

Encamp Enhances Environmental Regulatory Compliance Via Its End-to-End Compliance Solution

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This report is intended for EHS executives and forms one in a series covering vendors in the EHS software and technology markets. Encamp offers solutions that help firms with operations in the United States (US) eliminate EPCRA non-compliance risks with its data aggregation, management and reporting solution for Tier II reporting. The provider's value proposition seeks to enhance regulatory compliance systems rather than replace them and suits firms with multiple facilities across jurisdictions with disparate regulatory reporting requirements. Encamp's roadmap includes expansion into hazardous waste reporting, industrial wastewater reporting, air emissions reporting, and Toxic Release Inventory reporting.

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ORGANIZATIONS MENTIONED

Asmark Institute, Bunzl, Encamp, EPCRA, First Energy, Hexion, Nutrien, Southern States

Encamp's Systematic Data Collection Solutions Simplify And Enhance Regulatory Compliance Reporting

This report forms one in a series covering vendors in the EHS software and technology markets. Encamp offers solutions that help firms eliminate EPCRA non-compliance risks with its data aggregation, management and reporting solution for Tier II reporting. The provider's premise is that firms can collect data, format, manage, and submit the data to the relevant authorities via the press of a button, and with minimal implementation requirements. Verdantix spoke with Encamp's CEO, VP of Engineering, Director of Customer Success, and Director of Product Marketing to learn more about its offerings.

Understanding The State Of Environmental Regulatory Compliance

Ensuring firms meet all applicable regulatory and commercial requirements for their operating activities is increasingly complex and critical. For example, Tier II reporting in the US requires firms to provide State, local officials, and the public with specific information on potential hazards for each facility where listed hazardous materials are stored and used in sufficient quantities. These activities are nuanced for each jurisdiction, increasing the complexities for firms that report in multiple jurisdictions. Verdantix found that:

• Pain points persist even as firms turn to technology solutions.

Various regulatory compliance solutions exist within the EHS market landscape. Notwithstanding, pain points still exist due to the significantly dynamic nature of governing laws and regulations. For instance, Tier II reporting requires granularity from the state level even, and in many cases, down to the county level. This granularity means that firms may have to simultaneously contend with numerous state and county reporting methods and data requirements (see **Figure 1**). There are a growing number of solutions in the market, with high business value and a pace of innovation projected in tens of years (see <u>Verdantix 2021 Tech Roadmap For EHS Technologies</u>), but few are able to handle report submissions directly to agencies out-of-the-box. This gap in existing solutions means firms still face challenges when it comes to filing agency reports such as "What information do I have to report?", "Where do I need to go to report?", and "In what format is the reporting data required?"

• Understanding adoption barriers can ease pain points.

Even when a technology solution addresses these granular reporting issues, overarching issues concerning implementing the technology solutions arise. Such issues typically present themselves as barriers to adoption and include internal resistance to using a new and potentially unfamiliar system, failure to manage implementation expectations and time-to-value, and insufficient stakeholder communication during the implementation process. Even after successful implementation, data hygiene and administrative burdens remain. These issues plague the current market landscape, creating a market niche for 'secondary' or 'enhancing solutions' to ease these pain points.

Simplified Front-End Compliance Reporting Is A Much-Needed Enhancement to Existing Solutions

Given the complexities of multi-regional environmental compliance reporting, Encamp helps customers simplify the convoluted, evolving world of compliance regulations via an end-to-end solution. Within this context, Verdantix defines an end-to-end compliance reporting solution as:

"A reporting solution, which manages specified compliance reporting requirements covering data aggregation, written materials, procedures, associated software and hardware requirements, administrative requirements and costs, from beginning through to final submission to an agency or agencies."

Adoption Barriers Pain-Points After Adoption Barriers Have Been Eliminated Agency Reporting Pain Points Data Internal Resistance Timeliness Threshold Updates Quality/Hygiene File Format (CSV. XML. etc..) QA/QC Reviews Data Format Softcopy/Hardcopy Time-to-value Accessibility Insufficient Administrative Configuration burdens Communication User Access Upgrades Source: Verdantix

Environmental Regulatory Compliance Pain Points

On assessing Encamp's value proposition, Verdantix finds that:

• Encamp offers a unique solution for complete data gathering, processing and reporting.

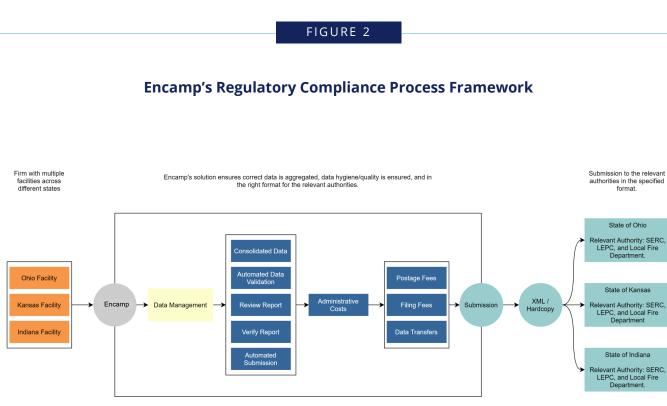
Encamp's solution is analogous to a secondary framework or protocol built on top of an existing system for scalability, speed, data quality and automation. A term that summarizes Encamp's value proposition is an 'Automated environmental reporting platform', which provides firms with a modern, end-to-end solution for proactive environmental compliance reporting and seeks to enhance firms' reporting processes with minimal implementation and user training required. Think of the current compliance reporting solutions in the market akin to a modular high-end personal computer with extension ports to enhance computational power, storage or display, and Encamp's solution plugs into this extension, handling the reporting aspects and freeing up computational resources for the computer to use. The solution seeks to enhance a firm's current compliance reporting processes while reducing onboarding and adoption barriers (see **Figure 2**).

• The solution simplifies the complexities of compliance reporting to a button press.

Since Encamp's solution requires minimal implementation, there is no need for a heavy project plan or IT support during onboarding or once users are actively using the application. The solution consists of an import tool that digests the user's data, including past reports, and compiles it into the required format for submission. The data processing aspect of the solution ensures that the user's data is in the proper format for the facility's reporting jurisdiction. The complete service cycle even covers hardcopy submissions and all the associated filing costs. What is more, the solution provides business continuity with it's built-in intelligence based on regulated materials list, such as the US Environmental Protection Agency's Consolidated List of Lists and state listed chemicals as well as changes to Federal, State and local threshold planning quantities. Additionally, the company's Center of Excellence team tracks and manages

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any EPCRA Tier II threshold changes for users prior to the next reporting season. This ensures that the system is performing the proper assessments on chemical product inventories and only facilities that meet state reporting requirements submit reports.

Firms With Multi-Regional Reporting Requirements Should Shortlist Encamp

Encamp can offer robust cost savings and productivity gains along with improved business continuity and risk minimization to firms by automating the management, formatting and reporting to various federal, state and local agencies. As CEO and Co-Founder Luke Jacobs pointed out, "You're not in compliance until the regulators have received and accepted your report." Verdantix finds that Encamp suits:

• Firms exposed to complex or fast-changing regulations.

Source: Verdantix

Encamp's solution is currently suited for EPCRA compliance and Tier II reporting, where EHS managers need to navigate widely differing reporting systems, data requirements, file formats and payment structures. The provider's customer success team consists of former environmental consultants, EHS managers and government agency experts who ensure that the clients' data aggregation and management processes meet regulatory requirements. Firms using Encamp's solution include Bunzl, First Energy, Hexion, Nutrien and Southern States.

"I have been very impressed with Encamp's level of professionalism and drive. Encamp is a very important addition for us. Encamp's persistence and vision to make it happen, made it happen!" – Amber Duke President & CEO, Asmark Institute

• New market entrants that are looking to establish compliance against US regulations quickly.

Firms looking to enter the US market or firms already in the US market but looking to expand their operations into more counties and states need to quickly adapt to each county's or state's nuanced Tier II reporting requirements and methodology. The Encamp solution will quickly allow them to know the relevant information to submit to the relevant jurisdiction and in what format. For instance, the States of Louisiana, Kansas and Massachusetts may require EHS managers to send hard copies of their reports or fee receipts to the designated fire and police departments. For example, the Tisbury, Massachusetts Fire Department requires an XML file instead of a hard copy, which would normally require submitters to use a different system to generate the required file. Encamp's solution takes care of these nuances for the user, eliminating the need to generate multiple versions of the same report to email or mail hardcopy versions to various state and local agencies. Firms with multiple facilities in different states and counties may face complex and fast-changing regulations, especially if they expand operations into other regions. These firms should shortlist Encamp to cater to all their reporting requirements, from data upload to the postage of hardcopy reports and fee receipts to the relevant authorities.

• Existing firms that are looking to strengthen compliance management.

Encamp's solution can enhance the compliance and reporting processes of existing firms without replacing them. For example, Hexion - a chemical company based in Columbus, Ohio - has 20 locations in three states, with a single regional environmental lead for each region. Additionally, Hexion's material inventory varied from location to location, type and quantities, which limited opportunities for streamlining. The firm's varied inventory created significant Tier II reporting challenges for over 300 chemicals for the 20 sites. With Encamp's solution, Hexion was able to streamline reporting efforts, reduce manual tracking and data aggregation, and submit their reports in the formats required well before the March 1 annual deadline.

In conclusion, Encamp's value proposition saves firms the time, effort and cost of environmental regulatory compliance reporting via a plug-and-play approach, while also helping firms mitigate non-compliance risks, standardize reporting processes, and ameliorate business continuity risks. Encamp enhances firms' current reporting tools rather than seeking to replace them.



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