

DRAFT Notes
December 6, 2012
Stormwater Work Group
State Water Board [Resource Alignment Project \(RAP\)](#)
Phase II: Cost of Compliance

This first meeting of the work group was held as a WebEx conference call. In preparation for the call, participants were encouraged to review the [October 24 presentation](#) from State Water Board staff on the project, particularly slides 6, 8, 10-12, 14-16, and 18 (excerpts below).

The focus of the work group is to address the following State Water Board purpose and goals for the project:

- Identify, describe, and evaluate opportunities to reduce the costs of compliance for dischargers subject to Water Board regulation and oversight.
- Implement plans, policies, regulations in least burdensome manner at minimum cost while maintaining effectiveness.
- Maximize utility/benefit arising from discharger compliance actions, including benefits to the regulated community and to the environment at large.

The work group has been constituted to organize stakeholder participants, and compile and funnel information; specifically to:

- generate ideas and provide information
- prioritize needs/wants

Participants on the work group will provide:

- ideas for costs of compliance that could potentially be reduced
- information to document costs of compliance and potential for costs saving

The effort is pointed at a final report to the State Water Board that potentially could be a list of potential opportunities and recommendations for specific permitting or planning changes that could lead to cost savings.

The effort's ground rules are:

- Cost information should be transparent.
- Quantitative information is needed to support theory and ensure the most important issues are prioritized
- Measures must be legal and not inhibit the Water Board's ability to protect water quality
- This effort will not be a cost benefit analysis (e.g., an evaluation of the cost of compliance measures versus the benefit to the environment)
- Longer term more challenging ideas will not impede progress moving forward with achievable short-term measures. Likewise, progress in one sector (e.g., stormwater) should not be delayed by other sectors

The primary focus of this first work group meeting was to:

- brainstorm, refine, and document initial list of compliance activities where cost saving potential exists
- define subgroups if needed

The stormwater work group's December 6 kick-off conference call lasted about 2 hours, and touched on a wide range of topics in a free-ranging discussion. Below is an organization and characterization of the comments made.

Cost Drivers

- TMDLs
- Information generation (monitoring data, reports)
- Provisions beyond the purview / jurisdiction / control of a stormwater permittee
- Provisions requiring activities that overlap those already being conducted, sometimes by another entity
- Permit fees

Ways to reduce costs of compliance

Permit Design

- Change the approach to permit development from permit writing to permit design
- Promote / incentivize prioritization of activities / resources
- Stormwater-related provisions only; no provisions that would be better included in others' permits (e.g., requirements on discharges of water by water suppliers)
- Water quality focus as opposed to activity focus; green as opposed to grey endpoints
- Information requirements – Require generation of data and reports only to the extent the information is generated to answer a specific management question pre-determined before any planning for information collection starts and that will be used (data) or read (reports)
- Move from permit design based on 1990 Phase I Part 1 and 2 permit application requirements to one based on lessons learned from that initial approach and latest implementation experience
- Move from evaluation based on documenting effort (i.e., outputs) to assessing effectiveness (i.e., outcomes)
- Do more than allow for coordination among permittees, promote / incentivize it; **but do not require**
- Move from arbitrary numeric requirements (e.g., visit each facility once in 5 years) to requirements based on established need determined through experience / studies / audits

Best management practices (BMPs)

- **Recognize BMPs have an optimum geographic scale (i.e., many are optimized at scales greater than local)**
- **Recognize that no BMP is the best management practice for every location, every pollutant, every activity, etc.**
- Allow for new technologies to be tested and made available when performance is established
- Promote the looking for opportunities from the get-go to use true source control (including via the authorities of other agencies), and when it appears to be best approach, facilitate its use

Costs / Fees

- Look for opportunities to reduce Water Board staff costs; consolidate work / permits

- Ensure all stormwater permit fees revenue is spent on stormwater permit administration or programs / projects directly related to stormwater
- Reduce / eliminate State fees when equivalent local program in place

Studies

- Cost of ~~fn~~ compliance study – Phase II
- Others
- Share costs of studies between State and local agencies

Potential Actions

- Create conceptual models of cost of compliance
 - Pilot test:
 - SB 310 approach
 - Block grants
 - Watershed planning / permitting
 - Direct regulation of industrial stormwater facilities by MS4s
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Next Steps

- A follow-up conference call will be set for the week of January 14. [Set for Tuesday, January 15, 10:00-12:00]
- An e-mail will be sent to the work group list asking for any members that wish their e-mail addresses not be shared [No opt out responses received]. The work group list will be sent to the work group.
- Work group lead Geoff Brosseau will draft these notes, and send out for use and comment by January 10.
- Consider organizing recommendations into a matrix with dimensions:
 - Short-term vs. Long-term
 - Permittees vs. Others (e.g., State Water Board)
 - California Water Code – As is vs. Revised (to provide a place for issues / recommendations beyond scope of this project)