

Performance Partnership Agreement (PPA)

for the

Verification of Energy and Environmental
Technologies

between

The New Jersey Department of
Environmental Protection

and

The New Jersey Corporation for Advanced
Technology

This Agreement, under the authority as set forth in NJSA 13:1 D-1 et seq., is by and between the New Jersey Department of Environmental Protection (herein after NJDEP) and the New Jersey Corporation for Advanced Technology (herein after NJCAT), Inc.

Whereas the New Jersey State Legislature passed, and the Governor signed into law a bill (PL 199 c400 as N.J.S.A. 13:1 D- 134 et seq.) that establishes the environmental technology verification program administered and implemented by DEP and the NJCAT,

Whereas NJDEP mission is to assist in preserving, sustaining protecting and enhancing the environment to ensure the integration of high environmental quality, public health and economic vitality in partnership with the general public, business, environmental communities and government entities;

Whereas the NJCAT is a not for profit corporation to promote in New Jersey the retention and growth of technology based businesses in emerging environmental and energy fields. NJCAT functions as a public private partnership to provide a forum linking vendors, established corporation; research institutions and laboratories to catalyze business development through the commercialization of technology based products and services. The NJCAT environmental technology verification program provides independent third party validation of vendors' technology performance claims.

Whereas NJDEP and NJCAT goals are to assure that pollution is prevented in the most efficient and practical way possible and that the best technology is planned and applied to achieve long term environmental and economic goals;

Whereas on June 4, 1996 the NJDEP signed a Memorandum of Understanding for the Evaluation and Promotion of Environmental Technologies with the California Environmental Protection Agency, the Illinois Environmental Protection Agency, the Massachusetts Executive Office of Environmental Affairs the New York Department of Environmental Conservation and the Pennsylvania Department of Environmental Protection to develop an interstate reciprocity process for environmental technology acceptance of technology demonstrations, evaluations, verifications or certifications. This interstate pilot project for evaluation and development of a system for technology acceptance and reciprocity was termed "The Six-State MOU" and it's herein defined as the Technology Acceptance and Reciprocity Partnership, a work group established within the Interstate Technology and Regulatory Cooperation Committee (ITRC) under the direction of the Environmental Commissioners of the States (ECOS).

Whereas on March 18, 1998 the NJDEP signed a Memorandum of Understanding on the Verification of Environmental Technologies with Environment Canada to coordinate research activities for environmental technology verification processes and to develop a mechanism for reciprocal acceptance of information generated through a verification/certification programs

Whereas on March 21, 2000 the signed a Memorandum of Understanding with Canada concerning reciprocity with respective environmental technology verification programs for the validation of environmental technologies

Whereas as set forth the NJDEP Strategic Plan 1998 - 2001, and New Jersey Environmental Performance Partnership Agreement 1999-2000, it is the policy of the NJDEP to implement a process certify environmental performance and verify operational and environmental data for innovative environmental technologies (IETs) and to establish an interstate reciprocity pathway for technology an. regulatory acceptance.

Whereas this policy is consistent with the Mission Statement of the NJDEP in preserving, sustaining, protecting and enhancing the environment to ensure the integration of high environmental quality, public health and economic vitality in partnership with the general public, business, environmental community and all levels of government;

Whereas in part, in regard to innovative environmental technologies, we will accomplish this mission through the following tasks:

1. Assuring that pollution is prevented in the most efficient and practical way possible, and
2. Assuring that the best technology is planned and applied to achieve long-term goals.

Whereas the above tasks cut across and interconnect all environmental media, air, water and land and connect these areas to a strong economy to foster and promote a sustainable state which is the overall goal and milestones of the NJDEP Strategic Plan and the New Jersey Environmental Performance Partnership Agreement 1999-2000 and subsequent updates and addendum. The specific goals of the Strategic Plan related to environmental technology are:

1. **Healthy Ecosystems (D44)**

Pursuing partnerships for promoting protection and preservation of the ecosystem through the development of an interstate reciprocal pathway for environmental technology acceptance; and

2. **Open and Effective Government (F53)**

Developing an integrated informational infrastructure specifically related to verified/certified environmental technologies for interstate reciprocity.

Whereas the NJCAT has developed a process to verify the performance claims; and tire operational and environmental data for innovative environmental and energy technologies; and the NJDEP developed a Technical Manual to validate and verify the data and performance of such technologies;

Whereas the NJDEP requires the development of the verifiable and environmental data, including operational and capital costs, in order to propose regulatory and/or technical requirements that may reduce the barriers to the deployment and commercialization of innovative energy and environmental technologies;

Now therefore, the Parties hereby agree to the following:

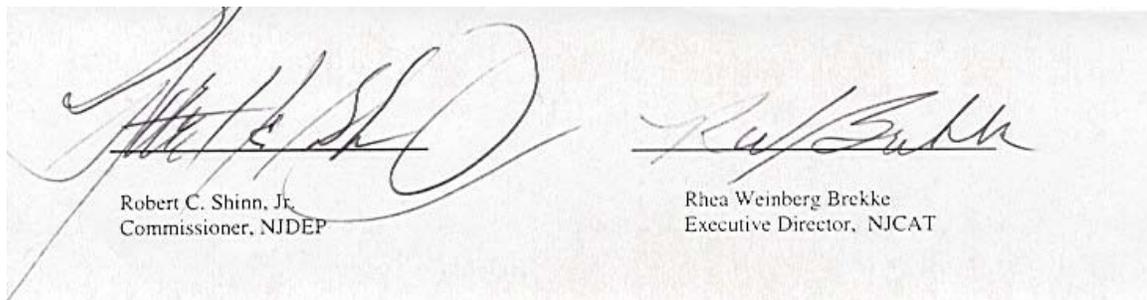
1. To transfer the funds, \$95,000 appropriated to the NJDEP from the General Funds as set forth N.J.S.A. 13:ID-134, for the implementation of the energy and environmental technology verification program as follows:
 - a. The department, in consultation and conjunction with NJCAT shall develop, establish, maintain and update as needed evaluation and verification procedures, processes and protocols for the purposes of:
 - i. Determining the application and use, and the outcome of the application and use, of certain energy and environmental technologies;
 - ii. Studying, evaluating and verifying the benefits of any innovative energy and environmental technologies; and
 - iii. Identifying beneficial and innovative technologies requiring assistance with regulatory mechanisms and requirements;
 - b. The development of technical manuals or protocols for each class or category of technology and to utilize the verification of innovative environmental technology in conjunction with the NJCAT including but not limited to the following regulatory programs:

- i. 7:1 B-3.1 Sewer Construction for meeting environmental objectives;
 - ii. 7:1 E-1.6 Discharge of Petroleum & other Hazardous Substances - SOTA for demonstrated technologies for reduction of discharge;
 - iii. 7:1 K-2.1 Pollution Prevention Advisory Board Research to demonstrate reduction in the use production, manufacture, discharge or disposal of hazardous substances;
 - iv. 7:7E-8.7 Stormwater Management Conditionally acceptable for innovative technology;
 - v. 7:9A -3.9 and 3.11 Treatment Works Approval for unproven or experimental technology for individual subsurface sewage disposal systems;
 - vi. 7:10-6.1 Water Allocations Public water system variance for best available treatment technology;
 - vii. 7:14A-16.4, 20.5, 22.5, 22.7 & 23.33 NJPDES - preliminary review for innovative technology;
 - viii. 7:22-3.4, 4.4 & 6.4 Construction Grants for Wastewater Treatment Facilities innovative technology for Trust/Fund;
 - ix. 7:26-1.7 (f) Solid Waste Management research, development and demonstration approval for new or innovative solid waste facilities or operations;
 - x. 7:26-1.7 (g) Solid Waste Management beneficial use approval;
 - xi. 7:26-2.14 Solid Waste Management SWF performance partnerships
 - xii. 7:26E-1.6 (c) Site Remediation Technical Requirements alternate sampling, analytical, or investigatory methods;
 - xiii. 7:26E-5.1(c) Site Remediation Technical Requirements innovative technology verification;
 - xiv. 7:26E-1.6 (d) Site Remediation Technical Requirements variance for alternative approach;
 - xv. 7:27-8.1, 8.3, 22.1 & 22.3 Air Pollution Control environmental improvement pilot test and state-of-the-art documentation;
 - xvi. 7:27-19.23 Air Pollution Control - NOx proposed compliance- use of innovative control technology; and
 - xvii. 7:31 - 1.5 Toxic Catastrophe Prevention Act program SOTA - for demonstrated technologies for reduction of risk;
- c. Through the permit process and programs listed in B above, work in conjunction with NJCAT and r on its evaluation and verification processes including, but not limited to, in the establishment of contract provisions, protocols policies, principles and/or technical guidance, as needed, to develop expedited or more efficient timeframes for review and decision-making of permits or approvals associated with the verified innovative energy or environmental technology; and in the development of regulatory proposals to more efficiently expedite the relevant permits associated with verified innovative energy or environmental technology;

- d. To enable the deployment and expedite the commercial use of innovative energy and environmental technology that are verified by NJCAT as a technology with significant net beneficial environmental effect from its overall performance through a series of outreach and education seminars on environmental trends and strategic themes identified by NJDEP through its Quarterly Strategic Progress Reporting as established in the Strategic Plan and New Jersey Environmental Performance Partnership Agreement. The main activity in this task shall be the coordination and management of the International Environmental Technology Expo;
 - e. The NJDEP shall enter in reciprocal environmental technology agreements concerning the evaluation and verification protocols used developed in consultation and conjunction with NJCAT, between the NJDEP the United States Environmental Protection Agency, other local required or national environmental agencies, entities or groups in other states and New Jersey for the purpose of encouraging and permitting the reciprocal acceptance of technology data and information concerning the evaluation and verification of energy and environmental technologies;
 - f. The NJDEP shall work closely with the State Treasurer to include in State bid specifications, as deemed appropriate by the State Treasurer, any technology verified under the energy and environment technology verification program; and
2. NJCAT shall report quarterly, to the NJDEP on the implementation of the energy and environmental technology verification program as set forth at NJSA 13:1 D-134 and as listed above.

This agreement will stay in effect unless notification of termination by the other in writing at least 90 day prior to termination.

Now therefore the NJDEP and NJCAT do hereby enter into this IEET Verification Performance Partnership Agreement on the Day of June 6, 2000 in Atlantic City, New Jersey at the International Environmental Technology Expo 2000.



Robert C. Shinn, Jr.
Commissioner, NJDEP

Rhea Weinberg Brekke
Executive Director, NJCAT