## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY OFFICE OF INSPECTOR GENERAL OFFICE OF PROGRAM EVALUATION 401 M. STREET, SW, ROOM 3304 NE MALL WASHINGTON, DC 20460

May 13, 2002

## MEMORANDUM

SUBJECT: Evaluation of Emissions Trading Programs and Environmental Justice

FROM: Jeffrey Harris /signed Director for Program Evaluation, Cross Media Issues

TO: Jeffrey R. Holmstead
Assistant Administrator for Air and Radiation

Sylvia Lowrance

Acting Assistant Administrator for Enforcement and Compliance Assurance

The Office of Inspector General (OIG) Office of Program Evaluation plans to start an evaluation of impacts of emissions credit trading in potential environmental justice communities. This evaluation is being initiated by the OIG following a request from the Public Employees for Environmental Responsibility (PEER). Our preliminary evaluation questions, which are subject to change as we conduct the preliminary research phase of the evaluation, are:

What is environmental justice? How is it defined? How is it measured? How are "potential environmental justice communities" identified?

What federal and state programs allow air emissions credit trading within, or between, states? What air emissions are most likely to have a localized environmental or human health impact?

What are the locations of air emission trading facilities with respect to "potential environmental justice communities"? Are facilities in "potential environmental justice communities" net purchasers--and users--of air emission credits?

What are the incremental air quality and human health impacts of emission trading on "potential environmental justice communities?"

What systems exist to facilitate transparency and public participation for "potential environmental justice communities" in credit trading programs?

We will contact you to arrange a mutually agreeable time to discuss the assignment objectives and purpose of the preliminary research phase of our evaluation. We will also answer any questions you may have about the evaluation process. If you have questions regarding the above assignment, please call me at (202) 260-5894, or Paul Jalbert, Evaluator-in-Charge, at (415) 947-4518.

cc: Robert W. Varney, Regional Administrator, EPA Region 1 Jane M. Kenny, Regional Administrator, EPA Region 2

Donald S. Welsch, Regional Administrator, EPA Region 3

James, O. Palmer, Jr., Regional Administrator, EPA Region 4

Thomas V. Skinner, Regional Administrator, EPA Region 5

Gregg A. Cooke, Regional Administrator, EPA Region 6

Robert E. Roberts, Regional Administrator, EPA Region 8

Wayne Nastri, Regional Administrator, EPA Region 9

John Seitz, Director, Office of Air Quality Planning and Standards, OAR

Barry Hill, Director, Office of Environmental Justice

George Mollineaux, Region 1 Audit Follow-up Coordinator

John Svec, Region 2 Audit Follow-up Coordinator

Ed Hopkins, Region 3 Audit Follow-up Coordinator

Linda Barrett, Region 4 Audit Follow-up Coordinator

Howard Levin, Region 5 Audit Follow-up Coordinator

Diane Taheri, Region 6 Audit Follow-up Coordinator

Bev Goodsell, Region 8 Audit Follow-up Coordinator

Rich Hennecke, Region 9 Audit Follow-up Coordinator

Pete Cosier, OAR Audit Coordinator

Greg Marion, OECA Audit Coordinator

Nikki Tinsley, Inspector General

Kwai Chan, Assistant Inspector General Office of Program Evaluation

John Walsh, Deputy Assistant Inspector General for Audit

Rick Linthurst, Systems/Science Advisor, OIG

Mark Bialek, Counsel, OIG

Eileen McMahon, Congressional/Media Relations Liaison, OIG

Charles McCollum, Human Capital Manager, Western Division

Paul McKechnie, Human Capital Manager, Eastern Division