

**TITLE 252. DEPARTMENT OF ENVIRONMENTAL QUALITY
CHAPTER 627. WATER REUSE**

RULE IMPACT STATEMENT

Before the Water Quality Management Advisory Council on January 13, 2015
Before the Environmental Quality Board on February 20, 2015

1. **DESCRIPTION:** The proposed regulations will: (1) provide an exception to a permit to supply for use of reclaimed water within a wastewater treatment plant boundary (Category 6); (2) add reference to OAC 252:656 regarding buffer zone and setback distance requirements; (3) reserve Category 1 as a future category of reclaimed water; (4) add permitted uses for Category 2 and Category 3 reclaimed water; (5) add Category 6 and Category 6 permitted uses to the list of categories of reclaimed water; (6) add a requirement to maintain flow meters; (7) remove reference to OAC 252:627-1-6(a)(2)(H) regarding use restrictions for Category 3 and 4 reclaimed water and replace with reference to OAC 252:627-1-6(3)(I); and (8) clarify sampling and MOR requirements regarding the use of Category 6 reclaimed water.
2. **CLASSES OF PERSONS AFFECTED:** Those who plan to supply or use reclaimed water.
3. **CLASSES OF PERSONS WHO WILL BEAR COSTS:** Those who supply reclaimed water or use reclaimed water will bear the costs.
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. Suppliers of reclaimed water will realize a positive economic impact by selling reclaimed water, and users of reclaimed water will see a savings in costs associated with using potable water.
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.
8. **POTENTIAL ADVERSE EFFECT ON SMALL BUSINESS:** The proposed water reuse regulations are voluntary. 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:** DEQ has worked with the Oklahoma Corporation Commission ("OCC") to clarify jurisdictional boundaries concerning the transportation, storage, handling and use of reclaimed water in oil and gas operations, and consulted with the Oklahoma Water Resources Board ("OWRB") regarding water quality standards. As such, any probable costs to other agencies associated with this rulemaking will be minimal, but all should benefit.
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.
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:** 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:** 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