

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2013-0029**

DIRECTING ACTIONS IN RESPONSE TO EFFORTS BY STAKEHOLDERS ON REDUCING
COSTS OF COMPLIANCE WHILE MAINTAINING WATER QUALITY PROTECTION

WHEREAS:

1. On September 19, 2011, the State Water Board adopted [Resolution No. 2011-0042](#), approving a revised fee schedule for the Water Boards' core regulatory programs for Fiscal Year 2011-2012 and directing staff to prepare a workplan for a report that assesses and aligns priorities with specific targets, details the resources necessary to fulfill statutory obligations, and includes any opportunities for cost savings.
2. On October 18, 2011, the State Water Board adopted [Resolution No. 2011-0052](#), approving a [workplan](#) outlining two phases of effort. Phase 1 required Water Board staff to assess and align priorities, resources and performance targets. Phase 2 involved an evaluation of the costs associated with regulatory program activities and identification/quantification of any cost saving that may be gained through efficiencies in certain program areas.
3. On April 17, 2012, staff presented to the State Water Board a [Resource Alignment Report](#) prepared in accordance with Phase 1 of the workplan approved in Resolution No. 2011-0052. The State Water Board directed staff to prepare a workplan for Phase 2 and future efforts to follow up on the information and actions described in the Resource Alignment Report.
4. On August 21, 2012, staff presented to the State Water Board a proposed [Phase 2 workplan](#) focused on assessing opportunities for reducing the costs of compliance for dischargers subject to Water Board oversight under the National Pollutant Discharge Elimination System (NPDES) Wastewater and Stormwater programs, Waste Discharge Requirement (WDR) programs, and the Irrigated Lands Regulatory Program. The Phase 2 workplan described tasks to be completed jointly by stakeholders and staffs of the Water Boards to identify opportunities for reducing costs of compliance where feasible. The State Water Board directed staff to proceed with implementation of the Phase 2 workplan.
5. In accordance with the Phase 2 workplan, staff held a kick-off meeting on October 24, 2012, after which stakeholder groups were formed for the four program areas to be addressed. All stakeholders were encouraged to participate in the group discussions via WebEx conference calls. The groups' meeting notes and other documents were posted to the project website at http://www.waterboards.ca.gov/water_issues/programs/rap/.
6. In accordance with the Phase 2 workplan, staff established a Water Board workgroup, consisting of State and Regional Water Board staffs, to work with the four stakeholder groups and ensure State and Regional input and perspectives are incorporated into the evaluation of cost reduction measures.

7. On January 22, April 9, and June 18, 2013, staff and the stakeholder coordinators presented progress updates to the State Water Board. The updates demonstrated that the four stakeholder groups were operating on different timelines for completing the Phase 2 work plan tasks.
8. The NPDES storm water stakeholder group convened on December 6, 2012 and January 15, 2013 with 171 participants on its roster. As of June 18, 2013, the NPDES storm water group continues to collect cost data and to work on their recommendations. Additionally, the group has identified challenges to bringing statewide recommendations to fruition in local permits, and is meeting with State Water Board staff to identify recommendations for addressing these challenges.
9. The irrigated lands stakeholder group convened on February 20, 2013 with 59 participants on its roster. As of June 18, 2013, the irrigated lands group continues to collect cost data and stakeholder input. The group expects to forward its recommendations after additional implementation of the Central Valley and Central Coast Regional Water Boards' irrigated lands regulatory programs.
10. The WDR stakeholder group convened on November 28, 2012 with 81 participants on its roster. The group conducted a survey in May 2012 to request additional details from members. On June 18, 2013, the group coordinators presented a written [report](#) with recommendations to the State Water Board, while acknowledging the need for additional data and input from stakeholders. The report is now undergoing review pursuant to the Phase 2 workplan.
11. The NPDES wastewater stakeholder group convened on December 6, 2012, with 75 participants on its roster. On February 4, 2013, the group provided its preliminary draft report and proposals to the Water Board workgroup for input. On May 23, 2013, Water Board staff coordinated an informal meeting of the stakeholder group coordinators and representatives from some environmental organizations to discuss the preliminary proposals. On June 18, 2013, the stakeholder group coordinators presented an updated [report](#) with recommendations to the State Water Board.
12. The NPDES wastewater stakeholder group presented short-term and long-term proposals that they believed would reduce costs of compliance while allowing agencies to focus resources in areas that would have the most direct benefit toward improving water quality. These proposals included:
 - (a) Reduce the frequency of Sanitary Sewer Overflow (SSO) reporting requirements when no spills occur from monthly to quarterly for a cost savings of approximately \$100,000 per year.
 - (b) Eliminate duplicative/overlapping SSO requirements for dischargers subject to both the [State Water Board's General Order for Sanitary Sewer Systems, Order 2006-0003-DWQ](#), and permits and WDRs addressing similar sewer system requirements issued by the Regional Water Boards. The cost savings estimated by the group ranged from \$4,000 per facility per permit cycle to \$2,500 per spill.

- (c) When renewing or revising NPDES permits, consider removing overlapping monitoring requirements, reducing monitoring frequency for parameters consistently in compliance, encouraging surrogate sampling, and eliminating unnecessary reports. The group indicated that monitoring and reporting requirements can range from \$500,000 to as much as \$10 million per year depending on facility size. The group estimated that tens of millions of dollars could be saved each year by refining monitoring and reporting requirements in a manner that does not reduce water quality protection.
 - (d) Provide consistent guidelines for the use of existing regulatory tools that would allow relaxed effluent limitations without compromising water quality or beneficial use protection. These tools included water effect ratios, translator studies, mixing zones, and dilution credits. The group's report discussed specific examples in which municipalities spent hundreds of thousands of dollars in failed attempts to use these tools.
 - (e) Establish a process to evaluate, in advance of adoption, the costs of compliance for pending and future regulatory actions that have cost impacts on permittees.
 - (f) Move towards a phased implementation approach for statewide water quality objectives and Total Maximum Daily Loads (TMDLs).
13. The State Water Board recognizes stakeholder contributions toward identifying methods to reduce the costs of compliance while maintaining water quality protection. The State Water Board acknowledges the NPDES wastewater stakeholder group for completing its report and submitting specific recommendations, and encourages the NPDES storm water, irrigated lands and WDR stakeholder groups to continue their efforts, working with the Water Board Phase 2 workgroup, to develop specific proposals in their respective focus areas.
14. The State Water Board is committed to seeking the most efficient and cost-effective ways to achieve public health and environmental outcomes, continually assessing and improving regulatory processes, advancing concepts that would maximize the utility of actions and achieve multiple benefits, acknowledging and rewarding innovation and partnership, and ensuring fair and equitable application of laws, regulations, policies and procedures.

THEREFORE BE IT RESOLVED THAT:

The State Water Board commits to continued stakeholder engagement in identifying and implementing measures to reduce costs of compliance while maintaining water quality protection and improving regulatory program outcomes. In response to stakeholder efforts to date, the State Water Board directs that the following actions be undertaken:

1. The Water Board Phase 2 workgroup shall continue to work with the NPDES storm water and irrigated lands stakeholder groups as they continue to gather data and develop their recommendations.
2. The Water Board Phase 2 workgroup shall review the WDR stakeholder group's report, provide feedback, explore alternatives, and assist the group coordinators with finalizing their report and recommendations for presentation to the State Water Board.

3. State Water Board staff, having implemented the recommendation to streamline sanitary sewer spill reporting requirements when no spills have occurred in the revised Monitoring and Reporting Plan for the General Order for Sanitary Sewer Systems, [Order 2013-0058-EXEC](#), shall evaluate and report to the Board by January 22, 2014, with a recommendation concerning the appropriateness of additional or duplicative requirements established by the Regional Water Boards applicable to sanitary sewer systems enrolled under the State Water Board's General Order for Sanitary Sewer Systems, Order 2006-003-DWQ.
4. State and Regional Water Board staffs, working together with the "NPDES Roundtable" and stakeholders, shall document existing practices and report to the State Water Board by September 10, 2014, regarding any additional steps recommended to ensure a transparent, consistent and efficient process for issuance and reissuance of individual NPDES permits. The report shall include, but is not limited to, practices that: (a) identify duplicative or unnecessary monitoring and reporting requirements in existing permits; (b) encourage use of surrogate or representative sampling where appropriate; and (c) clearly document in the permit Fact Sheet the need for and the purpose, value and use of any special studies and reports.
5. State Water Board staff shall request assistance from the U.S. Environmental Protection Agency Region 9 to convene in 2014 joint public workshops, training events or other suitable forum to facilitate a common understanding on the use of existing regulatory tools, such as water effect ratio studies and mixing zone/dilution credit studies, in use attainability analyses and site specific objective and effluent limit development, distinguishing what must be done through amendment of a water quality control plan from what may be done through an NPDES permit requirement. State Water Board staff shall report to the Board any findings and recommendations from the joint events that would improve the understanding and use of such tools.
6. State Water Board staff shall work with stakeholders to include cost considerations that take into account factors similar to those proposed in the NPDES wastewater group's "Initial Economic Checklist" in development of the Biological Objectives Policy. This is intended to serve as a pilot or test run of the approach and does not create new obligations or requirements for the development of any other Water Board policy or permit.
7. State and Regional Water Board staffs, working together with the "TMDL Roundtable" and stakeholders, shall evaluate, identify, and report to the State Water Board by March 11, 2015, "best practices" for incorporating provisions in TMDLs to provide for phased implementation and periodic TMDL review consistent with the State Water Board's *TMDL Guidance – A Process For Addressing Impaired Waters in California* (July 2005) or, if necessary, improvements to that guidance.

8. State Water Board staff shall report on progress toward completion of these activities every six months at a meeting of the State Water Board.

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on September 24, 2013.

AYE: Chair Felicia Marcus
Vice Chair Frances Spivy-Weber
Board Member Tam M. Doduc
Board Member Steven Moore
Board Member Dorene D'Adamo

NAY: None

ABSENT: None

ABSTAIN: None



Jeanine Townsend
Clerk to the Board