

Wisconsin Rural Water Association

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Attn: Phosphorus Division of Intergovernmental Relations Wisconsin Department of Administration PO Box 8944 Madison, WI 53708-8944 June 6, 2015

On behalf of the Wisconsin Rural Water Association (WRWA) and our 591 municipal water & wastewater system members, we would like to provide comments on the preliminary determination made by the Wisconsin Department of Administration (DOA), in consultation with the Wisconsin Department of Natural Resources (DNR), of substantial and widespread adverse social and economic impact to Wisconsin residents due to compliance with Wisconsin's Phosphorus Water Quality Standards for surface waters adopted on December 1, 2010.

WRWA worked with a number of affected stakeholders in support of Wisconsin Act 378, which established a process to potentially allow WPDES permittees to apply for and implement variances for the phosphorus water quality based effluent limitations as outlined in Chapter NR 102 of the Administrative Code. Act 378 required an in-depth analysis of the statewide economic impact of compliance with current regulations in order to determine if the state is justified in requesting approval from the Environmental Protection Agency (EPA) for a Multi-discharger Variance (MVD) package.

First of all, we would like to commend the methodology and data used for the economic impact analysis as provided by ARCADIS, the University of Massachusetts, Sycamore, DOA and the DNR in researching, analyzing and quantifying the results provided through the Regional Economic Models, Inc. (REMI) by the University of Massachusetts Donahue Institute. This analysis has provided an in-depth overall picture of the economic impact of the current regulations and we feel it supports a determination of substantial and widespread adverse social and economic impact to Wisconsin residents. That said, we do have concerns over a couple areas in the preliminary determination.

The overall intent of Act 378 was to improve water quality in the state of Wisconsin through the reduction of phosphorus discharges to waterways. Understanding that point sources only contribute 20% of the phosphorus loading to Wisconsin's waters, the goal was to develop a mechanism whereby point sources could forego immediate and very expensive phosphorus reduction actions and instead provide financial resources to non-point sources to reduce their phosphorus discharges. This would lead to immediate and long-term improvements in water quality as all dischargers in the state work to reduce phosphorus discharges.

For that reason, we're concerned with restrictions that would act to limit the ability of WPDES permit holders to qualify for a Multi-discharger Variance (MDV). Requiring both primary and secondary screeners to determine substantial impact (and thereby eligibility) would serve to preclude some WPDES permit holders from being eligible to qualify for the variance. This would, in effect, not only require a substantial cost of compliance to these permit holders but also offer very little resulting improvement in water quality in the receiving waters of these systems.

We also need to mindful of the fact that the costs of compliance to the phosphorus regulations don't specifically stay within the confines of a community, county or even region in some cases. As people travel from outlying areas to communities, schools and businesses to work and shop, they are affected by the costs to those entities. That would seem to be further justification for a "statewide" variance as determined by the overall statewide adverse social and economic impact as opposed to screeners based on individual, local, county or regional factors.

As the preliminary determination notes, there are already other existing factors limiting qualification of point sources for a variance (only existing sources can apply, the point source must certify that a major facility upgrade would be needed to comply with their applicable TP WQBELs thereby creating a financial burden on the discharge and community), and the point source must agree to comply with interim phosphorus effluent limits and an implementation requirement.

As stated above, the Wisconsin Rural Water Association and our membership commend the DOA, DNR and consultants for their work in providing a comprehensive and thorough analysis of the costs of compliance with the current phosphorus regulations. We feel that the data fully supports the determination of substantial and widespread adverse social and economic impact to Wisconsin residents due to compliance with these regulations, and would hope that the DNR and EPA will work to approve this compliance option for Wisconsin WPDES permit holders. If so, the end result will be improved water quality, significant cost savings and an improved economic & job climate in the state of Wisconsin.

Sincerely.

Executive Director

Dave Lawrence

Wisconsin Rural Water Association