

Office of Regulatory Management
Economic Review Form

Agency name	State Air Pollution Control Board
Virginia Administrative Code (VAC) Chapter citation(s)	9VAC5-80-1105 of Article 6 (9VAC5-80-1000 et seq.) of 9VAC5-80
VAC Chapter title(s)	Permits for Stationary Sources
Action title	Amend existing regulation to modify the exemption for agricultural use incinerators (Rev. A25)
Date this document prepared	3/24/2025
Regulatory Stage (including Issuance of Guidance Documents)	Final exempt

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>This amendment is being made to be consistent with state law. This amendment expands the agricultural exemption from air permitting to include bovine incinerators. Currently poultry and swine incinerators qualify for the agricultural exemption.</p> <p>Direct Costs:</p> <p>There are approximately 23,000 beef producers in the Commonwealth. The extent of direct costs to a facility will depend on whether or not a facility opts to purchase, operate and maintain an incinerator for managing bovine mortality. DEQ’s preference for environmentally sound management of routine animal mortality in Virginia is as follows:</p> <ol style="list-style-type: none"> 1. Rendering 2. On-site Composting at the Farm of Generation 3. Off-site Concentrated or Commercial Composting 4. Incineration at Permitted Facility with Air Pollution Control Equipment 5. Disposal in a Permitted Sanitary Landfill 6. On-Site Burial at the Farm of Generation <p>Any of these options may potentially be more cost effective than incineration; ultimately, each facility will need to determine what process best suits its business needs.</p> <p>Emergency or mass animal mortality resulting from animal disease requires more stringent biosecurity protocols and additional coordination with United States Department of Agriculture (USDA) Animal and Plant Health Inspection Service, the Virginia Department of Agriculture and Consumer Services (VDACS), and the State Veterinarian. DEQ and the USDA Natural Resources Conservation Service have also identified other management options for potential emergency depopulation or mortality events in non-disease scenarios, such as storm events or supply chain interruptions due to the effects of COVID-19 on meat processing plants. Under these circumstances, incineration may be the preferred option in terms of efficiency and protecting human health.</p> <p>The cost of a bovine incinerator will depend on its size and how often it is used. Bovine incinerators range in cost from \$2,000 to \$10,100. The Virginia cattle and calf inventory for January 1, 2024 was estimated at 1.32 million head according to the Virginia Field Office of the USDA’s National Agricultural Statistics Service. Because the types and sizes of farming operations, and</p>
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	<p>the varieties and ages of the animals farmed are so variable, a general mortality rate cannot be determined.</p> <p>Avoidance of minor new source review (NSR) permitting will entail savings of permit application fees of \$4,116 for an original permit and \$1,373 for amendments to the permit.</p> <p>No bovine incinerators with a DEQ permit are currently known to be operating in the state. Note that there are currently about 110 poultry/swine incinerators operating in Virginia that have water quality permits, and about 3 poultry/swine incinerators with air quality permits.</p> <p>Indirect Costs: There is a potential indirect cost in that increased use of incinerators without pollution controls will result in an increase in air pollution--particulate matter, oxides of nitrogen and carbon monoxide--which is detrimental to public health and welfare. Reductions to emissions from other sectors may be needed to offset any increases to emissions from bovine incinerators</p> <p>Direct Benefits: A potential direct benefit of the regulatory action is that it will provide those in the agriculture industry greater flexibility in selecting options for managing animal mortality. Manufacturers and retail distributors of incineration equipment may also benefit from potential increased sales. There are currently no known manufacturers of agricultural incinerators in Virginia.</p> <p>Indirect Benefits: No indirect benefits have been identified as a result of this regulatory action.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None identified.	(b) Direct benefit - costs savings of \$4,116 to each individual bovine incinerator operator.
(3) Net Monetized Benefit	None identified.	
(4) Other Costs & Benefits (Non-Monetized)	None identified.	
(5) Information Sources	Virginia Department of Environmental Quality, Virginia Department of Agriculture and Consumer Services, Virginia Beef Council, U.S. Department of Agriculture	

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>This regulatory amendment is in response to state law where no agency discretion is involved. Retaining the status quo is not an option.</p> <p>Direct Costs: The regulations would be inconsistent with state law.</p> <p>Indirect Costs: N/A</p> <p>Direct Benefits: N/A</p> <p>Indirect Benefits: N/A</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None identified.	(b) None identified.
(3) Net Monetized Benefit	None identified.	
(4) Other Costs & Benefits (Non-Monetized)	None identified.	
(5) Information Sources	See Table 1a.	

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

This action is mandated by state statute. There are no alternative approaches.

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)	<p>This amendment expands the existing agricultural air permitting exemption.</p> <p>Direct Costs: No direct costs specific to local partners are associated with the regulation amendments.</p>
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	<p>Indirect Costs: No indirect costs specific to local partners are associated with the regulation amendments.</p> <p>Direct Benefits: No direct benefits specific to local partners are associated with the regulation amendments.</p> <p>Indirect Benefits: No indirect benefits specific to local partners are associated with the regulation amendments.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None identified.	(b) None identified.
(3) Other Costs & Benefits (Non-Monetized)	None identified.	
(4) Assistance	None identified.	
(5) Information Sources	See Table 1a.	

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)	<p>Direct Costs: No direct costs specific to families are associated with the regulation.</p> <p>Indirect Costs: There may be an indirect cost to families associated with any increases in air pollution.</p> <p>Direct Benefits: Direct benefits to families may be realized as described in Table 1a.</p>
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	<p>Indirect Benefits: No indirect benefits to families are anticipated as a result of this regulatory action.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None identified.	(b) None identified.
(3) Other Costs & Benefits (Non-Monetized)	None identified.	
(4) Information Sources	See Table 1a.	

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)	<p>Direct Costs: See Table 1a. There are approximately 23,000 farms that raise cattle in the Commonwealth. It is reasonable to assume that there are likely small businesses involved in this industry. Because any farm regardless of size may elect to purchase an incinerator should it be a cost-effective option, no disproportionate impacts are anticipated.</p> <p>Indirect Costs: See Table 1a.</p> <p>Direct Benefits: See Table 1a.</p> <p>Indirect Benefits: No indirect benefits have been identified as a result of this regulatory action.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None identified.	(b) None identified.

(3) Other Costs & Benefits (Non-Monetized)	None identified.
(4) Alternatives	None identified.
(5) Information Sources	See Table 1a.

Changes to Number of Regulatory Requirements

Table 5: Regulatory Reduction

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

Change in Regulatory Requirements

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
9VAC5-80-1105	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	0	0	0
Grand Total of Changes in Requirements:					(M/A): 0 (D/A): 0 (M/R): 0 (D/R): 0

Key:

Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:

(M/A): Mandatory requirements mandated by federal and/or state statute affecting the agency itself

(D/A): Discretionary requirements affecting agency itself

(M/R): Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

(D/R): Discretionary requirements affecting external parties, including other agencies

Cost Reductions or Increases (if applicable)

VAC Section(s) Involved*	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases
9VAC5-80-	Adding exemption for bovine incinerators from requirement to obtain an air permit	Permit fee of \$4,116	\$0	\$4,116 per permit

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved*	Description of Regulatory Change	Overview of How It Reduces or Increases Regulatory Burden
9VAC5-80-1105	Adding exemption for bovine incinerators to air permit exemption for poultry and swine incinerators.	Exempts bovine incinerators from the requirement to obtain an air permit.

Length of Guidance Documents (only applicable if guidance document is being revised)

Title of Guidance Document	Original Word Count	New Word Count	Net Change in Word Count
N/A			

*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).