

FORM #4
NEVADA STATE ENVIRONMENTAL COMMISSION
SMALL BUSINESS IMPACT DISCLOSURE PROCESS
PURSUANT TO 233B “Nevada Administrative Procedures Act”

Re.: Agency Draft P2014-07

By: Nevada Division of Environmental Protection, Bureau of Safe Drinking Water

The purpose of this Form is to provide a framework pursuant to NRS 233B.0608 for drafting and submitting a Small Business Impact Statement (SBIS) to the State Environmental Commission (SEC) and to determine whether a SBIS is required to be noticed and available at the public workshop. A SBIS must be completed and submitted to the Legislative Counsel Bureau for ALL adopted regulations.

Note: Small Business is defined as a “business conducted for profit which employs fewer than 150 full-time or part-time employees” (NRS 233B.0382).

To determine whether a SBIS must be noticed and available at the public workshop, answer the following questions:

1. Does this proposed regulation impose a direct and significant economic burden upon a small business? *(state yes or no. If no, please explain and submit the applicable documentation, which can also be addressed in #8 on the SBIS and simply referred to; and if yes, reference the attached SBIS)*

No. See SBIS #8.

2. Does this proposed regulation restrict the formation, operation or expansion of a small business? *(state yes or no. If no, please explain and submit the applicable documentation, which can also be addressed in #8 on the SBIS and simply referred to; and if yes, reference the attached SBIS)*

No. See SBIS #8.

If **Yes** to either of questions 1 & 2, a SBIS must be noticed and available at the public workshop.

FORM #4
SMALL BUSINESS IMPACT STATEMENT
(NRS 233B.0609)

1. Describe the manner in which comment was solicited from affected small businesses, a summary of the response from small businesses and an explanation of the manner in which other interested persons may obtain a copy of the summary. *(Attach copies of the comments received and copies of any workshop attendance sheets, noting which are identified as a small business.)*

Not Applicable

2. The manner in which the analysis was conducted (if an impact was determined).

Not Applicable

3. The estimated economic effect of the proposed regulation on small businesses:

- a. Both adverse and beneficial effects
- b. Both direct and indirect effects

Revised Total Coliform Rule

Adoption of the Revised Total Coliform Rule (RTCR) into Nevada Administrative Code is not expected to result in a significant additional financial burden to the regulated utilities and businesses. In general, the economic provisions of the RTCR may have the following economic impacts, but the overall financial burden related to individual Public Water Systems (PWS) cannot be quantified:

Monitoring and repairs to a PWS are the predominant economic effects associated with complying with the existing TCR and, subsequently, the RTCR. Monitoring for Total Coliform and E. coli continue in the RTCR, and in some instances decrease. Repairs and operational changes to comply with the presence of Total Coliform and E. coli will not change; however, the manner in which they are reviewed, tracked and expedited will be enhanced.

It is expected that enhancements included in the RTCR will result in a better awareness by utilities and businesses related to the understanding that proper operation and oversight of their drinking water system is critical to their business. In the long-term, engaging small utilities and businesses in understanding and reviewing their water system will reduce the instances in which Total Coliform and E. coli are present in drinking water systems.

Reduction of Lead in Drinking Water Act

Adoption of the Reduction of Lead in Drinking Water Act into Nevada Administrative Code is not expected to result in a significant additional financial burden to the regulated businesses. The cost of compliance cannot be directly quantified as it is only related to the retail cost of pipes, fittings and fixtures purchased for installation into drinking water systems. The Act does not require removal and replacement of existing fittings and fixtures throughout Public Water Systems. However, when new equipment is installed, or existing equipment is repaired or

replaced, it must meet the new lead free definition. Existing stock on hand that does not meet the definition must be disposed of. The quantity of a water system's stock of fittings and fixtures that do not meet the new definition of lead free is unknown. The Act became federally effective in January, 2014 and water systems are required to comply.

4. A description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of the methods. *(Include a discussion of any considerations of the methods listed below.)*

- A. Simplification of the proposed regulation
- B. Establishment of different standards of compliance for a small business
- C. Modification of fees or fines so that a small business is authorized to pay a lower fee or fine.

The state is proposing to adopt these revisions in order to allow the Nevada Division of Environmental Protection to properly protect public health and maintain federally-recognized Primary Enforcement Responsibility (Primacy) for National Primary Drinking Water Regulations (NPDWR) in lieu of the U.S. Environmental Protection Agency. The regulations are either adopted by reference or directly reflect Reduction of Lead in Drinking Water Act language. Public Water Systems of all sizes and types are required to comply with the NPDWR whether under State Primacy or direct Federal enforcement; all residents and visitors of Nevada are entitled to the same quality of drinking water regardless of the size of the business delivering the water.

5. The estimated cost to the agency for enforcement of the proposed regulation. *(Include a discussion of the methods used to estimate those costs.)*

The RTCR and the Reduction of Lead in Drinking Water Act program adoptions/revisions increase the responsibilities of the Nevada Division of Environmental Protection (NDEP), but the programs will be implemented through existing programs and by existing staff. The overall workload of the Bureau of Safe Drinking Water (BSDW) continues to be evaluated. Additional personnel resources to ensure adequate oversight of regulated PWSs for public health protection may be sought when appropriate. To secure our current grant percentage from EPA, it is noted that failure to address the Reduction of Lead in Drinking Water Act will result in 5% withholding of Federal Grants for the Public Water System Supervision Program.

6. If this regulation provides for a new fee or increases an existing fee, the total annual amount the agency expects to collect and manner in which the money will be used.

Not Applicable

7. If the proposed regulation includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, provide an explanation of why such duplicative or more stringent provisions are necessary.

This regulation amendment will neither duplicate, nor be more stringent than, federal regulations. The BSDW is aware that the Nevada's future adoption of an updated Uniform Plumbing Code may

include the new federal definition of Lead Free; however, the Safe Drinking Water Act (SDWA) requires States to address this issue or be subject to a 5% withholding of Public Water System Supervision Program grants that support the BSDW. The timeline for adoption of a new version of the Uniform Plumbing Code is unknown and not under the jurisdiction of NDEP.

8. The reasons for the conclusions regarding the impact of a regulation on small businesses.

The EPA 2013 Revised Total Coliform Rule (RTCR) is a revision to the Total Coliform Rule (TCR) of 1989. Monitoring and repairs to a Public Water System (PWS) are the main costs associated with complying with the existing TCR. There will be no new burden imposed upon a small business under RTCR as outlined below.

- 1) Monitoring for Total Coliform and E. coli continue in the RTCR, and in some instances the number of samples required to be collected will decrease. There will be a net reduction in cost associated with monitoring.*
- 2) PWS infrastructure repairs to address the presence of Total Coliform and E. coli will not change; however, the manner in which they are tracked and expedited by Rule will be enhanced.*

The Reduction of Lead in Drinking Water Act of January 4, 2011 is a revision of the existing Lead Free requirements of the Federal SDWA. The US Congress lowered the definition of "Lead Free" for fittings and fixtures from a maximum of 8% lead to a maximum of 0.25% lead. The cost of compliance cannot be directly quantified as it is only related to the retail cost of fittings and fixtures purchased for water systems. The Act does not require removal and replacement of existing fittings and fixtures throughout Public Water Systems. However, when new equipment is installed, or existing equipment is repaired or replaced, it must meet the new lead free definition. Existing stock on hand that does not meet the definition must be disposed of. The quantity of a water system's stock of fittings and fixtures that do not meet the new definition of lead free is unknown. The Act became federally effective in January, 2014 and water systems are required to comply.

The formation, operation or expansion of a small privately owned public water system is not restricted by this regulation amendment. This is a proposed amendment to existing Regulations.

I certify that to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on a small business and that the information contained in this statement is accurate.



Administrator, NDEP



Date

<http://www.leg.state.nv.us/Statutes/77th2013/Stats201314.html#Stats201314page2304>