

AGENCY FISCAL ESTIMATE OF PROPOSED REGULATION

AGENCY SUBMITTING REGULATION: DEEP

DATE: September 6, 2011

SUBJECT MATTER OF REGULATION: Stream Flow Standards and Regulations

REGULATION SECTION NO.: 22a-141b-1 through 22a-141b-8

STATUTORY AUTHORITY: Section 22a-6 and 22a-141b

OTHER AGENCIES AFFECTED: The major activity during the first three years after regulation adoption will be classification of river and stream segments. The Department of Energy and Environmental Protection will have primary responsibility for classification and will consult with the Department of Public Health on final classification and will seek technical assistance as appropriate from the Office of Policy and Management, Department of Economic and Community Development and Department of Agriculture prior to final classification. The amount of time for agencies other than DEEP is expected to be minimal during the first three years.

EFFECTIVE DATE USED IN COST ESTIMATE: September 6, 2010

ESTIMATE PREPARED BY: Robert Hust TELEPHONE: (860) 424-3718

SUMMARY OF STATE COST AND REVENUE IMPACT OF PROPOSED REGULATION

Agency: Department of Energy & Environmental Protection Fund Affected: None

	1st Year 2012	2nd Year 2013	3rd Year 2014
Number of Positions	0	0	0
Personal Services	0	0	0
Other Expenses	0	0	0
Grants	0	0	0
Total State Cost (Savings)	-	-	-
Estimated Revenue Gain (Loss)	-	-	-
Total Net Cost (Savings)	0	0	0

EXPLANATION OF STATE IMPACT OF REGULATION: Persons who own or operate a dam that impounds or diverts the flow of water in a stream or river system may be required to comply with requirements to provide for in-stream water flows consistent with the flow standards established in the regulation. The Department of Energy and Environmental Protection will employ existing staff and other available resources currently dedicated to water management to implement these regulations. The regulations provides phased in requirements over a ten year period that will allow DEEP to implement these regulations including classifying rivers and stream segments, development of technical assistance

documents, forms and web-based tools to assist with compliance. Compliance verification and enforcement will be accomplished with current staff levels.

Impact on state-owned dams is small since most of those dams are operated in “run-of-river” mode which will not require substantive changes to comply with the new regulations. Of the remaining state-owned dams, only three are expected to require minor modifications to comply with the regulations.

In response to the regulations, regulated entities may seek new or modified approvals or permits from the Department of Public Health and DEEP. It is anticipated that these requests will be spread out over a ten to twenty year compliance phase-in period.

EXPLANATION OF MUNICIPAL IMPACT OF REGULATION: The cost impact on municipalities is limited to those municipalities that provide potable water as a municipal service and own or operate a dam that impounds or diverts the flow of water and may have to comply with the regulations. Flexibility in the regulations has been built in to reduce municipal impacts including: exemptions; less stringent requirements for certain small water users and other types of users; allowing for variances; providing for drought off-ramps; margin of safety provisions; allowing for site specific releases; and providing for certainty to ensure classifications of streams and rivers and the resulting standards will be reflective of current water use by municipalities. A web-based stream statistics mechanism is available to assist in compliance. Development of tools, guidance and assistance will include an on-line reporting system which will simplify compliance and reporting requirements. There is a ten year period in the regulation before any compliance except reporting is required, although municipalities may need to invest in infrastructure improvements during the ten year period. Then a flexible implementation schedule has been established in the regulation to reduce the impact of full compliance. Although affected municipalities are likely to be already providing some required water reporting and compliance information like all other water utilities, the implementation periods will allow time to assess existing water use, current water supplies, and other management measures in order to comply with the standards. The cost to any individual municipality will be highly variable dependent upon the type of supply, adequacy of their current supplies, water conservation, resources that have been dedicated to maintenance of the system in the past, the condition of existing infrastructure and already planned upgrades and repairs. There is a potential for financial support in the form of low interest loans or grants through the Drinking Water State Revolving Fund to offset some costs to municipalities in the future.