

**EXHIBIT E:**

**ENVIRONMENTAL IMPACT/ECONOMIC  
BENEFIT ANALYSIS**

# ARKANSAS POLLUTION CONTROL & ECOLOGY COMMISSION

## ECONOMIC IMPACT/ENVIRONMENTAL BENEFIT ANALYSIS

**Rule Number & Title:** Regulation No. 30, Arkansas Remedial Action Trust Fund Hazardous Substances Site Priority List, 2011 Annual Update  
**Petitioner:** ADEQ Hazardous Waste Division  
**Contact/Phone/Electronic mail:** Clyde Rhodes, 682-0831, rhodesc@adeq.state.ar.us  
**Analysis Prepared By:** Tom Ezell, (501) 682-0854  
**Date Analysis Prepared:** October 10, 2011

### STEP 1: DETERMINATION OF ANALYSIS REQUIREMENT

Is the proposed rule exempt from economic impact/environment benefit analysis for one of the following reasons?	YES	NO
▶ The proposed rule incorporates the language of a federal statute or regulation without substantive change		X
▶ The proposed rule incorporates or adopts the language of an Arkansas state statute or regulation without substantive change		X
▶ The proposed rule is limited to matters arising under Regulation No. 8 regarding the rules of practice or procedure before the Commission		X
▶ The proposed rule makes only <i>de minimis</i> changes to existing rules or regulations, such as the correction of typographical errors, or the renumbering of paragraphs or sections; or		X
▶ The proposed rule is an emergency rule that is temporary in duration.		X

**If the proposed rulemaking does not require the following Analysis due to one or more of the exemptions listed above, state in the Petition to Initiate Rulemaking which exemptions apply, and explain specifically why each is applicable.**

### **RULE SUMMARY:**

Ark. Code Ann. § 8.7.509(f)(1) requires the Department to annually update the state priority list of hazardous substance sites eligible for investigation and remedial actions through use of moneys from the Remedial Action Trust Fund. ADEQ is explicitly required by this state statute to update Regulation No. 30 at least annually. This revision to Regulation No. 30 accomplishes the annual update to the priority lists for hazardous substance sites where the Pollution Control & Ecology Commission has authorized expenditures from the Remedial Action Trust Fund for investigation, cleanup, and long term maintenance in order to eliminate or mitigate unacceptable risks to human health or the environment from hazardous substance contamination at the listed sites. This revision does not have a corresponding federal rule or requirement.

## STEP 2: THE ANALYSIS

### 2A. ECONOMIC IMPACT

#### 1. Who will be affected economically by this proposed rule?

*State: a) the specific public 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.*

Investigative and remedial action costs for sites listed in Regulation No. 30 are paid from the Arkansas Hazardous Substance Remedial Action Trust Fund, administered by the Arkansas Department of Environmental Quality. Upon completion of remedial actions, the Department has historically sought to recover these costs from the responsible parties, if these parties are still viable.

Public and private businesses, other than responsible or potentially responsible parties for sites list in the Regulation, do not incur any economic costs from the implementation of this regulation.

Sources and Assumptions: N/A

#### 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.*

This proposed revision removes five sites where remedial actions have been completed from the State Priority List, and no additional State funding is necessary at these sites. One additional site is proposed for addition to the List for the purpose of site investigation and characterization and potentially for remediation. Investigative costs for this site may range up to \$300,000, depending on the scope of contamination found, with costs of remediation to be addressed once the degree of contamination and environmental risk is better known.

Sources and Assumptions: N/A

#### 3. List any fee changes imposed by this proposal, and the 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?

ADEQ carries out investigative and remedial action work using current staff and site investigation contractors. Funding is derived from the Hazardous Substance Remedial Action Trust Fund.

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.**

No.

Sources and Assumptions: N/A

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

No.

Sources and Assumptions: N/A

## 2B. ENVIRONMENTAL BENEFIT

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

Specific potential risks at each site are described in the attached site summary reports (Exhibit "G" of the rulemaking packet).

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

By identifying and addressing hazardous substance contamination at each of these sites, necessary actions have been taken to remove or control human exposure to these hazards, to restore or mitigate degradation of the integrity of the environment at each site, and restore these properties to beneficial use. One additional site is proposed for listing in order to evaluate its threat to local groundwater and drinking water resources, seeking to protect the health and well-being of citizens in that community.

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?**

Unacceptable risks to human health or the environment at the sites proposed for delisting have been removed through remedial actions. However, retention of these sites on the State Priority List for abandoned hazardous substance sites would serve as a disincentive for the redevelopment and beneficial use of these properties. In the case of the one site proposed for listing, potential health threats would remain uncharacterized and unaddressed.

Sources and Assumptions: N/A

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

Necessary actions are described in the summary sheet prepared for each site proposed to be added to the State Priority List. (See Exhibit "G" of the rulemaking packet).

Sources and Assumptions: N/A