

Office of Regulatory Management
Economic Review Form

Agency name	State Air Pollution Control Board
Virginia Administrative Code (VAC) Chapter citation(s)	9VAC5-10 (General Definitions)
VAC Chapter title(s)	Regulations for the Control and Abatement of Air Pollution
Action title	Definition of Volatile Organic Compound (Rev. A23)
Date this document prepared	August 31, 2023
Regulatory Stage (including Issuance of Guidance Documents)	Fast-track final

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>Direct Costs: Describe the direct costs of this proposed change here. There are no direct costs associated with this action.</p> <p>Indirect Costs: Describe the indirect costs of the proposed change. There are no indirect costs associated with this action.</p> <p>Direct Benefits: Describe the direct benefits of this proposed change here. Needed in order to meet federal requirements for protecting human health and welfare, and to assure state control over the federal program. The amendment will allow the department to focus VOC reduction strategies on substances that have a negative impact on human health and the environment, and may help streamline the permitting process. No significant impacts are anticipated.</p> <p>Indirect Benefits: Describe the indirect benefits of the proposed change. The general public health and welfare will likely benefit because the revision may encourage the use of the affected substance in place of products containing more reactive and thereby more polluting substances. Due to its low photochemical reactivity, this substance is considered to be negligibly reactive in the formation of ground level ozone, will not deplete upper level ozone, and is not considered to be hazardous (toxic). Therefore, this substance does not have a negative effect on human health or the environment.</p> <p>Excluding this substance as VOC may make it easier and less expensive for industry to use it. Companies that use this substance in place of more reactive substances may also benefit by reducing their VOC emissions and concomitant reductions in permitting and other regulatory requirements.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & Indirect Benefits</p>
	<p>(a) None.</p>	<p>(b) None.</p>
<p>(3) Net Monetized Benefit</p>	<p>None.</p>	
<p>(4) Other Costs & Benefits (Non-Monetized)</p>	<p>Greater government efficiency may be realized as the department will be able to better focus VOC reduction strategies on substances that have a negative impact on human health and the environment.</p>	
<p>(5) Information Sources</p>	<p>DEQ's Comprehensive Emissions Data System (CEDDS), DEQ Office of Air Compliance; EPA Rulemaking Docket</p>	

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: Describe the direct costs of this proposed change here. None. Indirect Costs: Describe the indirect costs of the proposed change. None. Direct Benefits: Describe the direct benefits of this proposed change here. None. Indirect Benefits: Describe the indirect benefits of the proposed change. Not amending the regulation will not enable the potentially positive outcomes described in Table 1a.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None.	(b) None.
(3) Net Monetized Benefit	None.	
(4) Other Costs & Benefits (Non-Monetized)	See Table 1a.	
(5) Information Sources		

Table 1c: Costs and Benefits under Alternative Approach(es)

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: Describe the direct costs of this proposed change here. None. Indirect Costs: Describe the indirect costs of the proposed change. None. Direct Benefits: Describe the direct benefits of this proposed change here. None. Indirect Benefits: Describe the indirect benefits of the proposed change. There are no available alternatives to the approach in Table 1a.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None.	(b) None.
(3) Net Monetized Benefit	None.	

(4) Other Costs & Benefits (Non-Monetized)	See Table 1a.
(5) Information Sources	

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: Describe the direct costs of this proposed change here. None. Indirect Costs: Describe the indirect costs of the proposed change. None. Direct Benefits: Describe the direct benefits of this proposed change here. None. Indirect Benefits: Describe the indirect benefits of the proposed change. See Table 1a.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None.	(b) None.
(3) Other Costs & Benefits (Non-Monetized)	None.	
(4) Assistance		
(5) Information Sources		

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: Describe the direct costs of this proposed change here. None. Indirect Costs: Describe the indirect costs of the proposed change. None. Direct Benefits: Describe the direct benefits of this proposed change here. None. Indirect Benefits: Describe the indirect benefits of the proposed change. See Table 1a.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None.	(b) None.
(3) Other Costs & Benefits (Non-Monetized)	None.	
(4) Information Sources		

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: Describe the direct costs of this proposed change here. None. Indirect Costs: Describe the indirect costs of the proposed change. None. Direct Benefits: Describe the direct benefits of this proposed change here. None. Indirect Benefits: Describe the indirect benefits of the proposed change. See Table 1a. There are approximately 45 facilities located throughout the state that could potentially use this substance, 19 of which are small businesses. In addition to reviewing the CEDS database, DEQ Office of Air Compliance staff contacted each facility on a personal basis and verified that no facilities are currently using this substance. As discussed in Table 1a, switching to this substance as a replacement for more polluting substances may enable a facility that wishes to expand operations to avoid new source review permitting if it reduces its VOC emissions below applicability levels.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits

	(a) None.	(b) None.
(3) Other Costs & Benefits (Non-Monetized)	None.	
(4) Alternatives	None.	
(5) Information Sources	DEQ's Comprehensive Emissions Data System (CEDDS), DEQ Office of Air Compliance; EPA Rulemaking Docket	

Changes to Number of Regulatory Requirements

None.