

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	State Water Control Board
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	9VAC25-151
<b>VAC Chapter title(s)</b>	Virginia Pollutant Discharge Elimination System (VPDES) General Permit Regulation for Discharges of Stormwater Associated with Industrial Activity
<b>Action title</b>	Proposed 2024 Amendment and Reissuance of the VPDES Industrial Stormwater General Permit Regulation
<b>Date this document prepared</b>	February 9, 2023
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	Proposed

**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.

VPDES general permit regulations expire every 5 years and must be re-issued in order for permit coverage to be available to new permittees and existing permittees that do not submit a registration statement in a timely manner. If the general permit is not re-issued, the regulated community will need to obtain an individual permit to conduct the regulated activity. For this reason, the costs associated with obtaining an individual permit are compared with the costs associated with general permit coverage. General permits provide the regulated community with a streamlined, less burdensome approach to obtain coverage for conducting a specific regulated activity. As of February 2023, 1235 industrial facilities have obtained coverage under this statewide general permit.

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

<p>(1) Direct &amp; Indirect Costs &amp; Benefits (Monetized)</p>	<p>Presently there are 1,235 regulated entities covered by this general permit. Reissuance of this general permit allows new entities to be able to obtain coverage for conducting this regulated activity.</p> <p>New requirements resulting from proposed regulatory changes are very limited and include:</p> <ul style="list-style-type: none"> <li>• Clarified that primary airports are eligible for coverage under Sector AD of this permit and added an “Airport Deicing Operations” condition to address such operations.</li> <li>• Updated benchmark monitoring parameters (two removed)</li> <li>• Consolidated Chesapeake Bay TMDL compliance requirements</li> </ul> <p>Direct Costs: No increase in direct economic cost to regulated entities expected due to the above changes.</p> <p>Indirect Costs: No increase in indirect costs to regulated entities expected due to the above changes.</p> <p>Direct Benefits: The re-issuance of this general permit provides the regulated community with a streamlined, less burdensome approach to obtaining coverage for conducting specific regulated activities. Primary airports, in particular, will benefit from eligibility for coverage. Further, there are potential cost savings (reduced monitoring/sampling costs) for regulated entities that were previously required to sample for the benchmarks that are proposed to be removed from the regulation. Regulating discharges of pollutants to state waters results in cleaner waters for public water supplies, fishing, and recreational uses.</p> <p>Indirect Benefits: The reissuance of the general permit may indirectly benefit economic development because it allows for the issuance of a general permit that is protective of human health and the environment that is less burdensome on the regulated community than an Individual VPDES permit. Regulating discharges into state waters benefits tourism and the seafood industry. Cleaner waters may also increase tourism related to recreational uses of state waters.</p>
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(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) Unable to be quantified.	(b) Unable to be quantified.
(3) Net Monetized Benefit	Unknown	
(4) Other Costs & Benefits (Non-Monetized)	n/a	
(5) Information Sources		

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Available general cost and benefit data concerning permit fees is provided in Table 1.c. Given the general character of this data, it would also be applicable to the general permit under the status quo (i.e., no change to the regulation).</p> <p>In terms of industrial stormwater costs generally, EPA estimated the average annual cost of complying with the 2015 MSGP is around \$2,752 for new facilities and \$2,199 for existing facilities. EPA also found that the requirements of the 2015 MSGP are economically practicable under BPT criteria and economically achievable under BAT criteria. (U.S. Environmental Protection Agency 2015 Multi-Sector General Permit for Stormwater Discharges Associated with Industrial Activity (MSGP) – Fact Sheet, pages 20-21). General permits impose lower administrative costs on permittees compared with individual permits. (See, Table 1.c).</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) estimates direct costs based on EPA data range from \$2199 to \$2752. See information in table 1c concerning permit fees.	(b) Unable to be quantified. See information in table 1c concerning permit fees.
(3) Net Monetized Benefit	General permit coverage reduces permit fees to a permit holder by \$18,515 per 5-year permit term.	

(4) Other Costs & Benefits (Non-Monetized)	General permits reduce the administrative burden on the agency and the applicant by simplifying the permitting process for entities that conduct similar activities while still protecting human health and the environment.
(5) Information Sources	See table 1c U.S. Environmental Protection Agency 2015 Multi-Sector General Permit for Stormwater Discharges Associated with Industrial Activity (MSGP) – Fact Sheet <a href="https://www.epa.gov/sites/default/files/2015-10/documents/msgp2015_fs.pdf">https://www.epa.gov/sites/default/files/2015-10/documents/msgp2015_fs.pdf</a>

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Point source discharges of pollutants and industrial stormwater from industrial activities must be authorized by a VPDES permit under the CWA and State Water Control Law. Thus, no non-regulatory options were determined to be available.</p> <p>Regulating activities through the issuance of general permit regulations is an alternative streamlined approach that is used to regulate entities that conduct similar activities. Regulating activities through the issuance of general permit regulations is an alternative streamlined approach that is used to regulate entities that conduct similar activities. If the general permit regulation did not exist, individual permits would be required to be obtained for these regulated activities. A benefit of this general permit is its lower cost to permittees relative to the cost of obtaining an individual permit. The permit fee for operators to obtain coverage under this general permit is \$500. If this general permit were not available, these operators would be required to obtain an individual VPDES permit, and the initial application fee would be \$7,200 (assumes VPDES Industrial Stormwater). An annual permit maintenance fee of \$2,363 would also apply (total of \$11,815 per permittee/ 5-year permit term). This does not account for the longer lead time to obtain an individual permit and the increased burden on DEQ staff resources that would result.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$7,200 for initial Individual Permit coverage. \$2,363 annual maintenance fee. Total: \$19,015 per 5-year permit term.	(b) The registration fee for general permit coverage is \$500 for the 5-year permit term.

(3) Net Monetized Benefit	General permit coverage reduces permit fees to a permit holder by \$18,515 per 5-year permit term
(4) Other Costs & Benefits (Non-Monetized)	General permits reduce the administrative burden on the agency and the applicant by simplifying the permitting process for entities that conduct similar activities while still protecting human health and the environment.
(5) Information Sources	<p>9VAC25-20-110. Fee schedules for individual VPDES and VPA new permit issuance, and individual VWP, SWW, and GWW new permit issuance and existing permit reissuance.</p> <p>9VAC25-20-130. Fees for filing registration statements or applications for general permits issued by the board.</p> <p>9VAC25-20-142. Permit maintenance fees.</p>

### **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)	No costs or benefit impacts on local partners are expected due to the limited extent of changes being made to the general permit regulation. General permits provide the regulated community with a streamlined, less burdensome approach to obtain coverage for conducting a specific regulated activity. Without this general permit regulation, an individual permit would be required to conduct the regulated activity.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) n/a	(b) n/a
(3) Other Costs & Benefits (Non-Monetized)	n/a	
(4) Assistance	n/a	
(5) Information Sources	n/a	

**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)	No costs or benefit impacts on families are expected due to the limited extent of change being made to the general permit regulation. Single family residences do not typically conduct an activity that would be regulated by this general permit.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) n/a	(b) n/a
(3) Other Costs & Benefits (Non-Monetized)	Families could potentially benefit from industry’s use of general permits. If this general permit did not exist, individual permits would be required for these activities, and the additional costs would likely be passed on to consumers, which would potentially include families.	
(4) Information Sources	<p>9VAC25-20-110. Fee schedules for individual VPDES and VPA new permit issuance, and individual VWP, SWW, and GWW new permit issuance and existing permit reissuance.</p> <p>9VAC25-20-130. Fees for filing registration statements or applications for general permits issued by the board.</p> <p>9VAC25-20-142. Permit maintenance fees.</p>	

**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)	No costs or benefit impacts on small businesses are expected due to the limited extent of change being made to the general permit regulation. General permits provide the regulated community with a streamlined, less burdensome approach to obtain coverage for conducting a specific regulated activity. Without this general permit regulation, an individual permit would be required to conduct the regulated activity.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) n/a	(b) n/a

(3) Other Costs & Benefits (Non-Monetized)	No costs or benefit impacts on small businesses are expected due to the limited extent of changes being made to the general permit regulation. If this general permit did not exist, individual permits and their associated fees and application process would be required for these activities,
(4) Alternatives	n/a
(5) Information Sources	n/a

**Changes to Number of Regulatory Requirements**

*For each individual VAC Chapter amended, repealed, or promulgated by this regulatory action, list (a) the initial requirement count, (b) the count of requirements that this regulatory package is adding, (c) the count of requirements that this regulatory package is reducing, (d) the net change in the number of requirements. This count should be based upon the text as written when this stage was presented for executive branch review. Five rows have been provided, add or delete rows as needed. In the last row, indicate the total number for each column.*

**Table 5: Total Number of Requirements**

Chapter number	Number of Requirements			
	Initial Count	Additions	Subtractions	Net Change
9VAC25-151-60	5	0	0	0
9VAC25-151-70	137	0	17	-17
9VAC25-151-80	37	0	0	0
9VAC25-151-90	6	0	0	0
9VAC25-151-100	1	0	0	0
9VAC25-151-110	2	0	0	0
9VAC25-151-120	2	0	0	0
9VAC25-151-130	4	0	0	0
9VAC25-151-140	1	0	0	0
9VAC25-151-150	21	0	0	0
9VAC25-151-160	9	0	0	0
9VAC25-151-180	3	0	0	0



9VAC25-151-190	9	0	0	0
9VAC25-151-200	9	0	0	0
9VAC25-151-210	24	0	0	0
9VAC25-151-220	26	0	1	-1
9VAC25-151-240	9	0	0	0
9VAC25-151-280	2	0	0	0
9VAC25-151-320	4	0	0	0
9VAC25-151-340	1	0	0	0
9VAC25-151-350	2	0	0	0
9VAC25-151-370	1	0	0	0
9VAC25-151-380	0	0	0	0
9VAC25-151-390	1	0	0	0
9VAC25-151-400	0	16 <sup>1</sup>	0	+16
Total	316	16	18	-2

<sup>1</sup> A condition with 16 requirements was removed from Section 9VAC25-151-70 and placed into a new Section 9VAC25-151-400.