1. **DESCRIPTION:** The proposed regulations will: (1) add definitions for “25-year flood,” “100-year flood,” and “CT”; (2) clarify requirements to obtain a permit to supply with regard to the use of reclaimed water within the wastewater treatment plant boundaries pursuant to Category 6; (3) add Best Management Practices for Category 6 uses within a wastewater treatment plant to the minimum Operation and Maintenance Manual requirements; (4) clarify the requirements for surface evaporation lagoons (total retention lagoons); (5) remove requirements for backfill consistency and cover on lined dike slopes; (6) allow the use of top mounted self-priming suction lift pumps in grit chambers; (7) add standards for on-site generation of sodium hypochlorite; (8) add ozone disinfection standards; (9) add membrane filtration to supplemental treatment standards requirements; (10) reserve Category 1 as a future category of reclaimed water; (11) add permitted uses for Category 2 and Category 3 reclaimed water; (12) add Category 6 to the list of categories of reclaimed water; (13) add permitted uses for Category 6 reclaimed water; (14) clarify cautionary language requirements for reclaimed water use from hose bibs and yard hydrants; and (15) other minor clarifications.

2. **CLASSES OF PERSONS AFFECTED:** Those who plan to supply or use reclaimed water, and owners of private and/or publicly owned wastewater treatment works.

3. **CLASSES OF PERSONS WHO WILL BEAR COSTS:** Although, DEQ does not expect an increase in costs as a result of the proposed rulemaking, those who supply reclaimed water or use reclaimed water, and owners of private and/or publicly owned wastewater treatment works would bear the costs, if any. DEQ cannot anticipate the initial capital investment costs to municipalities or entities that choose to supply or use reclaimed water. Such entities will need to perform their own cost-benefit analysis to determine any costs to consumers.

4. **INFORMATION ON COST IMPACTS FROM PRIVATE/PUBLIC ENTITIES:** DEQ has worked with a water reuse stakeholders, which consists of three subcommittees: (a) a technical subcommittee consisting of engineering professionals, (b) a water quality standards subcommittee, and (c) an oil and gas water reuse subcommittee. As such, the cost impacts have been vetted and accepted by the private and public entities affected by the rulemaking. All parties should see a positive cost impact from the proposed regulations.

5. **CLASSES OF PERSONS BENEFITTED:** All citizens of Oklahoma, including private and public entities, will benefit from the proposed rulemaking. Water reuse will conserve...
and protect water resources in the state of Oklahoma. Additionally, the proposed rule provides cost savings to entities planning to supply reclaimed water as well as those who plan to use reclaimed water.

6. **PROBABLE ECONOMIC IMPACT ON AFFECTED CLASSES OF PERSONS:** DEQ anticipates a positive economic impact to those who plan to supply and use reclaimed water. However, any economic impact will likely be offset by the cost savings associated with supplying reclaimed water and replacing potable water with reclaimed water.

7. **PROBABLE ECONOMIC IMPACT ON POLITICAL SUBDIVISIONS:** DEQ cannot anticipate the initial capital investment costs to political subdivisions (e.g., municipalities) that choose to supply or use reclaimed water. Political subdivisions will need to perform its own cost-benefit analysis to determine any economic impact. Any such costs could be offset by the cost savings associated with supplying reclaimed water and replacing potable water with reclaimed water. The addition of new treatment technology will eliminate costs to political subdivisions for engineering/permitting costs associated with submittal of a variance request.

8. **POTENTIAL ADVERSE EFFECT ON SMALL BUSINESS:** The proposed water reuse regulations are voluntary. Updating construction standards will allow for additional treatment options. Therefore, DEQ does not anticipate any adverse economic impact to small businesses.

9. **LISTING OF ALL FEE CHANGES, INCLUDING A SEPARATE JUSTIFICATION FOR EACH FEE CHANGE:** There are no proposed fee changes associated with this rulemaking.

10. **PROBABLE COSTS AND BENEFITS TO DEQ TO IMPLEMENT AND ENFORCE:** There are no anticipated additional costs to DEQ to implement and enforce the proposed rules. The proposed water reuse regulations will help DEQ continue to protect and conserve water resources in the state of Oklahoma.

11. **PROBABLE COSTS AND BENEFITS TO OTHER AGENCIES TO IMPLEMENT AND ENFORCE:** There are no probable costs or real benefit to other agencies to implement or enforce rule changes to DEQ’s water pollution control facility construction standards.

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 includes 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:** There are neither projected net losses nor gains in revenue associated with this rulemaking.
14. **COOPERATION OF POLITICAL SUBDIVISIONS REQUIRED TO IMPLEMENT OR ENFORCE RULE:** DEQ and OCC have negotiated a Memorandum of Agreement which defines the jurisdictional boundaries for reclaimed water in oil and gas exploration, development and transportation. The use and transportation of reclaimed water for oil and gas exploration, development and transportation will be implemented and enforced by the OCC.

15. **EXPLANATION OF THE MEASURES THE DEQ TOOK TO MINIMIZE COMPLIANCE COSTS:** Costs of compliance were considered when DEQ enlisted the assistance of outside stakeholders, which included municipalities, private industry and their consultants, to draft the rule.

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:** Expanding construction treatment options by rulemaking, will not negatively affect health, safety and the environment. The proposed regulations will ensure that entities supplying reclaimed water are meeting water quality criteria so that users may safely use reclaimed water for certain intended uses while protecting clean water and water resources.

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:** Expanding construction treatment options will not affect risks to public health, safety and environment. Supplying reclaimed water that does not meet water quality standards presents a risk to users of the reclaimed water as well as those handling such water. Promulgating the proposed regulations ensures that reclaimed water is safe to use for its intended purposes.

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, users of reclaimed water may be using water that is not safe to use for its intended purposes.

20. **PROBABLE QUANTITATIVE AND QUALITATIVE IMPACT ON BUSINESS ENTITIES (INCLUDE QUANTIFIABLE DATA WHERE POSSIBLE):** There is no anticipated quantitative or qualitative impact on business entities as a result of this rulemaking.

**THIS RULE IMPACT STATEMENT WAS PREPARED ON:** December 3, 2014