

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

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

Petitioner: Arkansas Department of Environmental Quality, Water Division

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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.

Any facility with a liquid animal waste management system is subject to the requirements of Regulation No. 5. Currently, ADEQ permits approximately 300 facilities under this regulation. All of those facilities would benefit from the change in the education requirements. Those facilities that are permitted under the NPDES CAFO permitting program would benefit from the exemption from regulation under Regulation No. 5. ADEQ estimates that ten (10) or fewer facilities may qualify for this exemption.

Sources and Assumptions:

Information for the number of reserve pits and number of companies was taken from the Permit Database and the ADEQ Permit Data Summary (PDS) program.

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.

Those facilities that will be exempt from the regulation because they have been permitted under the NPDES CAFO permitting program will not have to pay an additional \$200 permit fee for the Regulation No. 5 permit. The CAFO permit fee is also \$200; therefore, the facility will not be required to pay an increased fee, if they choose to be permitted under the NPDES program.

Exhibit E

Sources and Assumptions:

APC&EC Regulation No. 9, Fee Regulation.

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

No fee changes are imposed by the proposal.

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?

There will be no increased cost to ADEQ in terms of manpower or associated resource to implement the proposed change.

Sources and Assumptions:

Under the exemption, a facility will be permitted under either the NPDES CAFO permitting program or a Regulation No. 5 permit. As most CAFOs will be permitted under a general permit, there may even be a reduction in manpower and associated resources needed to process those permits.

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.

There is no known beneficial or adverse impact to any other relevant state agency.

Sources and Assumptions:

Not applicable

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

This proposed rule exempts certain entities from the requirements of this regulation. Therefore, no other methods are appropriate.

Sources and Assumptions:

Not applicable

2B. ENVIRONMENTAL BENEFIT

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

This regulation addresses liquid animal waste management. Under the exemption, waste management will be addressed under the NPDES permitting program instead of Regulation No. 5.

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

This proposed rule essentially continues current levels of protection by addressing pollution concerns from liquid animal waste. However, the exemption allows some flexibility to the farmer in which permit to choose.

Sources and Assumptions:

ARG590000, NPDES General Permit for CAFOs.

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

There will be no detrimental effect to the environmental or public health and safety if this proposed rule is not implemented. However, without the exemption, farmers may be subject to duplicative permitting requirements

Sources and Assumptions:

ARG590000, NPDES General Permit for CAFOs.

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

The risks addressed by the proposal are to the regulated entity, not necessarily the environment. However, duplicative permitting requirements might discourage compliance with the law.

Sources and assumptions:

ARG590000, NPDES General Permit for CAFOs.