



Economic Impact Analysis Virginia Department of Planning and Budget

9 VAC 25-720 – Water Quality Management Planning Regulation
Department of Environmental Quality
November 26, 2008

Summary of the Proposed Amendments to Regulation

New Kent County has petitioned for revised nutrient waste load allocations for their Parham Landing Wastewater Treatment Plant which is now in design for upgrade/expansion. The county originally planned to increase the design flow of the plant from 0.568 million gallons per day (MGD) to 3.0 MGD which is currently reflected in these regulations, and now intends to construct a smaller addition that will raise the design flow to only 2.0 MGD. The State Water Control Board (Board) proposes to amend these regulations to reflect this change.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

New Kent County (county) is currently designing an upgrade/expansion to their Parham Landing Wastewater Treatment Plant which is scheduled to become operational by the end of 2010. However, the expansion will now be smaller than originally anticipated.¹ Consequently, this smaller expansion would allow the total nitrogen waste load allocation to be approximately 18,000 lbs/year² less and the total phosphorous waste load allocation be approximately 2,000 lbs/year³ less than allowed under the current regulations. In addition, the proposed regulation

¹ The county originally planned to increase the design flow of the plant from 0.568 million gallons per day (MGD) to 3.0 MGD, and now intends to construct a smaller addition that will raise the design flow to 2.0 MGD.

² The nitrogen allocation would decrease from 54,820 to 36,547 lbs/year.

³ The phosphorous allowance would decrease from 6,396 to 4,264 lbs/year.

would decrease the total waste load allocations for the entire York River basin by those same amounts. That is, the total nitrogen allocation would decrease from 1,079,212 lbs/year to 1,060,939 lbs/year and the total phosphorous allocation would decrease from 175,601 lbs/year to 173,469 lbs/year. Less waste is of course beneficial for the environment. Since New Kent does not need the higher waste load allotment, lowering it will not cause the county or anyone else any hardship. Thus, the proposal produces a net benefit.

Businesses and Entities Affected

The proposed amendments affect the government and citizens of New Kent County.

Localities Particularly Affected

The proposed amendments affect New Kent County.

Projected Impact on Employment

The proposal will not affect employment..

Effects on the Use and Value of Private Property

The proposal will not affect the use and value of private property.

Small Businesses: Costs and Other Effects

The proposal will not affect small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposal will not affect small businesses.

Real Estate Development Costs

The proposal will not affect real estate development costs.

Legal Mandate

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.04 of the Administrative Process Act and Executive Order Number 36 (06). Section 2.2-4007.04 requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or

other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.04 requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.