

Exhibit E:

Economic Impact/

Environmental Benefit Analysis

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

Rule Number & Title: Regulation 6 – Regulations for Implementation of the National Pollutant Discharge Elimination System (NPDES)

Petitioner: Arkansas Department of Environmental Quality, Water Division

Contact/Phone/Electronic mail: Caleb Osborne
(501) 682-0655
osbornec@adeq.state.ar.us

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.

Incorporation of the revisions to 40 C.F.R. §§ 136,122, 123, 127, and 125 will keep the regulations consistent with federal rules in order to properly implement the NPDES program. Incorporating the federal rules will not have an economic effect. Incorporating changes made by the Arkansas General Assembly in Act 575 and 94 of 2015 will make state law and regulations consistent. The changes to the regulation based on state law are expected to have a positive economic effect on businesses because they will not be required to maintain individual financial assurance for each facility. Other clarifications were made to various sections of Regulation 6.

Sources and Assumptions: Permitted facilities already comply with the requirements of the revised federal rules, and the change from individual financial assurance to a trust fund will be less burdensome on businesses.

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.

There will be no change in costs for facilities to incorporate the revised federal rules. Nonmunicipal domestic sewage treatment works permittees will see a reduction in costs for financial assurance by transitioning to the Trust Fund. Fees collected for the trust fund may not exceed \$200 for no discharge permits or \$1,000 for discharge permits.

Sources and Assumptions: Act 575 of 2015 specifies maximum annual trust fund contributions.

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?*

No additional costs to ADEQ are anticipated.

Sources and Assumptions: N/A

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.

Sources and Assumptions: N/A

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

No.

Sources and Assumptions: N/A

2B. ENVIRONMENTAL BENEFIT

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

None.

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

The proposed rule change incorporates revisions to 40 C.F.R. §§ 136 and 122, which will keep the regulations consistent with federal rules in order to properly implement the NPDES program. The changes to the financial assurance provisions of the regulation incorporate state law. The proposed changes do not change the current level of protection of the environment.

Sources and Assumptions: N/A

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.

Sources and Assumptions: N/A

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

None.

Sources and assumptions: N/A