1. **DESCRIPTION:** The proposed regulations will: (1) update the date of the incorporation by reference for federal regulations from July 1, 2012, to July 1, 2013; (2) add a requirement for the weekly average of 135mg/l TSS for lagoon effluent; and (3) replace the process control testing requirements for public water supply residuals lagoons, which are the same as those for municipal wastewater lagoons, with ones that are narrowly tailored for public water supply residuals lagoons.

The amendments to the federal regulations in 40 CFR 122.3(h), which will be incorporated by reference with this proposed rulemaking, include the removal of the exemption of discharges containing pesticides in certain circumstances from obtaining an NPDES discharge permit. This amendment was made in response to the 2009 6th Circuit Court of Appeals ruling that vacated the Pesticides Rule.

2. **CLASSES OF PERSONS AFFECTED:** The classes of persons affected are municipalities and industries that discharge wastewater under the OPDES program.

3. **CLASSES OF PERSONS WHO WILL BEAR COSTS:** Updating the date of incorporation by reference for federal regulations is not expected to increase any existing operating costs.

The proposed TSS requirement is already in use, but is not explicitly set forth in the regulations. Therefore, there are no anticipated increased costs for including this requirement in the regulations.

The process control testing requirements currently in effect for public water supply residuals lagoons are the same as the municipal wastewater lagoons. Including process control testing requirements narrowly tailored to residuals lagoons will not increase operating costs and, in some instances, may lower operating costs.

4. **INFORMATION ON COST IMPACTS FROM PRIVATE/PUBLIC ENTITIES:** DEQ has not received any information from other public or private entities concerning the cost impacts of the proposed regulations.

5. **CLASSES OF PERSONS BENEFITTED:** Current and future owners and operators of facilities that discharge to waters of the state. See paragraph 3.

6. **PROBABLE ECONOMIC IMPACT ON AFFECTED CLASSES OF PERSONS:** None anticipated. See paragraph 3.
7. **PROBABLE ECONOMIC IMPACT ON POLITICAL SUBDIVISIONS:** None anticipated. See paragraph 3.

8. **POTENTIAL ADVERSE EFFECT ON SMALL BUSINESS:** None anticipated. See Paragraph 3.

9. **LISTING OF ALL FEE CHANGES, INCLUDING A SEPARATE JUSTIFICATION FOR EACH FEE CHANGE:** N/A

10. **PROBABLE COSTS AND BENEFITS TO DEQ TO IMPLEMENT AND ENFORCE:** None anticipated. See paragraph 3.

11. **PROBABLE COSTS AND BENEFITS TO OTHER AGENCIES TO IMPLEMENT AND ENFORCE:** None anticipated.

12. **SOURCE OF REVENUE TO BE USED TO IMPLEMENT AND ENFORCE RULE:** There is no new funding necessary to implement and enforce this rule. Current funding sources include federal grant funds, user fees and general revenue appropriations.

13. **PROJECTED NET LOSS OR GAIN IN REVENUES FOR DEQ AND/OR OTHER AGENCIES, IF IT CAN BE PROJECTED:** None anticipated.

14. **COOPERATION OF POLITICAL SUBDIVISION REQUIRED TO IMPLEMENT OR ENFORCE RULE:** None anticipated.

15. **EXPLANATION OF THE MEASURES THE DEQ TOOK TO MINIMIZE COMPLIANCE COSTS:** N/A

16. **DETERMINATION OF WHETHER THERE ARE LESS COSTLY OR NONREGULATORY OR LESS INTRUSIVE METHODS OF ACHIEVING THE PURPOSE OF THE PROPOSED RULE:** There are no less costly or non-regulatory methods of achieving the purpose of the proposed regulations.

17. **DETERMINATION OF THE EFFECT ON PUBLIC HEALTH, SAFETY AND ENVIRONMENT:** Promulgating these rules will reduce the amount of solids and other pollutants being discharged to waters of the state.

18. **IF THE PROPOSED RULE IS DESIGNED TO REDUCE SIGNIFICANT RISKS TO THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT, EXPLANATION OF THE NATURE OF THE RISK AND TO WHAT EXTENT THE PROPOSED RULE WILL REDUCE THE RISK:** The proposed rules are not designed to reduce significant risks to the public health, safety or environment. See paragraph 17.

19. **DETERMINATION OF ANY DETRIMENTAL EFFECT ON THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT IF THE PROPOSED RULE IS NOT
IMPLEMENTED: If the proposed regulations are not promulgated, there will be a minimal increase in solids and other pollutants being discharged into waters of the state.

20. **PROBABLE QUANTITATIVE AND QUALITATIVE IMPACT ON BUSINESS ENTITIES (INCLUDE QUANTIFIABLE DATA WHERE POSSIBLE):** None anticipated.

**THIS RULE IMPACT STATEMENT WAS PREPARED ON:** September 12, 2013

Amended on September 20, 2013.