% of our clients have been in the scrap recycling industry. We've worked with at least 50 different scrap recyclers around the country. We've helped over 25 of them attain internationally accredited management system certification – ISO 9001, QS-9000, ISO 14001, etc. – putting them on par with manufacturers of all industries around the world.

Our clients include recyclers who

- Shred cars, shear and bale iron and steel;
- Briquette UBC's, bale radiators, sort copper and brass into gaylords and drums;
- Strip and chop wire, and bale cardboard and plastic;
- Process municipal waste through single stream system into discrete grades of paper, cardboard, plastic, and glass;
- Demanufacture computer equipment and disassemble surplus sub-assemblies to recover recyclables;
- Buy material over the scale, from industrial accounts, demolition projects, and other sources;
- Ship to foundries and mills, smelters and others, by truck, rail, barge, and ocean-going vessel;
- In the United States and elsewhere.

Our clients range from top 10 ferrous shippers at one end of the scale, to a yard in the Midwest owned and operated by two brothers who employ at last count 12 people.

So we've been around.

Environmental management and scrap recyclers

Tonight the topic is environmental management. As I mentioned, we've been implementing ISO 14001-compliant EMS systems for some number of years now. I'd like to share with you some things we've learned.

We've learned that most companies that hire us already have good environmental management processes in place. In some places, however, the EMS looks much better on paper than it does in execution.

We've learned that ISO 14001 is not that hard to implement, if you're obeying the law. ISO 14001 itself is nowhere near as prescriptive as Federal and state laws and regulations.

We've learned that, in many firms, there is a person I refer to as 'the alphabet guy.' This person, man or woman, takes care of everything. If it has an acronym, the Alphabet Guy is hip deep in it. EPA, DNR, OSHA, ISO, ANSI – whatever. The Alphabet Guy

- Gets the permits;
- Oversees the audits;
- Files the reports;
- Maintains licenses;
- Oversees inspections;
- Handles NOV's.

The Alphabet Guy is the go-to person, relieving other members of management from having to know or understand much about the environmental practices of the company. This is not as good a thing in practice as it may first seem.

Because if the Alphabet Guy suddenly is not there anymore – what happens? Well, there's nobody to pick up the slack. And the environmental compliance picture can go south very quickly. I have a client in the Southwest that is going through that very thing right now. And it's not pretty. It is, in fact, pretty ugly.

EMS and ISO 14001

One solution for this potential problem is to develop, implement, and maintain an EMS. For several years now we've been helping clients implement environmental management systems that meet the requirements of ISO 14001. Since 1996, this is the universally accepted international standard for environmental management. It's in use in over 100 countries around the world. Some 17,500 organizations are registered to ISO 14001. Of these, over 100 are in SIC 5093.

What exactly is an EMS? It's an organized, documented system for

- Controlling environmental impacts – which means identifying and controlling them; and
- Assuring compliance with laws and regulations – which means identifying them, gaining access to them, keeping current with them, and self-auditing to assure ongoing compliance.

How does an EMS work? Generically, it goes like this:

First, you identify your organization's environmental impacts. An environmental impact is anything in your processes that can cause change to air, water, or land. Not all changes are bad, or even meaningful. But you identify all of them as the first step.

You also identify pertinent environmental laws and regulations that relate to those impacts.

Then you rank and prioritize environmental impacts – as a sort of risk analysis – based on applicable law, adverse environmental effect, and other factors.

That leaves you with a smaller list of significant environmental impacts. Those are the ones you want to control and manage. You develop and document control measures for these, and train affected employees in those control practices.

When those operational control measures are in place, you start to monitor how well they are working. You do that with performance metrics of key aspects. You also do it with internal process audits, inspections, and reviews by top management. From these measures you develop and put into effect corrections and improvements to the system, to improve environmental performance.

ISO 14001 includes some other subsystems, but what I've outlined for you is the heart of it.

EMS for Wisconsin scrap recyclers

Is this what we're doing with the generic EMS for Wisconsin scrap recyclers? Very similar. But what we're doing for you is designed especially for Wisconsin scrap recyclers and equips you with all the tools you need.

The generic EMS is built around a set of documented procedures, best management practices, and forms, provided to you in hard copy and electronic formats.

With this 'library' of documents, you also get an Application Roadmap. This guides you step by step to refine the generic EMS into a program that fits your unique organization. Once you've implemented it fully, you'll be ISO 14001 compliant, and eligible for ISO 14001 certification at a time of your choosing.

Let's look at the generic EMS, step by step.

First, you'll identify your environmental impacts. The generic EMS starts you off with a list of the environmental impacts most commonly found in scrap recycling operations: Air, lead, mercury, noise, PCBs, radiation, shredder fluff, soil, storm water, others.

You'll also identify potentially applicable laws and regulations. The generic EMS includes a detailed table covering most, if not all, applicable laws and regulations at the federal and state levels. The table includes links so that you can access the regulations on the internet. We provide that because we know how much everyone in this room just loves to read environmental regulations.

The Application Roadmap guides you to rank and prioritize the environmental impacts, and isolate the significant ones. These are the ones that must be controlled. Generally, the filters used to identify the significant impacts are

- Laws and regulations
- Risk of accidents and emergencies
- Matters of public concern
- Financial issues.

Having helped you define the significant environmental impacts, the Application Roadmap guides you into selecting, adapting, and implementing operational controls. We provide you with templates of procedures and instructions that detail required best management practices. These are

- Designed for scrap recycling processes;
- Written in scrap recycling language;
- Based on systems already in place and, therefore, in a manner of speaking, field-tested;
- And, in keeping with ISO 14001 principles, prevention-based.

The generic EMS we'll supply you with includes some other tools for ongoing environmental management. This includes a perpetual calendar / listing that you use to keep track of due dates for environmental permits, fees, and reports - so you don't miss any and get pointless NOV's. We map

out internal and external communication channels for your system, and provide you with methods for receiving updates on applicable laws and regulations, thereby keeping you ahead of the curve.

Once you have tailored and refined the document set to fit your organization, it's time to implement. This means training the people in your firm, at all levels, that are directly responsible for carrying out the operational controls. Our training program includes methods to help you assure that the training is effective.

The EMS helps you monitor the performance of your system via internal measurements, internal process audits, and internal facility inspections. We provide you with a roster of measurement methods with supporting schedules, guidance on identifying benchmarks and setting objectives, and generic internal audit checklists and forms.

Utilizing these monitoring methods, you'll make corrections and improvements to your system. And now you're truly up and running. You own your EMS. It's self administered and self managed. And in due course you'll be eligible for ISO 14001 certification, when you're ready, and if you choose to.

Benefits of an EMS

What are the benefits of the EMS?

First of all, it puts your whole organization in prevention mode. Preventive measures are always more effective, and less expensive, than reactive measures.

Second: having an effective EMS reduces people dependency. I'm not saying the 'alphabet guy' goes away. But in an effective EMS, the documentation and records, controlled and organized, aid new employees – including the inevitable new 'alphabet guy' – in picking up and understanding the workings of the EMS. So there is no down time.

Third: An effective EMS involves the entire work force from top management on down. It distributes responsibility – and accountability – for environmental management across the organization. It makes environmental protection a key part of everyone's job.

Fourth: an effective EMS helps you track your compliance level. It serves as an early warning system, so there are no surprises. It's better to know than not to know.

Fifth: an effective EMS help you improve environmental performance beyond mere compliance. Through Green Tier, Wisconsin DNR encourages scrap recyclers to move beyond compliance focused environmental management – and provides incentives for doing so.

Sixth: an effective EMS puts you on a par with industry leaders worldwide. It's a heck of a credential.

Seventh: an effective EMS sets a positive example: for suppliers, customers, consumers, competitors, and the community at large. It's good corporate citizenship, which is the same thing as good public relations. And every recycler knows how important it is, in our industry, to maintain good public relations.

Time for you to decide

We've talked about benefits. We've given you a snapshot of the EMS and how it works. I have just a few more comments before we close.

I wish I could tell you that this is fast and easy. It is neither.

Though our EMS will be as self driven and stand-alone as possible, I am sure some of you will need outside help getting it in place.

What I can say about this EMS is:

- It's much more effective than any home grown approach.
- It's less expensive, and much less difficult, than trying to do 14001 by yourself.
- And it's a lot less expensive and less difficult than doing nothing at all.

Those of you who decide to embark on this are scrap recyclers who:

- Think long term rather than short.
- Understand that environmental protection will, in the coming years, be not less important, but more important.
- Want the powerful feeling of being out in front, rather than the anxiety of playing catch-up.
- See the wisdom of availing yourselves of an opportunity to engage in a more collaborative and less confrontational way with a regulatory authority.
- Honestly feel good about a chance to leave the place a bit better than it was when you got here.

I ply my trade all over the United States. And I can tell you first hand that nowhere but in Wisconsin does such an opportunity exist for scrap recyclers today. I count you as fortunate to have the opportunity. I count myself as even more fortunate to have been invited to be part of it. I look forward to working with you, and I thank you for your attention.