

Technical Brief for Environmental Professionals: 2013 - A Year of Education

Are You Ready for ASTM E 1527-13?

Author: Dianne P. Crocker, Principal Analyst (dcrocker@edrnnet.com)

Late 2013 promises to be a period of education and adjustment following the release of a revised protocol for Phase I environmental site assessments. ASTM submitted the final version to the U.S. Environmental Protection Agency for formal approval of the revised ASTM E 1527 standard as "AAI-compliant." According to industry insiders, ASTM is expecting to publish the standard (as E 1527-13) in late summer/early fall. These standards typically take effect at the time of release, so implementation could be as little as five months away. Now is the time to start thinking about what you can be doing to prepare.

Learning Curve on E 1527-13

Awareness about the revisions to E 1527 is far from widespread. Consider the results from EDR Insight's recent quarterly surveys:

- Three out of five risk managers at financial institutions are not aware that a new version of the ASTM E 1527 standard is being released this year.
 - Of those who are aware, most cannot name the key areas of change.
- One out of three environmental professionals are not following the ASTM revision process at all and "are not familiar with what's being revised."

In light of these results, there is a fair amount of education that still needs to take place in both sectors.

E 1527-13: The 5th Phase I ESA Standard

Industry veterans have lived many periods of adjustment as producers and users respond to a new version of E 1527. The 2013 version will be the sixth iteration since the standard's birth back in 1993. The last time E 1527 was updated was back in 2005, on the heels of the first federal "All Appropriate Inquiries" rule. The ASTM standard incorporated changes to bring the practice in line with the federal requirements for CERCLA liability protection under three possible avenues (i.e., innocent purchaser, bona fide prospective purchaser or contiguous property owner). The 2005 revision brought to the surface a new emphasis on

the qualifications of environmental professionals, activity and use limitations (i.e., engineering and institutional controls), continuing obligations, user responsibilities, local and tribal government records, data gaps and report shelf life.

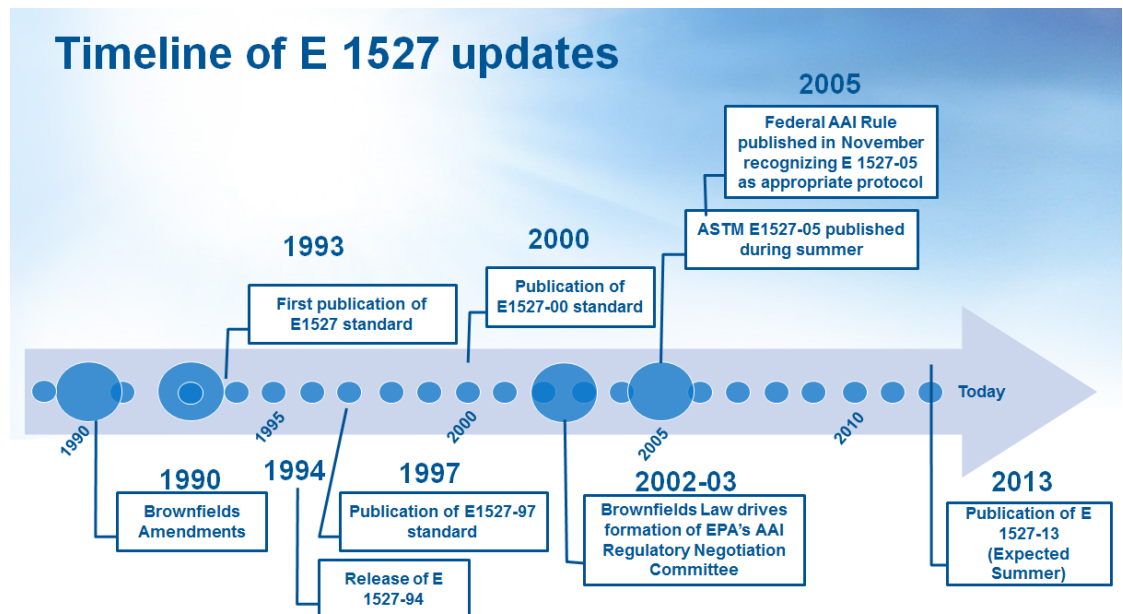
How to Prepare You and Your Clients

When the AAI rule was promulgated in 2005, recognizing the ASTM E 1527-05 standard, it was an important time for education and awareness on property environmental risk, policies and decision-making. Today is no different.

In preparation for E 1527-13, some environmental firms have already taken the lead on educating clients by issuing alerts on the key areas of change, while others are just starting to think about how to incorporate the new language into their Phase I ESA process. Some financial institutions assume the new standard will necessitate an update to their policies. Others are taking a wait-and-see approach or relying on their environmental consultants to help them prepare.

"I have NOT been privy to the task force or the pending changes and would greatly appreciate any information possible!"

Community bank respondent to EDR Insight's 4Q Survey



In developing a plan, some tasks for environmental professionals to start thinking about are to:

- Actively educate internal Phase I ESA staff to raise awareness on the key areas of change
 - Ensure that there is a consistent process for making CREC determinations and documenting them in the report.
 - Discuss how the new revisions related to vapor migration will be treated and the impact on REC determinations
 - Review the new agency file review language and ensure that determinations about whether the review of government files is reasonably ascertainable are made consistently and documented in compliance with the new standard.
- Plan for any necessary changes to the internal Phase I ESA process, scope of work and report format.
- Develop a strategy for proactively educating clients (preferably before the competition):
 - Outline the key areas of change in language they can understand.
 - Distribute educational content via client meetings, local industry workshops, alerts, company web site and social media.
 - Talk upfront with clients on any expected impact on price/turnaround time/look of Phase I ESA reports.
 - Work with clients to make any necessary updates to their environmental due diligence policies to recognize the new version of the standard.
- Attend events dedicated to the E 1527 revisions.
- Stay in tune with the schedule for the standard's release as it is likely to take effect immediately at publication.

EDR Insight's Resources on ASTM E 1527-13

To help you prepare—internally and externally—for the new Phase I ESA protocol, below is the latest intell and links to past events designed to raise awareness about the key areas of change. As part of our commitment to keeping our clients educated on the latest technical developments, we invite you to download the content below to help in your education as the market prepares for publication of E 1527-13.

- **Client Alerts**

These briefs contain EDR Insight's summary of the key proposed changes for environmental professionals and commercial real estate lenders, respectively:

- Strategic Brief for Commercial Real Estate Lenders: [The ASTM E 1527 Standard - Update on Proposed Changes](#) (December 11, 2012)
- Strategic Brief for Environmental Professionals: [The ASTM E 1527 Standard - Update on Proposed Changes](#) (December 11, 2012)

- **Events**

- Presentation: [Upcoming Revisions to E 1527-13: Are You Prepared?](#) (Presented by Anthony Buonicore at EDR's Fall/Winter Due Diligence at Dawn series)
- Webinar replay: [Upcoming Revisions to E 1527-13: Are You Prepared?](#) (Presented by Anthony Buonicore - December 11, 2012)
- Technical Brief: [EDR's ASTM E 1527 Revisions Webinar: Q and A](#) (December 18, 2012)
- Presentation: [ASTM E 1527-13 Standard - Key Areas of Change](#) (Presented by Dianne Crocker at Rutgers University - February 26, 2013)

- **Content on Specific Areas of Revision**

- Vapor Migration/Intrusion:
 - Technical Brief: [How to Prepare for the New U.S. EPA Guidance & ASTM E 1527 Standard](#) (January 4, 2013)
 - Tip Sheet for Lenders: [Why It Is Risky to Ignore Vapor Migration/Intrusion in Lending Practices](#) (February 20, 2012)
 - Tip Sheet for Environmental Professionals: [Talking to Your Clients About Vapor Intrusion](#) (February 17, 2012)
 - Event replay: [Vapor Intrusion and Liability: Learning from Past Mistakes](#) (February 12, 2013)
 - Technical Brief: [Vapor Intrusion and Environmental Liability Webinar: Attorney Q & A](#) (February 14, 2013)

□ Agency File Reviews

- Technical Brief: [New Agency File Review Language in ASTM E 1527-13: What Does It Mean for You?](#) (February 25, 2013)
- Technical Brief: [Agency File Reviews - Are They Part of Your Phase I ESAs?](#) (September 13, 2012)
- Technical Brief for EPs: [Clarification on Agency File Reviews Being Added to E 1527-05: Are You Prepared?](#) (April 5, 2012)

E 1527-13 Opens The Door to Educate

Educating clients is one of the most important strategies a firm can adopt to stand out from the competition and the release of a new E 1527 standard is a perfect opportunity to highlight a firm's technical knowledge and assure clients that the transition will be a seamless one. It is also an important time to remind clients about the three avenues for CERCLA liability protection and the need to update policies over time as standards/policies change, as well as serving as a valuable reminder of areas of environmental due diligence (e.g., user responsibilities, continuing obligations, data gaps) that risk managers may not have given much thought to in the past eight years—or even longer. The next few months will be a time for environmental professionals, commercial real estate lenders, property purchasers and other stakeholders to prepare and refresh.

Over the coming months, EDR Insight will continue to educate on the revisions to ASTM E 1527. To ensure that you don't miss anything, [sign up for our free biweekly updates here](#).

Save these dates for upcoming events on E 1527-13:

- Thursday, March 28, 2013: [Revisions to the ASTM E 1527 Standard: An Insiders' Perspective](#) (EP, Lender & Attorney Panel)
- Tuesday, April 23, 2013: [Upcoming Revisions to E 1527-13: Are You Prepared?](#) (Anthony Buonicore)

NOTE TO READERS: The author wishes to thank Anthony Buonicore, The Buonicore Group, for peer reviewing this brief.

Questions or comments?

Dianne P. Crocker | Principal Analyst

Email: dcrocker@ednet.com

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