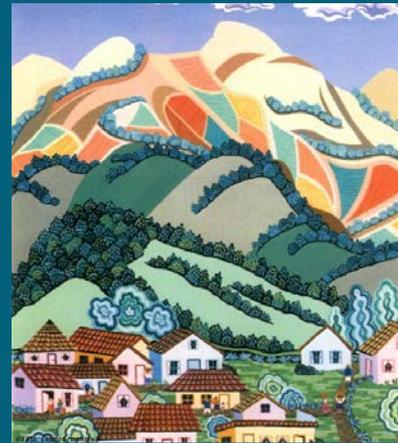


Issue #4:

Social and Economic benefits of proposed activity



Summary of the Issue

ADEC policy states:

“If the quality of a water exceeds levels necessary to support propagation of fish, shellfish, and wildlife and recreation in and on the water, that quality must be maintained and protected unless the department... finds that

(A) **Allowing lower water quality is necessary to accommodate important economic or social development in the area where the water is located**;

(B) ... reducing water quality will not violate the applicable criteria of 18 AAC 70.020 or 18 AAC 70.235 or the whole effluent toxicity limit in 18 AAC 70.030;

(C) the resulting water quality will be adequate to fully protect existing uses of the water;

Summary of the Issue

What is required to demonstrate that social or economic benefits of a proposed activity justify the potential lessening of water quality of a waterbody segment is an important part of Tier II reviews.

DEC needs to identify:

- **What is considered a satisfactory demonstration?**
- **How are changes in water quality characterized?**
- **What determines whether the requested lowering of water quality is “necessary”?**
- **What determines whether the economic and social development is “important”?**

Questions for the Workgroup

1. What factors should be considered?
2. How should DEC evaluate whether the economic and social benefit is important?
3. How should DEC consider other point and non-point source (NPS) discharges? What about future needs?
4. What level of review and documentation is needed?
5. Should level of review and documentation vary based on potential risk?

What factors should be considered?

- Arizona, Delaware, West Virginia and Region 8 states:
 - A. Increased production
 - B. Employment
 - C. Improved tax base
 - D. Housing
 - E. Correction of environmental or public health problem

- Where information is inadequate or unavailable for determination, applicant may be required to submit the following:
 - A. Information pertaining to water uses
 - B. Information on potential environmental impacts
 - C. Facts pertaining to current state of economic development
 - D. Government fiscal base
 - E. Land-use in surrounding area

What factors should be considered (cont'd)?

- Oregon – Similar factors as previous slide with the inclusion of:
 - A. Local Economy
 - B. Household income
 - C. Indirect effects to other businesses
 - D. Increases in sewer fees
 - E. Financial impact analysis assessing whether allowing lower WQ provides socioeconomic benefits that outweigh the environmental costs
- Washington:
 - A. Potential alternatives
 - B. Economic and social benefits of maintaining or degrading WQ
 - C. Cost of action as well as alternatives

How should DEC evaluate whether the economic and social benefit is important?

- Washington:
 - A. Consideration of 9 alternatives
 - B. Test of importance
 - C. Description of economic and social benefits
- Wyoming:
 - A. Test of economic and social importance
- West Virginia
 - A. List of available and cost-effective alternatives
 - B. Identification of least-degrading alternative or mix of alternatives
 - C. Social and economic importance analysis

How should DEC consider other point and non-point source (NPS) discharges? What about future needs?

- West Virginia and Pennsylvania:
 - A. NPS is deemed to be in compliance with installation of adequate BMPs.
- Arizona:
 - A. NPS discharges are not exempt from antidegradation requirements.
 - B. However, ADEQ has not used its authority to regulate NPS in its antidegradation review.
- Wyoming:
 - A. NPS not regulated by permits but are controlled by voluntary application of cost-effective and reasonable BMPs.

What level of review and documentation is needed?

- Wyoming:
 - A. Public comment period
 - B. Substantial weight given to determinations by local governments and land-use planning authorities
- West Virginia:
 - A. Social and economic importance analysis
 - B. State considers views and concerns of public and selected governmental agencies
- Arizona and Delaware:
 - A. Copies of antidegradation review and/or public notice are provided to state and federal agencies along with written request for comment.

Should level of review and documentation vary based on potential risk?

- Some states say they vary the level of review based on risk potential but don't have a prescribed methodology for doing so.
- Most states make the distinction between need for a review or not based on risk potential (i.e., de minimus approach) but don't clearly distinguish the level of review.