

Economic Impact Analysis Virginia Department of Planning and Budget

9 VAC 25-720 – Water Quality Management Planning Public Participation Guidelines Regulation State Water Control Board August 17, 2001

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 9-6.14:7.1.G of the Administrative Process Act and Executive Order Number 25 (98). Section 9-6.14:7.1.G requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. The analysis presented below represents DPB's best estimate of these economic impacts.

Summary of the Proposed Regulation

The proposed amendments establish procedures for notifying the public concerning opportunities for participation in the development of total maximum daily loads, wasteload allocations, the list of impaired waters, and water quality implementation plans. The proposed changes will also repeal existing water quality management plans which are adopted as state regulations and serve as repositories for total maximum daily loads (TMDLs), water quality based effluent limits, and recommended pollution control measures.

Estimated Economic Impact

Currently, there are 18 water quality management plans that have been adopted as regulations.¹ Any amendments to these regulations have to go through the regulatory process, which takes about 18 months and provides an opportunity for the public to comment. The

¹ These are 9 VAC 25-420, 430,440, 450, 452, 460, 470, 480, 490, 500, 510, 520, 530, 540, 550, 560, 570, and 572.

requirements of the regulatory process make it difficult to incorporate the most recent changes into water quality management plans on a regular basis. According to the Department of Environmental Quality (the agency), water quality management plans in the regulations no longer reflect current conditions including wasteload allocations, new dischargers, the list of impaired waters, and locations of monitoring stations. The most recent conditions are incorporated into the point source permits. However, the discrepancy between the conditions in the water quality management plans as regulations and the permits may potentially cause enforcement and litigation problems.

The proposed action will remove the water quality management plans from the Virginia Administrative Code and establish public participation guidelines in their development. The public and stakeholders will be provided an opportunity to participate in the TMDL development, wasteload allocations, defining impaired waters, and implementation plans. The economic value of public participation is difficult to measure. However, the decision making process is improved if individuals, especially those who will be affected by the decision, are allowed to have input. The voluntary nature of participation in the plans to achieve pollutant reductions adds to the value of public participation. The opportunity for the public to participate on substantive matters that will be provided under the proposed regulations is more than what is provided in the current process. For example, the proposed regulations will require at least two public notices and two public meetings for TMDLs while currently only a single public notice is required. This may increase the costs by a small amount. However, the additional benefits from the improved decision-making process should outweigh the additional cost of providing the forum for public participation.

There are no federal or state statutory requirements for the plans to be regulations. Consistent with this fact, the Commonwealth is the only state in region III 2 that includes water quality plans in the regulations.³

Overall, the proposed amendments are expected to enable the plans to be updated more frequently and to be more consistent with changes in TMDLs and permits, increase public participation, and eliminate unnecessary and outdated regulations.

² The Environmental Protection Agency region III includes Virginia, Maryland, Pennsylvania, West Virginia, District of Columbia, and Delaware.

³ Source: The Department of Environmental Quality.

Businesses and Entities Affected

The proposed regulations could potentially affect any individual interested in the development of water quality management plans. According to the agency, those most likely to be affected are the agency itself and at least 28 Virginia pollution discharge elimination permit holders that discharge into impaired and non-impaired waters where a multiple discharger wasteload allocation study is expected to be prepared.

Localities Particularly Affected

The proposed regulations apply throughout the Commonwealth.

Projected Impact on Employment

No significant impact on employment is expected.

Effects on the Use and Value of Private Property

The proposed changes are not expected to have a significant impact on the use and value of private property.