

**TITLE 252. DEPARTMENT OF ENVIRONMENTAL QUALITY
CHAPTER 627. OPERATION AND MAINTENANCE OF WATER REUSE SYSTEMS**

RULE IMPACT STATEMENT

Before the Water Quality Management Advisory Council on January 10, 2012
Before the Environmental Quality Board on February 24, 2012

1. **DESCRIPTION:** The purpose of this proposed rulemaking is to establish standards for the operation and maintenance of systems that take treated wastewater and, with additional treatment, make it into non-potable “reclaimed water” for beneficial reuse. The new rules create four categories of reclaimed water. Each category has a different level of treatment and permitted uses. The operating standards for the land application of wastewater from lagoon treatment systems were formerly in Chapters 619 and 621; those provisions have been incorporated into these new rules under Categories 4 and 5 reclaimed water. The new rules define terms, establish permitting, treatment, monitoring and record keeping requirements for reclaimed water suppliers and users. DEQ also proposes to charge annual fees to the suppliers of reclaimed water. The fees will cover DEQ’s costs to inspect, track compliance, provide technical assistance and for enforcement of the new standards.
2. **CLASSES OF PERSONS AFFECTED:** The classes of persons affected are: (1) municipalities and other persons or entities that construct or modify non-industrial wastewater collection systems or treatment works that are not industrial systems or small public sewage systems as defined in Title 27A O.S. § 2-6-101; (2) municipalities and other entities that treat, distribute , use and/or sell reclaimed water; (3) water system customers who currently purchase potable water for irrigation, fire suppression and other uses for which they will be able to buy less expensive reclaimed water; and (4) the producers of potable water, who should have more potable water available for distribution.
3. **CLASSES OF PERSONS WHO WILL BEAR COSTS:** Classes of persons who will bear the costs are municipalities and other persons seeking permits to supply reclaimed water and those entities that use reclaimed water.
4. **INFORMATION ON COST IMPACTS FROM PRIVATE/PUBLIC ENTITIES:** DEQ has received no information on cost impacts from private or public entities.
5. **CLASSES OF PERSONS BENEFITTED:** All citizens of Oklahoma are benefitted, including regulated entities that seek permits to supply reclaimed water, and the users of reclaimed water because this rule allows the use of reclaimed water for uses that previously required the use of potable water. DEQ anticipates that reclaimed water will be less expensive than using potable water for things like irrigation, dust suppression and fire protection. Using reclaimed water will reduce the demand for potable water and conserve the state’s natural water resources.
6. **PROBABLE ECONOMIC IMPACT ON AFFECTED CLASSES OF PERSONS:**

There will be an economic impact on those who seek permits to supply reclaimed water from the Water Quality Division of the DEQ. The level of economic impact on any one individual permittee is unknown at this time as such impact would vary based on the type of water reuse system proposed and the number of end users. However, DEQ anticipates that the costs of complying with these new rules will be offset by the reduced cost of using reclaimed water and/or the revenue generated by its sale and by the preservation of potable water supplies. Those systems that were formerly regulated under Chapters 619 and 621 will be required to do additional record keeping and reporting. They will also be considered water reuse system and required to pay an annual fee of \$100 or \$200.

7. **PROBABLE ECONOMIC IMPACT ON POLITICAL SUBDIVISIONS:** There will be an economic impact on political subdivisions (for example, municipalities) which seek permits to supply reclaimed water from the Water Quality Division of the DEQ. Those municipalities which produce reclaimed water will be able to use or sell water that was previously discharged to waters of the state; and so, DEQ anticipates that they will realize cost savings and/or generate income as the result of this rule. The level of economic benefit on any one individual permittee is unknown at this time as such impact will vary based on the type of water reuse system proposed and the number of end users. Those municipalities that were formerly regulated under Chapters 619 and 621 will be required to do additional record keeping and reporting. They will also be considered water reuse system and required to pay an annual fee of \$100 or \$200.
8. **POTENTIAL ADVERSE EFFECT ON SMALL BUSINESS:** DEQ does not anticipate an adverse economic impact on small businesses as the result of this rule. In fact, some small businesses that were previously purchasing potable water for certain uses may be able to use less expensive reclaimed water for those uses.
9. **LISTING OF ALL FEE CHANGES, INCLUDING A SEPARATE JUSTIFICATION FOR EACH FEE CHANGE:** Pursuant to 27A O.S. § 2-3-402, each water reuse system will be charged an annual fee as follows:
 - (1) Category 2 - \$700.00
 - (2) Category 3 - \$400.00
 - (3) Category 4 - \$200.00
 - (4) Category 5 - \$100.00

Water reuse systems will be charged an additional \$50.00 per user if the supplier does not have a DEQ approved inspection program. The proposed fees cover the anticipated costs of running the new program, including inspections, monitoring, technical assistance and enforcement.

10. **PROBABLE COSTS AND BENEFITS TO DEQ TO IMPLEMENT AND ENFORCE:** DEQ will incur the costs of administering this new program: inspections, technical assistance, record keeping and enforcement. DEQ will indirectly benefit from the reduced demand for potable water and the increased availability of water for non-potable uses during

droughts and emergency situations.

11. **PROBABLE COSTS AND BENEFITS TO OTHER AGENCIES TO IMPLEMENT AND ENFORCE:** None.
12. **SOURCE OF REVENUE TO BE USED TO IMPLEMENT AND ENFORCE RULE:**
The proposed fees will be the only revenue used to implement and enforce this rulemaking.
13. **PROJECTED NET LOSS OR GAIN IN REVENUES FOR DEQ AND/OR OTHER AGENCIES, IF IT CAN BE PROJECTED:** The proposed revisions will have no anticipated effect on net revenues for DEQ. There are other state agencies that own and operate systems formerly regulated under Chapters 619 and 621. Those systems that were formerly regulated under Chapters 619 and 621 will be required to do additional record keeping and reporting. They will also be considered water reuse system and required to pay an annual fee of \$100 or \$200.
14. **COOPERATION OF POLITICAL SUBDIVISIONS REQUIRED TO IMPLEMENT OR ENFORCE RULE:** None.
15. **EXPLANATION OF THE MEASURES THE DEQ TOOK TO MINIMIZE COMPLIANCE COSTS:** Only those entities that produce Categories 2 and 4 reclaimed water will be required to submit monthly operational reports (MORs”) to DEQ. All the other categories are permitted to retain their MORs onsite. Further, DEQ is allowing those suppliers that develop a DEQ approved inspection plan to do their own inspections to determine whether end users are in compliance with these regulations.
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 nonregulatory methods of achieving the purpose of the proposed rule.
17. **DETERMINATION OF THE EFFECT ON PUBLIC HEALTH, SAFETY AND ENVIRONMENT:** The environment should benefit from this rule as it allows for the reuse of wastewater that was previously discharged into waters of the state. These regulations will protect the public health, safety, and environment by establishing the operation and maintenance standards for water reuse systems. The proposed regulations restrict the use of reclaimed water that receives less treatment to use in areas where human contact is less likely to occur. Those categories of reclaimed water that receive higher levels of treatment also have safeguards built into the permitted uses that limit human contact and protect the health and safety of the public.
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 rule establishes standards for the safe, beneficial

reuse of wastewater. Water reuse should also reduce the demand for potable water which is crucial during periods of drought and emergencies.

19. **DETERMINATION OF ANY DETRIMENTAL EFFECT ON THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT IF THE PROPOSED RULE IS NOT IMPLEMENTED:** None.
20. **PROBABLE QUANTITATIVE AND QUALITATIVE IMPACT ON BUSINESS ENTITIES (INCLUDE QUANTIFIABLE DATA WHERE POSSIBLE):** DEQ does not have any quantifiable data on the probable quantitative or qualitative impact on business entities.

THIS RULE IMPACT STATEMENT WAS PREPARED ON: November 30, 2011