

Office of Regulatory Management

Economic Review Form

Agency name	State Water Control Board
Virginia Administrative Code (VAC) Chapter citation(s)	9VAC25-190
VAC Chapter title(s)	Virginia Pollutant Discharge Elimination System (VPDES) General Permit Regulation for Nonmetallic Mineral Mining
Action title	2024 Amendment and Reissuance the Existing General Permit Regulation
Date this document prepared	2/21/2023
Regulatory Stage (including Issuance of Guidance Documents)	Proposed (NOPC)

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

VPDES general permit regulations expire every 5 years and must be re-issued in order for permit coverage to be available to new permittees and existing permittees that do not submit a registration statement in a timely manner. If the general permit is not re-issued, the regulated community will need to obtain an individual permit to conduct the regulated activity. For this reason, the costs associated with obtaining an individual permit are compared with the costs associated with general permit coverage. General permits provide the regulated community with a streamlined, less burdensome approach to obtain coverage for conducting a specific regulated activity.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>Presently there are 182 of regulated entities covered by this general permit. Reissuance of this general permit allows new entities to be able to obtain coverage for conducting this regulated activity. New requirements resulting from proposed regulatory changes are very limited, and include:</p> <ul style="list-style-type: none"> • Added a NAIC code requirement to the registration statement; • Added an “ownership type” requirement to the registration statement; • Replaced the existing registration statement and DMR submittal requirements with conditional electronic reporting requirements (effective following notice and a three-month period); • Revised the TMDL language such that at reissuance a demonstration is required that the applicable wasteload is being met; • Added Special Condition 18, discharge requirements for emergency dewatering during flooded conditions. • Supplemented the language triggering review and amendment of the SWPPP to include any other process, observation, or event that results in a determination that modifications to the SWPPP are necessary. Review is also required where the department notifies the permittee that a TMDL has been developed and applies to the permitted facility. <p>Direct Costs: Unknown. Expected to be minimal. No existing available cost analysis is broken down at the necessary level of detail.</p> <p>Direct Benefits: The re-issuance of this general permit provides the regulated community with a streamlined, less burdensome approach to obtain coverage for conducting a specific regulated activity while continuing to be protective of human health and the environment.</p> <p>In terms of industrial stormwater costs generally, EPA estimated the average annual cost of complying with the 2015 MSGP is around \$2,752 for new facilities and \$2,199 for existing facilities. EPA also found that the requirements of the 2015 MSGP are economically practicable under BPT criteria and economically achievable under BAT criteria. (U.S. Environmental Protection Agency 2015 Multi-Sector General Permit for</p>
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	<p>Stormwater Discharges Associated with Industrial Activity (MSGP) – Fact Sheet, pages 20-21). The 2015 MSGP is generally relevant because it covers stormwater discharges from nonmetallic mineral mining and comprises the most recent general MSGP cost estimate. No quantitative cost estimate data for the regulation of nonmetallic mineral mining process wastewater have been identified. General permits impose lower administrative costs on permittees compared with individual permits. (See, Table 1.c).</p> <p>No existing quantitative benefit estimates applicable to the nonmetallic mineral mining general permit have been identified. However, in assessing BPT for the 2015 MSGP, EPA did consider the reasonableness of the relationship between the costs of application of technology in relation to the effluent reduction benefit derived, and found the requirements were economically practicable. (U.S. Environmental Protection Agency 2015 Multi-Sector General Permit for Stormwater Discharges Associated with Industrial Activity (MSGP) – Fact Sheet, pages 20-21).</p> <p>This general permit already is coordinated with Virginia mining regulations to the extent possible. For example, this general permit does not require that the facility meet pre-mining requirements in the MSGP since Virginia Energy regulations address similar activities.</p> <p>New Special Condition 18 could allow facilities whose operations are impacted by an extreme storm to re-start operations more quickly.</p> <p>Indirect Benefits: The reissuance of the general permit may indirectly benefit economic development because it allows for the issuance of a general permit that is protective of human health and the environment that is less burdensome on the regulated community than an Individual VPDES permit. Regulating discharges into state waters benefits tourism and the seafood industry. Cleaner waters may also increase tourism related to recreational uses of state waters.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) See above regarding direct costs. No indirect costs or benefits are expected due to the limited extent of changes being made to the general permit regulation.	(b) See above regarding direct and indirect benefits. No indirect costs or benefits are expected due to the limited extent of changes being made to the general permit regulation.
(3) Net Monetized Benefit		

(4) Other Costs & Benefits (Non-Monetized)	
(5) Information Sources	U.S. Environmental Protection Agency 2015 Multi-Sector General Permit for Stormwater Discharges Associated with Industrial Activity (MSGP) – Fact Sheet https://www.epa.gov/sites/default/files/2015-10/documents/msgp2015_fs.pdf

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct & Indirect Costs & Benefits (Monetized)	Available general cost and benefit data is provided in Table 1.a. Given the general character of this data, it would also be applicable to the general permit under the status quo (i.e., no change to the regulation).	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) See information in table 1a.	(b) See information in table 1a.
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)		
(5) Information Sources	See table 1a.	

Table 1c: Costs and Benefits under Alternative Approach(es)

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Point source discharges of pollutants and industrial stormwater from nonmetallic mineral mines must be authorized by a VPDES permit under the CWA and State Water Control Law. Thus, no non-regulatory options were determined to be available.</p> <p>Regulating activities through the issuance of general permit regulations is an alternative streamlined approach that is used to regulate entities that conduct similar activities. A benefit of this general permit is its lower cost to permittees relative to the cost of obtaining an individual VPDES permit. The permit fee for operators to obtain coverage under this general permit is \$600. Thus, the application fee total for five years of coverage for 181 facilities is \$108,600. If this general permit were not available these operators would be required to obtain an individual VPDES permit, and the initial application fee would be \$3,300 (assumes industrial minor, standard limits). An annual permit maintenance fee of \$1,969 would also apply (the application and maintenance fee total would be \$11,176 per</p>
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	<p>permittee/ 5-year permit term). Thus, individual permits for 181 facilities would cost \$2,022,856 over five years. This does not account for the longer lead time to obtain an individual permit and the increased burden on DEQ staff resources that would result.</p> <p>For electronic submission of registration statement and DMRs, no regulatory alternatives were considered during this phase of general permit reissuance. This is because the electronic submission of these items is required under federal and state regulations (9VAC25-31-1020).</p> <p>EPA developed cost and benefit estimates for electronic reporting. Upon full implementation, EPA estimates that the net savings for authorized NPDES programs will be \$22.6 million, \$0.5 million for regulated entities. (Economic Analysis of the National Pollutant Discharge Elimination System (NPDES) Electronic Reporting Final Rule, Enforcement Targeting and Data Division, Office of Compliance, Office of Enforcement and Compliance Assurance, U.S. EPA, DCN 0197, September 14, 2015, Page ES xii, Docket No. EPA-HQ-OECA-2009-0274). EPA acknowledges that there will be up-front costs and predicts the break-even point in the fourth year.</p> <p>DEQ is not proposing to adopt several new provisions in the EPA 2021 MSGP. These include “report only” monitoring for pH, TSS and COD for all operators not subject to specified benchmarks, additional implementation measures, public sign requirement, revisions to impaired waters monitoring, a revised benchmark monitoring schedule, and consideration of enhanced stormwater control measures for facilities that could be impacted by major storm events. EPA estimates the incremental cost of these additional items is \$338-\$632 per operator per year. Cost Analysis for the U.S. Environmental Protection Agency’s (EPA) National Pollutant Discharge Elimination System (NPDES) 2021 Multi-Sector General Permit (MSGP) for Stormwater Discharges Associated with Industrial Activity, U.S. EPA, January 2021, pg. 2.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)		
(5) Information Sources	Economic Analysis of the National Pollutant Discharge Elimination System (NPDES) Electronic Reporting Final Rule,	

	<p>Enforcement Targeting and Data Division, Office of Compliance, Office of Enforcement and Compliance Assurance, U.S. EPA, DCN 0197, September 14, 2015, Page ES xii, Docket No. EPA-HQ-OECA-2009-0274.</p> <p>https://www.epa.gov/sites/default/files/2015-09/documents/npdesea.pdf</p> <p>Cost Analysis for the U.S. Environmental Protection Agency’s (EPA) National Pollutant Discharge Elimination System (NPDES) 2021 Multi-Sector General Permit (MSGP) for Stormwater Discharges Associated with Industrial Activity, U.S. EPA, January 2021.</p> <p>9VAC25-20-110. Fee schedules for individual VPDES and VPA new permit issuance, and individual VWP, SWW, and GWW new permit issuance and existing permit reissuance.</p> <p>9VAC25-20-130. Fees for filing registration statements or applications for general permits issued by the board.</p> <p>9VAC25-20-142. Permit maintenance fees.</p>
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Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	No cost or benefit impacts on local partners are expected due to the limited extent of changes being made to the general permit regulation. General permits provide the regulated community with a streamlined, less burdensome approach to obtain coverage for conducting a specific regulated activity. Without this general permit regulation, an individual permit would be required to conduct the regulated activity.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)		
(4) Assistance		

(5) Information Sources	
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Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	No indirect costs or benefit impacts on families are expected due to the limited extent of changes being made to the general permit regulation. Single family residences do not typically conduct an activity that would be regulated by this general permit.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)	Families could potentially benefit from industry’s use of general permits. If this general permit did not exist, individual permits would be required for these activities, and the additional costs would likely be passed on to consumers, which would potentially include families.	
(4) Information Sources		

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	No indirect costs or benefit impacts on small businesses are expected due to the limited extent of changes being made to the general permit regulation. General permits provide the regulated community with a streamlined, less burdensome approach to obtain coverage for conducting a specific regulated activity. Without this general permit regulation, an individual permit would be required to conduct the regulated activity.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)

(3) Other Costs & Benefits (Non-Monetized)	No costs or benefit impacts on small businesses are expected due to the limited extent of changes being made to the general permit regulation. If this general permit did not exist, individual permits and their associated fees and application process would be required for these activities.
(4) Alternatives	
(5) Information Sources	

Changes to Number of Regulatory Requirements

For each individual VAC Chapter amended, repealed, or promulgated by this regulatory action, list (a) the initial requirement count, (b) the count of requirements that this regulatory package is adding, (c) the count of requirements that this regulatory package is reducing, (d) the net change in the number of requirements. This count should be based upon the text as written when this stage was presented for executive branch review. Five rows have been provided, add or delete rows as needed. In the last row, indicate the total number for each column.

Table 5: Total Number of Requirements

	Number of Requirements			
Chapter number	Initial Count	Additions	Subtractions	Net Change
190	217 ¹	6	-3 ²	3
TOTAL				

¹ All use of “shall” and “must” have been counted. This may overestimate the number of distinct requirements in the general permit.

² E-NOI, E-DMR and TMDL requirements replace existing requirements.