

Office of Regulatory Management
Economic Review Form

Agency name	Department of Environmental Quality
Virginia Administrative Code (VAC) Chapter citation(s)	9VAC5-80 and 9VAC5-540
VAC Chapter title(s)	9VAC5-80, Permits for Stationary Sources; 9VAC5-540, Emergency Generator General Permit
Action title	Amend existing regulations regarding the use of emergency generators at certain military installations (Rev. B25)
Date this document prepared	5/19/2025
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>These amendments are being made to be consistent with state law. These amendments enable certain military facilities to use emergency generators for non-emergency purposes under certain circumstances.</p> <p>Direct Costs: There are no direct costs to military institutions associated with this regulatory action. Military installations will be able to utilize emergency generators in lieu of renting portable generators on a temporary basis during periods of routine maintenance; nevertheless, they remain subject to federal standards for those types of small engines, and certain parties must certify the mission-critical status of the project to DEQ.</p> <p>Indirect Costs: There is an potential indirect cost in that increased use of generators may result in an increase in air pollution--particulate matter, oxides of nitrogen, 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 emergency generators being utilized for non-emergency purposes.</p> <p>Direct Benefits: A potential direct benefit of the regulatory action is that it will provide military installations greater flexibility in selecting options for managing energy needs under certain circumstances. On military bases throughout the state in general, there are approximately 700-1000 emergency generator units.</p> <p>Although it is impossible to predict when and how the every military installation would find the need to operate these units on a non-emergency basis, it is possible to make a rough estimate: assuming that it may seek the designation for 20-50% of its units, this would equate to a total of between approximately 200-600 affected units.</p> <p>Indirect Benefits: No indirect benefits have been identified as a result of this regulatory action.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & Indirect Benefits</p>
	<p>(a) None identified.</p>	<p>(b) None identified.</p>
<p>(3) Net Monetized Benefit</p>	<p>None identified.</p>	

(4) Other Costs & Benefits (Non-Monetized)	None identified.
(5) Information Sources	Virginia Department of Environmental Quality Comprehensive Environmental Database (CEDS), affected entities

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: No direct costs would be experienced if the regulation amendments were not adopted.</p> <p>Indirect Costs: There may be a theoretical indirect cost to a facility if its best option for managing energy use was to utilize emergency generators but the costs of permitting, maintaining the equipment and purchasing fuel would be too great.</p> <p>Direct Benefits: The direct benefits described in Table 1a would not be realized if the regulation was not adopted.</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) 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>These amendments are being made to be consistent with state law. These amendments enable certain military facilities to use emergency generators for non-emergency purposes under certain circumstances.</p> <p>Direct Costs: No direct costs specific to local partners are associated with the regulation amendments.</p> <p>Indirect Costs: There may be indirect costs specific to local partners associated with any increases in air pollution.</p> <p>Direct Benefits: Direct benefits to local partners may be realized as described in Table 1a.</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 amendments.</p> <p>Indirect Costs:</p>
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	<p>There may be an indirect cost to families associated with any increases in air pollution.</p> <p>Direct Benefits: No direct benefits specific to families are associated with the regulation amendments.</p> <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: To date, military installations have relied on the rental of small, portable generators to meet energy needs during maintenance periods when base power must be temporarily shut down. While relying on existing emergency generators to meet this need may provide a cost savings to the military facility, the providers of the temporary generators will lose this business. DEQ has been unable to quantify any specific population of small businesses that may potentially be affected by the regulation amendments, although it is reasonable to assume that some small businesses may potentially lose some of their military rental business.</p> <p>Indirect Costs: There are no indirect costs to small businesses associated with this regulatory action.</p> <p>Direct Benefits: There are no direct benefits to small businesses associated with this regulatory action.</p> <p>Indirect Benefits: There are no indirect benefits to small businesses associated with this regulatory action.</p>
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(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
9VAC5-80-1111	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	0	0	0
9VAC5-540-20	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	0	0	0
9VAC5-540-40	(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
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N/A				

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
N/A		

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).