

EXHIBIT D

ARKANSAS POLLUTION CONTROL & ECOLOGY COMMISSION

ECONOMIC IMPACT/ENVIRONMENTAL BENEFIT ANALYSIS

Rule Number & Title: Regulation No. 5, Liquid Animal Waste Management Systems

Petitioner: The Ozark Society and the Arkansas Public Policy Panel

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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.

a) This rule does not impact specific, existing facilities negatively. The rule will provide a general positive economic benefit by protecting the tourism and recreation economy around the Buffalo River.

b) 0.

Sources and Assumptions: *The draft regulation to which this statement is attached.*

2. What are the economic effects of the proposed rule? State: 1) 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.

1) This rule will not result in any change in costs to existing facilities.

2) The proposed change requires no implementation costs.

Sources and Assumptions: *The draft regulation to which this statement is attached.*

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. No revenue source is needed.

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 state agency and/or rule.

None.

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?

A prohibition against new permits pursuant to Regulation No. 5 for the operation of a certain, defined size of swine confined animal operations in the Buffalo National River Watershed will result in a positive environmental benefit to that watershed by reducing nutrient loading and preventing pollution from such facilities.

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

The rule protects the Buffalo National River, a high-quality, Tier-III, Extraordinary Resource Water.

Sources and Assumptions: *APCEC Regulation 2.*

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

Failure to adopt this rule allows the potential for new swine confined animal operations of certain, defined size in the Buffalo National River Watershed, thus further endangering the river's water quality and the public's perception of this important resource. The rule will halt any odor or human health threats posed by additional swine confined animal operations of a certain, defined size.

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

Risk addressed by the proposal: The rule will eliminate the risk of increased nutrient loading, catastrophic releases from waste ponds, bacterial contamination from swine waste, and other pollution from facilities not permitted as of the effective date of this proposed regulation. The Buffalo National River Watershed is located largely on top of Karst topography, which presents a particular risk for groundwater contamination and transport from the land application of swine wastes.