

EXHIBIT G

ECONOMIC IMPACT/ ENVIRONMENTAL BENEFIT ANALYSIS

**ARKANSAS POLLUTION CONTROL & ECOLOGY COMMISSION
ECONOMIC IMPACT/ENVIRONMENTAL BENEFIT ANALYSIS**

Rule Number & Title: APC&EC Regulation No. 2: Regulation Establishing Water Quality Standards for Surface Water of the State of Arkansas

Petitioners: Tyson Foods, Inc. – Waldron Plant

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Analysis Prepared by: Allan Gates and Jordan Wimpy, counsel for Tyson Foods, Inc.

Date Analysis Prepared: December 31, 2018

2A. ECONOMIC IMPACT

1. Who will be affected economically by this proposed rule? State: a) the specific public and/or private entities affected by this rulemaking, indicating for each category if it is a positive or negative economic effect; and b) provide the estimated number of entities affected by this proposed rule.

Only Tyson Foods, Inc. – Waldron Plant is affected by this proposed rule. The effect on the facility is positive.

Sources and Assumptions: *Section 2.306 Site Specific Water Quality Study, Tyson Foods, Inc. Waldron (Rev. 3 December 2018)*, attached as Exhibit B to the Second Amended Petition to Initiate Third-Party Rulemaking.

2. What are the economic effects of the proposed rule? State: The estimated increased or decreased cost for an average facility to implement the proposed rule; and 2) the estimated total cost to implement the rule.

There are no negative economic effects of the proposed rule. Adoption of the proposed rule will allow the Tyson – Waldron Facility to reliably and sustainably operate as designed in compliance with its NPDES Permit through the site-specific modification of the total dissolved solids criteria for the affected segments of the Unnamed Tributary and the Poteau River. Adoption of the rule will enable the Tyson – Waldron Facility to further adjust its treatment system at a cost savings of nearly \$80,000/year. The change will also allow the Tyson – Waldron Facility to implement standard, company-wide water conservation practices that will save 70.2 MG of water/year, with an estimated savings of just over \$573,000/year.

Sources and Assumptions: *Section 2.306 Site Specific Water Quality Study, Tyson Foods, Inc. Waldron (Rev. 3 December 2018)*, attached as Exhibit B to the Second Amended Petition to Initiate Third-Party Rulemaking.

3. List any fee changes imposed by this proposal and justification for each.

None

4. What is the probable cost to ADEQ in manpower and associated resources to implement and enforce this proposed change, and what is the source of revenue supporting this proposed rule.

None

5. Is there a known beneficial or adverse impact to any other relevant state agency to implement or enforce this proposed rule? Is there any other relevant state agency's rule that could adequately address this issue, or is this proposed rulemaking in conflict with or have any nexus to any other relevant state agency's rule? Identify the state agency and/or rule.

There is no known impact to another state agency. There is no other state agency's rule that could address the proposed change to APC&EC Regulation No. 2. This rulemaking is not in conflict with and does not have any nexus to any other relevant agency's rule.

6. Are there any less costly, non-regulatory, or less intrusive methods that would achieve the same purpose of this proposed rule?

No

2B. ENVIRONMENTAL BENEFIT

1. What issues affecting the environment are addressed by this proposal?

The proposed rule will facilitate the Tyson Foods, Inc. – Waldron Facility's ability to reliably and sustainably operate in compliance with its NPDES Permit, while continuing to protect the aquatic life designated uses of the affected stream segments.

2. How does this proposed rule protect, enhance, or restore the natural environment for the well being of all Arkansas?

The Site Specific Water Quality Study supporting Tyson's requested site-specific modification established that the requested changes will be protective of, and have no adverse effect on, the aquatic life communities in the affected streams. Toxicity testing using the Tyson – Waldron Facility's effluent showed no significant lethal or sub-lethal toxicity in the test organisms.

Adoption of the proposed rule will also enable Tyson to implement water conservation practices that will save/conservate an estimated 70.2 MG of surface water from the Kings Creek-Petit Jean River Watershed. The 10-20% reduction in water discharge flow will also yield a proportional 10-20% reduction in total phosphorous to the Poteau River. The Poteau River is an Arkansas Priority Watershed with phosphorous identified as a key concern.

Sources and Assumptions: *Section 2.306 Site Specific Water Quality Study, Tyson Foods, Inc. Waldron (Rev. 3 December 2018)*, attached as Exhibit B to the Second Amended Petition to Initiate Third-Party Rulemaking.

3. What detrimental effect will there be to the environment or to the public health and safety if this proposed rule is not implemented?

None

4. What risks are addressed by the proposal and to what extent are the risks anticipated to be reduced?

The risks addressed by this proposed rule include: the reliable and sustainable operation of the Tyson Foods, Inc. – Waldron Facility; the continued protection of all designated uses of the affected stream segments; and, the continued protection of aquatic life communities in the Unnamed Tributary and the Poteau River. Under this proposed rule the risks are substantially eliminated.