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(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ...
PUBLIC HEARING - COMMITTEE RECORDS

2009-10
(session year)

Senate
(Assembly, Senate or Joint)

Committee on Environment...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
  (**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
  (**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Stefanie Rose (LRB) (September 2013)

Village of Mount Horeb

138 E Main St
Mount Horeb, WI 53572
Phone (608) 437-6884/Fax (608) 437-3190
mhinfo@mounthorebwi.info www.mounthorebwi.info

July 27, 2010

Mr. Matthew Frank, Secretary
Wisconsin Department of Natural Resources
101 South Webster Street-AD/8
Madison, WI 53703

Re: WPDES Permit Reissuance-Village of Mount Horeb, WI
Clearinghouse Rule 07-111 (Relating to Thermal Standards-Revisions to NR 102 and NR 106) Clearinghouse Rule 10-35 (Relating to Phosphorus Water Quality Standards)

Dear Mr. Frank:

The Village of Mount Horeb is requesting an expedited reissuance of their WPDES permit which expired on September 30, 2007. As required by Wisconsin Administrative Code, the Village submitted the application for reissuance before March 31, 2007. To date, the Village has received no written correspondence regarding this permit, a copy of the proposed limits for the reissued permit or a draft permit for review. The Village is requesting reissuance of their permit prior to the effective dates for clearinghouse rule 07-111(Thermal Standards) and clearinghouse rule 10-35(Phosphorus Standards).

Clearing House Rule 07-111 (Thermal Standards)

Subsequent to the expiration date of the Village's WPDES permit, the Wisconsin Department of Natural Resources proposed and the legislature took no action on Clearinghouse rule 07-111 (Relating to Thermal Standards). The proposed draft language of this rule which was authorized for public hearings after the date of the Village' WPDES permit expiration originally included an exemption for municipal wastewater treatment plants.

Based on hearing and US EPA comments, language was added to the clearing house rule which will potentially require the Village to meet a thermal standard for its municipal wastewater discharge. According to the most recent information

provided by Wisconsin DNR staff, the effective date for this rule will be October 1, 2010 provided that guidance will be completed by that date.

A major portion of this rule was added following the original DNR board action without additional public hearings. This revised rule includes new section NR 106.59 (Effluent limitations for permits issued to publicly or privately owned domestic sewage treatment works) which allows for a discharger to account for dissipative cooling in determining the needs for sub-lethal effluent limitations (NR 106.59 (4)). This option would not be available for the Village unless the permit is reissued prior to the effective date of the rule. This provision requires the following:

At the **time of permit application (March 31, 2007)** upon request of the POTW, the department may account for dissipative cooling of a POTW effluent in determining the need for sub-lethal effluent limitations. This requires that the POTW provide the following information:

a. Written description of the physical characteristics of the receiving water or outfall that encourages rapid dilution, diffusion, dispersion or dissipation of heat.

b. A written description of the presence or absence of other thermal loads to the receiving stream.

c. The minimum and maximum effluent temperature for each calendar week for each permitted outfall over the **past two years**.

d. Site specific information:

1. Biological quality of the receiving water.
2. Data concerning the physical characteristics of the receiving water or permitted outfalls that encourage rapid diffusion, dispersion and/or dissipation of heat.
3. The minimum and maximum temperature of the receiving water upstream up stream of all permitted outfalls for each calendar month over the **past two years**.

The Village at the time of permit application could not reasonably have expected to be covered by this rule and as a result was not in a position to collect the required data. Without specific Wisconsin DNR guidance that is still under preparation there are no defined protocols for collecting this data.

If the permit is not reissued prior to the effective date of the rule, the Village is requesting that the Wisconsin DNR allow the Village sufficient time to collect the necessary data to determine if dissipative cooling would be allowed in determining a sub-lethal temperature limit for its effluent. The Village anticipates that this determination could be completed by December 31, 2012 which would be about 2 years and 5 months from the date of this letter.

Clearing House Rule 10-35 (Phosphorus Standards)

Wisconsin DNR efforts regarding development of clearinghouse rule 10-35 (Phosphorus Standards) began on February 1, 2008 which is after the September 31, 2007 expiration date for our WPDES permit. Draft rules for public hearing were authorized for hearing by the Wisconsin Natural Resources Board on March 16, 2010 with four hearings scheduled for April 2010. Subsequent to these hearings, the Wisconsin DNR issued the proposed rule for public review on or about June 17, 2010 prior to their June 22 and June 23, 2010 Natural Resources Board meeting. These rules contain significant modifications to the hearing rules which will impact the potential use of the rules by the Village of Mount Horeb and many other dischargers.

The Village would like to consider effluent trading as a potential solution to the installation of expensive (both initial costs and operating costs) wastewater treatment technology. At the present time, under the provisions of the existing NR 217 the Village discharges approximately 1,300 pounds of phosphorus to the West Branch of the Sugar River annually. The proposed rules would limit their discharge to about 150 pounds of phosphorus per year to the West Branch of the Sugar River. The Village facility already removes 90 percent of the influent phosphorus. The costs of removing this amount of phosphorus is the most significant variable cost in the operation of the entire wastewater treatment plant when you account for chemical costs and the additional biosolids disposal costs associated with its removal. Trading, in concept, would allow the Village to identify alternative practices which would remove a stipulated amount of phosphorus in their watershed. At the present time, specifically identifying this amount of phosphorus removal is not possible since there is no state-wide standard for effluent trading.

The rule as approved by the Wisconsin Natural Resources Board appears to preclude the opportunity for the Village to consider trading as an alternative unless their permit is reissued prior to the effective date of the rule. The rule as proposed for adaptive management (NR 217.17 (4)) in the public hearing draft was approximately one page in length and contained about 375 words while the rule approved by the Wisconsin Natural Resources Board (NR 217.18) is about four pages in length and contains about 1,100 words of which only about 130 words from the public hearing rule remain in the approved rule. Needless to say, there were many changes to this rule language and with only 6 days between the release of the rule for board approval and the actual approval there was not sufficient time for a reasonable review of the proposed language.

The rule as proposed requires the permittee to request the use of adaptive management with the application for reissuance for their WPDES permit. This is not possible for the Village since the rule making process began almost a year after our WPDES permit reissuance application was submitted to the Wisconsin DNR. The rule as approved also requires the submittal of an approvable adaptive management plan which requires the identification of partners and

potentially contracts with those partners. This would likely require a two year period provided the Village had specific guidance on methods for trading which do not exist. If the Wisconsin DNR is unable to reissue our WPDES permit prior to the effective date of the rule, we are requesting that the Wisconsin DNR provide the Village with at least two years to prepare the necessary information to apply for an adaptive management approach. There are many actions required to allow the Village to determine if the adaptive management approach would be a preferred option. These include:

1. The Village's review of the proposed trading framework which the Natural Resources Board on June 23, 2010 required the Department to immediately assemble a stakeholder group and report back to the board no later than July 1, 2011.

2. Allows the Villages to develop the necessary information required by the adaptive management approach including potential trading partners.

3. Allows DNR to promulgate total nitrogen requirements, if determined necessary, to comply with the notice of intent to sue US EPA over promulgation of nutrient criteria which includes nitrogen as well as phosphorus criteria.

4. Allows demonstration of the effectiveness of the proposed NR 151 rules with regards to non-point source contribution to phosphorus loadings.

5. Allows demonstration of the effectiveness of 2009 Wisconsin Act 9 which limits the use phosphorus in lawn fertilizers.

6. Allows Village to account for the effect on influent phosphorus concentrations of 2009 Wisconsin Act 63 which limits phosphorus use in dishwasher detergents.

Provided that the Wisconsin DNR staff is capable of developing the necessary trading framework by July 1, 2011, the Village would potentially be in a position to complete the necessary items to request an adaptive management approach for our wastewater treatment facility by January 1, 2013.

We appreciate consideration of these issues. We believe that we are not the only community in the state with similar issues with regard to these rules.

Please feel free to call with any questions or concerns. The Village has had a significant commitment to protecting the West Branch of the Sugar River since

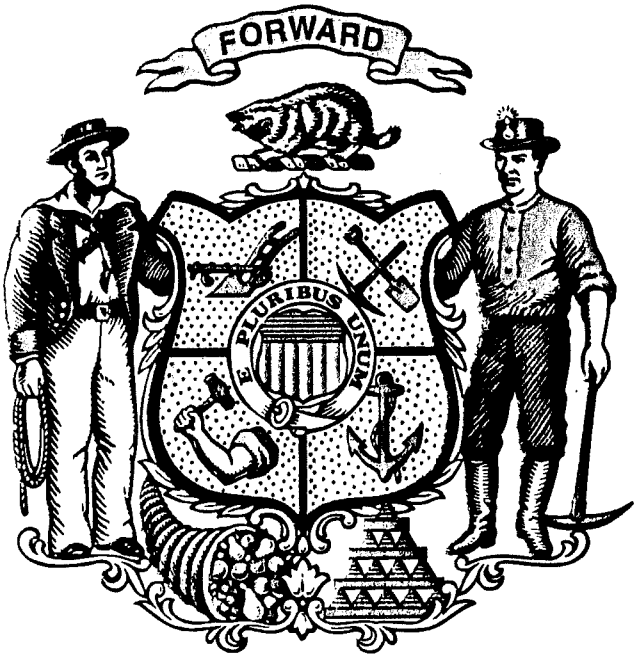
about 1915 and wants to continue to be environmentally responsible in the most cost-effective manner.

Sincerely,

Village of Mount Horeb

Larry Bierke
Village Administrator

cc: Representative Sondy Pope Robert
Senator John Erpenbach
Representative Spencer Black, Chair, Assembly Natural Resources Committee
Representative Chris Danou Vice- Chair, Assembly Natural Resources Committee
Senator Mark Miller, Chair, Senate Environment Committee.


FORWARD
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Hearing Notes
July 28, 2010

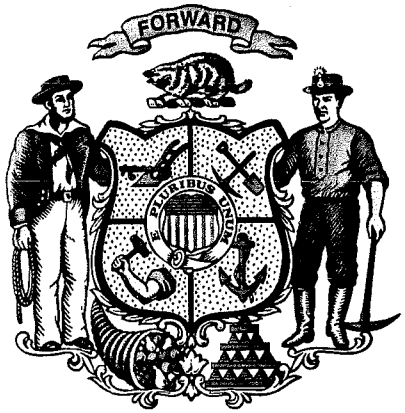
Call Public Hearing to Order and ask Clerk to call the roll

- ROLL CALL

CR 10-035, relating to phosphorus water quality standards criteria and limitations and effluent standards

- **DNR to testify**

Public Hearing concludes, adjourn meeting


FORWARD

WISCONSIN LAKES

WISCONSIN LAKES
Conserving ~ Enhancing ~ Restoring

4513 Vernon Blvd., Suite 101, Madison WI 53705
608.661.4313/608.661.4314 fax
wal@wisconsinlakes.org

Senate Environment Committee
July 28, 2010

STATEMENT IN SUPPORT
Clearinghouse Rule 10-035
Water Quality Standards Criteria and Permit Limits (NR 217)

Toni Herkert
Policy Director
608-661-4313

Dear Senator Miller and Committee Members:

Thank you for the opportunity to voice our support for the water quality standards criteria and permit limits contained in Clearinghouse Rule 10-035. Wisconsin Lakes is a statewide, nonprofit organization that works to conserve, enhance and restore the lake resources in this state. It is in the best interest of lakes, Wisconsin's $13 billion tourism industry and all the people who enjoy boating, fishing, swimming, and living on lakes to have clean water, healthy fisheries and proactive, sustainable management of our lake resources so generations to come can enjoy Wisconsin Lakes.

Phosphorus continues to be the final frontier for water resource management in the State. Excess phosphorus, nutrients and sedimentation can result in lower oxygen levels which threaten fisheries and aquatic life, cause excessive vegetation growth and contribute greatly to the nuisance and sometimes dangerous algae blooms in our lakes and along our beaches.

In the last legislative session major strides were taken to reduce the amount of phosphorus reaching our state waters. We would like to thank the members of this committee and the full legislative body for the passage of Wisconsin Acts 9 and 63 relating to the phosphorus lawn fertilizer ban and requiring more stringent limits for phosphorus in dishwashing detergents.

It is this type of continual improvements that will help protect and restore the state's lakes and rivers. WI Lakes believes that through the innovative use of pollutant trading, TMDL's and adaptive management in NR 217 that the Department recognizes that the solution to the phosphorus problem in this state is not one dimensional. It is apparent that we need a combined point and nonpoint source reduction plan that will allow the greatest accomplishments on a per watershed basis. This rule package, combined with NR 151, will balance the competing interests and allow greater collaboration on actually solving the problem at its roots. Some watersheds will require greater point source controls and others will require greater nonpoint controls. Allowing both rules and the innovative

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management strategies in NR 217 to work together will result in the greatest reduction in phosphorus to our precious water resources.

The members of this Committee know full well that lakes matter in Wisconsin. They provide recreation for untold numbers of anglers, boaters and swimmers. They anchor our recreational economy and the property tax bases of many Wisconsin communities. Many of you have probably seen or heard stories from constituents on the unrelenting algae blooms that are all too common on our lakes. But I am not sure we have focused enough on the hard economic value of lakes and streams.

The Department of Revenue's property valuation records are aggregated mostly using taxing jurisdictions and property use classes (such as residential and agricultural). As a result, there is no statewide data that shows the economic significance of land on or near our lakes and streams. But WI Lakes has done some homework to help you better recognize the significance of the property bordering lakes -- lakes that are exposed to damage from phosphorus and nutrients whose impacts state lawmakers struggle to address due to the hard and fast economic factors involved.

WI Lakes has looked at Department of Revenue assessed valuation data for a series of the state's larger town sanitary districts and lake districts located on major lakes in Southern Wisconsin. The trend would no doubt be repeated on thousands more lakes across the State. Here are some highlights:

We looked at the 2009 assessed valuation of property in the Green Lake Sanitary District, the Buffalo Lake Management District and the Lake Puckaway Management District which are located in Marquette and Green Lake Counties. Each of these special districts includes substantially all of the waterfront property on these lakes and very few nonriparian lots. Here's what we found: The Green Lake Sanitary had a 2009 assessed valuation of just under $1.1 billion. This compares with a *total value of all the taxable property in Green Lake County* of just over $2 billion. That means that the ribbon of lakefront homes and lots on Big Green Lake have a value exceeding all the rest of the property in the county and contribute more than half of the tax dollars that support the public schools, the sheriff's department, the highway department and others. Just down the road, the Lake Puckaway Management District had a 2009 valuation of $56,259,295, which totals just under half of the total value of taxable property in the entire Town of Mecan (which had a 2009 valuation of $115,403.00. A little further west, the Buffalo Lake Management District in the Montello area had a 2009 valuation of $92,868,630 in two towns and the City of Montello. Of that, $64,190,562 of property value was in the Town of Packwaukee, where the lake district property accounted for almost 36 percent of that town's property value.

Further southeast, in Waukesha, Walworth and Kenosha Counties, the story is about the same. The Pewaukee Lake Sanitary District, Delavan Lake Sanitary District, Lauderdale Lake Management District, Fowler Lake Protection and Rehabilitation District, Camp and Center Lake Rehabilitation District and Powers Lake Management District all contribute hugely to the tax bases of

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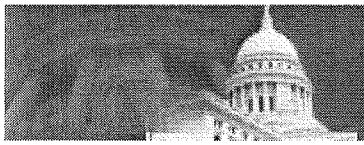
the towns in which they are located, with the lake property constituting between 23 percent to 85 percent of the total value of property in the jurisdictions in which they are located.

Of course, the state's inland lakes do far more for our state's economy beyond serving as an engine of property taxes. These water resources are central to the how people in Wisconsin actually live and the reason so many of us love the state. We thank the committee for taking time out of your busy summer schedules to hear our comments on this very important set of rules. We encourage you to support this rule and take the necessary steps to move our lakes closer to becoming the prized jewels we know they can be.



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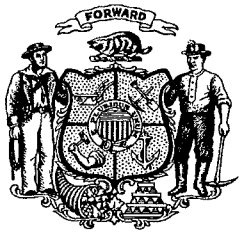

TOWN & COUNTRY
Resource Conservation & Development, Inc.

134 West Rockwell Street, Jefferson, WI 53549, Phone: 920-674-3171, www.townandcountryrcd.org

July 22, 2010

Senator Mark Miller, Chair
Wisconsin State Senate Environment Committee
State Capitol
PO Box 7882
Madison, WI 53707

RE: Numeric Nutrient Standards Rule (NR 217)

Dear Senator Miller and Members of the Senate Environment Committee,

On behalf of the Town and Country Resource, Conservation and Development Council, I wish to express our strong support for the proposed phosphorus standards for lakes, rivers and streams in Wisconsin. Excessive phosphorus levels in our waters have led to impaired uses for people, fish and wildlife of the state.

Wisconsin's tourism industry, farms, businesses, human health, and our quality of life depend on clean rivers, streams and lakes. Scientifically based standards will give us the targets to shoot for in order to achieve fishable, swim able lakes, rivers and streams that we want for Wisconsin. This is an important tool needed for our cleanup plans as we work together for better water quality.

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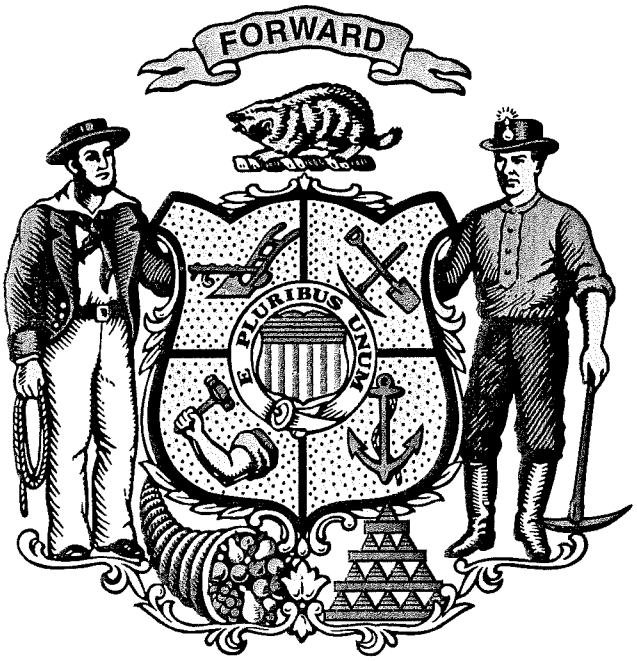
Sincerely,

Diane Herman

Diane Herman, President


FORWARD
E PLURIBUS UNUM

Miller, Mark

From: Sen.Miller
Sent: Tuesday, July 27, 2010 10:12 AM
To: Bier, Beth
Subject: FW: Clearing House Rule 09=112 Run-off NR151 revisions, Clearing House Rule 10-034 Phosphorous limits NR217

From: Don Zillmer [mailto:dzillmer@chibardun.net]
Sent: Tuesday, July 27, 2010 9:53 AM
To: Sen.Vinehout; Sen.Kreitlow; Sen.Plale; Sen.Harsdorf; Sen.Kapanke; Sen.Miller; Sen.Jauch; Sen.Wirch; Sen.Kedzie; Sen.Olsen
Cc: Hubler, Mary; Rep.Hraychuck; Rep.Vruwink; Rep.WilliamsM; Sen.Holperin; Rep.Zepnick
Subject: Clearing House Rule 09=112 Run-off NR151 revisions, Clearing House Rule 10-034 Phosphorous limits NR217

Dear members of the Senate Committees on the Environment and Agriculture and Higher Education

I am asking for your diligence in understanding the implications of your votes on revisions to Administrative Rules NR151 and NR217. The revisions, especially the last minutes changes to NR151 at the Natural Resources Board approval step, help establish a mechanism for a Cap and Trade scheme for phosphorous that the public has not been allowed to study and comment. Please do not let threats of lawsuits from some groups persuade you to act with haste on these Administrative Rule changes. Protecting Wisconsin's soil and water resources for this generation and future generations is of utmost importance. But, these hastily added rule changes and phosphorous limits will not serve that purpose.

Wisconsin has failed at implementing existing rules to protect natural resources and to manage nutrients. Recent Legislative and Agency changes to the operations of DATCP, DNR, the Land Conservation Board and the Natural Resources Board have further diminished the likelihood of real world implementation. Only about 15% of the state's croplands are covered by Nutrient Management Plans (NMP) and there is no mechanism that assures NMP's are being followed. How many athletic fields, golf courses and acreages over 5 acres required to be covered by NMP's under the existing rules are in compliance? What about nutrient management planning and compliance to address the cumulative impact of exploding rates of recreational and residential lakeshore development from which calls and e-mail demands for rule revisions seem to flow? County level delivery of conservation services is abysmal. There are no checks and balances to hold counties accountable for developing meaningful Land and Water Resource Management Plans nor processes to ensure counties follow their plans. Many counties don't even write their own plans, but hire consultants to write them, ensuring plans will simply sit on a shelf. Neither the DNR nor UW Extension have deployed the resources required for education and successful implementation of either nutrient management planning or county land and water resource management/conservation plans.

The flow through dollars DATCP allocates to the counties to cover significant portions of county staffing and conservation projects aren't necessarily going to conservation efforts. County Boards have grown to see these funds as entitlements and a means of budget balancing. Department consolidations have

diluted conservation initiatives as Conservation departments are combined with Zoning, Forestry, Recreation and even Economic Development. Despite claims by leading DNR officials during public hearings and Committee testimony that county conservation departments are there to help farmers, the reality is that they are not. Farmers are more likely to receive a contentious visit from the DNR based on a call to the DNR's 1-800 hotline than a helpful call from their Conservationist.

It struck me after listening to the testimony at last week's Assembly Committee on Agriculture and Higher Education that more effort is going in to creating opportunities for consultants and pollution credit trading than for real solutions for run-off management and preventing further degradation of soil and water resources. Municipal water utility rate payers will face higher rates, not for municipal water systems to come into compliance with the proposed, likely unattainable limits in NR217, but to postpone compliance by trading practices with other phosphorous contributors. Farmers will face increased costs to pay for complicated nutrient management plans. Significant amounts of natural and uncontrollable sources of phosphorous seem to be overlooked as agricultural practices will bear the brunt of regulation. In combination, these rule changes only defer addressing nutrient reductions, and add substantial costs for administration and middlemen profits, and shift money away from implementing pollution control technology.

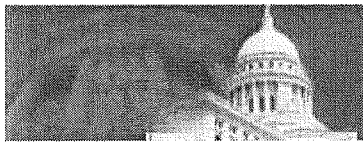
My original objections to NR151 revisions based on the use of SNAP Plus modeling still stand. Those comments were submitted after attending a session in Eau Claire earlier in 2010 at which representatives from municipalities, agricultural and environmental interests expressed their concerns. Contrary to testimony by groups representing those interests at last week's Assembly Committee on Agriculture and Higher Education, the last minute changes do not resolve many of the concerns I have heard coming out of those listening sessions.

I have spent many hours corresponding with specialists at DATCP, DNR and UW Madison. I am appreciative of their time and responses. There is confusion even at those levels as to what the recent NR151 dictates. Critical monies, money that could go towards implementing the rules already in place, will be wasted at deciphering and complying with these theoretical, model based and political devices vs. being applied to on the ground practices that will result in less run-off.

Does anyone understand what Wisconsin has really gained from carbon credits? What are the results and what are the costs? Is the state in any better position to achieve REAL nutrient run-off reductions through trading?

If Cap and Trade for phosphorous, nitrogen and other nutrients or pollutants is ultimately deemed the solution to threats to Wisconsin's soil and water resources, let that discussion be held through appropriate vetting and not back doored through Administrative Rule Changes.

Thank you for your consideration.
Linda Zillmer
902 Holly Hill Lane
Birchwood, WI 54817



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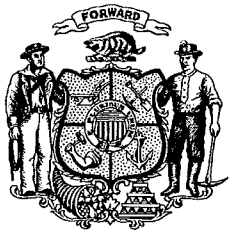


WISCONSIN RURAL WATER ASSOCIATION

350 Water Way • Plover, Wisconsin 54467
715-344-7778 • Fax: 715-344-5555
E-mail: wrwa@wrwa.org

Society Of Water Professionals

TO: Senate Committee on Environment
FROM: Ken M. Blomberg – WRWA Executive Director
DATE: July 28, 2010
RE: Clearinghouse Rule 10-035

Phosphorus Hearing Comments- 7-28-2010

On behalf of the Wisconsin Rural Water Association, its 663 community member systems, and your constituents, I would like to provide comments for the record concerning the proposed revisions to NR 102 and NR 217 relating to phosphorus limits in Wisconsin's surface waters.

Let me start by saying that our association and its membership takes our job of protecting the environment and providing safe & affordable water resources very seriously. WRWA wastewater field staff conduct over 800 on-site technical assistance visits to WWTPs each year, around 100 of which are specifically on phosphorus reduction activities. We also realize the challenges the state of Wisconsin faces in weighing the costs and benefits of regulations needed to protect both the environment and the human resources that use them.

However, we also feel that the actions and levels as proposed in the revisions to NR 102 & NR 217 will require a great deal of unnecessary expense many communities while at the same time providing no appreciable reduction in the phosphorus levels in receiving waters and streams.

By DNR's own estimates, municipal discharges of phosphorus account for only one part of the 20% of phosphorus discharges that are not agricultural in nature. If the state of Wisconsin truly wants to reduce phosphorus levels in our state waters, there are a number of actions that can be taken. These should include:

- Adopting standards on a watershed by watershed basis, specifically addressing the larger point and non-point sources of phosphorus before requiring additional measures by municipal sources which are already treating for phosphorus economically and safely.

- Developing a trading program whereby those producing larger sources of phosphorus are required to work cooperatively with other sources to reduce phosphorus levels in the most cost effective manner possible. Low level sources of phosphorus discharges such as municipalities should not be the only ones required to pay for and accomplish any trading initiatives achieved.

- Strengthen regulations, restrictions and inspections of unsewered, private wastewater treatment systems along all Wisconsin lakes, streams and rivers. Administrative Code Comm 83 is failing

as it is no secret that lakeside septic system failures are common and ignored. Many lakes and streams with no municipal wastewater discharges present are still polluted with high levels of phosphorus, illustrating the extent of the phosphorus problem from other sources.

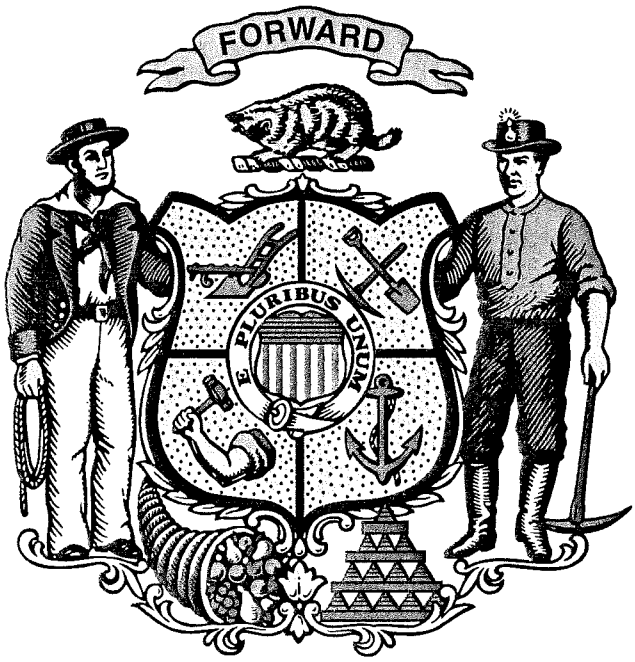
- Re-establishing regulations on increased tillage setbacks along waterways, construction site retention areas, meaningful restrictions on livestock being allowed in surface waters, and control of runoff from fertilized fields and livestock feeding areas. The brown plumes of runoff into most Wisconsin waterways go unchecked, and to achieve real improvements in water quality they must end.

- Finally, State and Federal governments must also be partners in any phosphorus reduction efforts by providing funding mechanisms that are available for any actions needed to reduce phosphorus levels in each watershed.

You must understand, the financial impact of these regulations will be epic in magnitude. Additional unfunded mandates in the current economic climate will be devastating to smaller communities. What this committee must decide is if it is reasonable to ask the residents of communities such as Merrimac, Columbus, Randolph, Cumberland, Turtle Lake, Superior, Burlington, Twin Lakes, Paddock Lake, Johnson Creek, Sullivan, Dousman, Markesan, Berlin and Brandon to join other communities in paying billions of dollars for wastewater facility upgrades that - in the big picture - will do little or nothing to improve the overall conditions of Wisconsin's lakes, rivers and streams.

Wisconsin's communities have proven that they are committed to working with everyone else involved in protecting our water resources, fisheries and aquatic life. They have already spent millions of dollars and reduced phosphorous level discharges by 80-90%, costing community taxpayers around 10-15 cents per pound of phosphorous removed. However, the wastewater treatment facility improvements needed to achieve phosphorous reduction discharges to the levels required in these regulations, will increase such treatment costs to around $200 per pound.

The State of Wisconsin can reduce phosphorous levels in Wisconsin's waters; however, it will come at a significant cost to many Wisconsin residents. What we ask is that it be done in a responsible way, by <u>all</u> responsible parties. Not just those that are the easiest to regulate.


FORWARD
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WMC
WISCONSIN'S BUSINESS VOICE

WISCONSIN'S BUSINESS VOICE SINCE 1911

TO: Members, Senate Committee on Environment

FROM: James Buchen, Vice President, Government Relations

DATE: July 28, 2010

RE: Clearinghouse Rule 10-035, Proposed Phosphorous Regulations

---

Wisconsin Manufacturers & Commerce (WMC) opposes the proposed phosphorous discharge rule in its current form, and we therefore respectfully urge you to seek modifications addressing the concerns noted below. In the absence of revisions that significantly reduce compliance costs, we ask that you object to the rule.

Before noting our specific concerns with the rule, WMC wishes to make clear that we support the goal of improved water quality and a reduction in algae blooms in Wisconsin waterways. We are proud of the significant strides our members have already made with respect to reduced phosphorous discharges, and believe that additional reductions can be made at a modest cost. However, we do not believe the DNR has identified the prime regulatory target in this rule (non-point source sector), nor do we believe the rule as written will lead to affordable reductions in phosphorous.

WMC also wishes to express our appreciation to DNR staff who took the time to meet with industry stakeholders on multiple occasions to discuss this rule. While efforts to attempt to contain compliance costs and add flexibility are commendable, the package before you remains a tremendously expensive rule for homeowners and businesses – especially the paper and food processing industries – both of which have struggled economically in recent years.

Perhaps your most important consideration as your perform your legislative review duty is whether the regulatory path proposed in this rule will result in meaningful improvements in water quality, and whether the regulations are cost effective. For the reasons cited below, we believe Clearinghouse Rule 10-035 fails the test on both accounts.

The Rule Will Add Substantial Cost To Wisconsin Companies

Facilities receiving a stringent water quality based effluent limit (WQBEL) for phosphorous are likely to face extraordinary new costs as a result of this rule. As the DNR noted in the rule analysis, "compliance would likely require installation of additional treatment processes, such as filtration, at a substantial capital cost with increased operation and maintenance costs." The Department's fiscal analysis suggests the rule will impact an estimated 35 industrial facilities with an aggregate cost approaching $440 million on a statewide basis. That amounts to an average of roughly $12.5 million per facility.

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Feedback from WMC members suggests that compliance costs will vary widely depending on the case-specific circumstances of each facility. However, these costs will be measured on the low end at $2-3 million per facility, and climb in excess of $20 million on the high end.

The paper and food processing industries in Wisconsin are already under extremely intensive competitive pressures in both the national and international marketplace. As such, Wisconsin companies are not in the position to absorb significant new expenses - any attempt to pass new regulatory costs on to consumers will merely price our companies out of the market. Moreover, saddling Wisconsin facilities with higher costs will make it increasingly likely that Wisconsin-based operating capacity will be shifted to sister facilities in other states with a lower cost structure. This would result in job migration out of our state, and economic dislocation within our state.

Unlike municipal water utilities, which have the ability to distribute the enormous cost of this rule across a captive rate base, industrial facilities have no ability to recover the multi-million dollar cost of this proposed rule.

When layered on top of the thermal discharge rule, which also has the potential for substantial new costs, these regulations will make it increasingly difficult for Wisconsin facilities to remain economically viable when compared to their counterparts in other states. Wisconsin has already lost more than 60,000 manufacturing jobs in the past two years, and we cannot afford to lose more because of an expensive phosphorous rule that does very little to address the vast majority of nutrient loading in our waterways.

Municipal Treatment Costs Will Be Passed Along to Wisconsin Businesses
While WMC is very worried about the economic impact of this rule on our members that discharge directly to a water body, we are also very concerned with the financial implications of this rule on manufacturers that discharge to a municipal wastewater treatment system. The DNR's fiscal analysis predicts this rule will cost municipal water utilities in excess of $1.3 billion. We believe this figure is overly conservative. An engineering analysis prepared for the Municipal Environmental Group suggests the rule could cost municipal treatment facilities and their ratepayers in excess of $4 billion dollars.

Adding billions of dollars to the cost of municipal water treatment will increase costs for all water consumers, as these costs will be passed along to ratepayers in the form of higher fees. Large industrial water users, especially those that discharge phosphorous to municipal treatment systems, will be disproportionately impacted when the financial cost of this rule is passed through to customers. For example, one of our members was told by their municipal wastewater utility to expect a 25% increase in wastewater fees if this rule is enacted. *We are very concerned that adding costs of this magnitude to our economy at a time when we are struggling to emerge from a recession will only serve to weaken our state's economic position.*

Industrial Sources Are Not The Predominant Source of Phosphorous Impairment
Current regulations in Chapter NR 217 of the Wisconsin Administrative Code establish technology-based phosphorous discharge limits for both industrial and municipal dischargers. These limits are generally set at 1 mg/l unless an alternative limit has been approved. Many

facilities discharge at a concentration well below that which is allowed under current law. As a general matter, point source dischargers are already well-controlled for phosphorous.

The DNR's own analysis shows that 80 percent of the impairment due to phosphorous occurs from nonpoint sources - not industrial or municipal treatment works. By targeting this rule at a comparatively small fraction of the nutrient impairment, any water quality benefit will be correspondingly minimal. The extreme cost of the stringent effluent limits resulting from this rule cannot be justified by the uncertain and unlikely water quality improvements that may occur in the future.

This Rule Will Make Wisconsin A Costly Regulatory Island In The Midwest
As noted earlier, Wisconsin companies compete in a regional, national and international marketplace where cost often dictates success or failure by the slimmest of margins. WMC is very concerned that unique and costly "Wisconsin only" phosphorous limits from this rule will severely inhibit our overall economic competitiveness. That is, the viability of Wisconsin jobs will be threatened if Wisconsin employers are forced to bear the considerable costs of this rule while competitors in other states remain immune from the "phosphorous penalty."

While some surrounding states have proposed establishment of a water quality criteria for phosphorous, none have set a criteria for lakes, reservoirs, rivers and streams in the manner that this rule does. More importantly, ***no other Midwest state has proposed establishment of water quality based effluent limits for phosphorous***. Wisconsin simply cannot afford to be the only state in our region that punishes businesses and jobs with multi-billion phosphorous regulations that will make little or no difference in water quality. If this rule is indeed being driven by Clean Water Act requirements, *the DNR and Legislature should postpone any revisions to NR 217 unless and until the EPA promulgates a uniform national regulation that strikes an equitable balance between point and nonpoint source discharges of phosphorous.*

Important Changes Must Be Made To This Rule
Following is a list of specific suggestions for modifying this rule that will add compliance flexibility and contain costs without sacrificing water quality.

- Provisions in the adaptive management option that require point sources to pay for and achieve nonpoint phosphorous reductions (NR217.18(d)) should be removed from the rule. It is wholly unfair to impose enforceable permit conditions on industry to reduce rural or urban nonpoint pollution from another source, and this provision was never contemplated in any prior version of the rule. The adaptive management option will have little utility for industry if this inequitable requirement remains in the rule.

- The Department's authority to unilaterally revoke an approved adaptive management plan for reasons beyond the permitee's control under NR217.18(3)(g)3-4 should be removed.

- Similar to the variance procedure for stabilization ponds and lagoons in NR217.19, a streamlined variance should be created under the rule to address human caused conditions or sources of pollution directly attributable to nonpoint sources that prevent

attainment of the phosphorous criteria in NR 102.06. This variance would be consistent with the criteria set forth in s. 283.15(4)(c) Wis. Stats.

- The rule should specifically address situations where small sources of phosphorous loading are exempt from the provisions of NR 217 because they will not impact water quality, and the cost of regulation cannot be justified given their minimal impact.

- The applicability of phosphorous criteria in NR 102.06 and the corresponding effluent limits proposed in NR 217 should not take effect unless and until the U.S. EPA promulgates a nationwide water quality standard for phosphorous to ensure that Clean Water Act requirements are applied fairly and uniformly in all states. Wisconsin's economy must be allowed to compete on a level playing field.

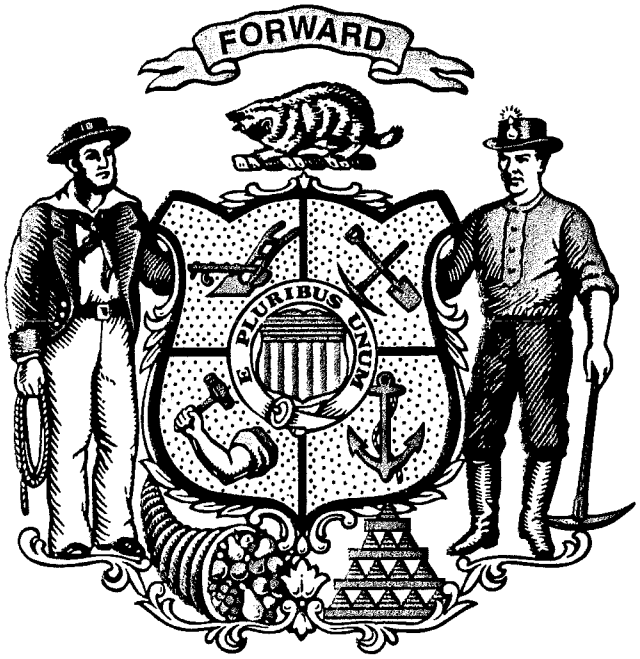
Conclusion

WMC appreciates the DNR's effort to move forward with a rule that seeks to balance environmental and economic goals. Unfortunately, we do not believe the approach taken in this rule strikes a proper balance between cost and benefit. As written, this rule will impose severe financial hardships on homeowners and businesses at a time when they can least afford it – without achieving a meaningful benefit to statewide water quality.

WMC urges the Legislature to carefully examine the economic costs and related job impacts associated with Clearinghouse Rule 10-035, and consider whether forcing the expenditure of billions of dollars to target less than 20 percent of the phosphorous impairment is an effective and affordable approach to addressing this problem. We also ask that you consider whether unilaterally imposing these costs on our economy makes sense when none of our neighbors are doing so.

The Natural Resources Board has rushed this multi-billion proposal through its rulemaking process in a three month period. We respectfully ask that the Legislature take a more deliberative approach, and direct the DNR to make revisions to the rule package to address the concerns referenced above. If those changes are not made, we ask you to object to this rule.

Thank you for your thoughtful consideration of our members' concerns with Clearinghouse Rule 10-035.


FORWARD
E PLURIBUS UNUM

RIVER ALLIANCE of Wisconsin

July 28, 2010

Statement by Denny Caneff, Executive Director, to the Senate Environment Committee in Support of

Clearinghouse Rule 10-035 (relating to phosphorus water quality standards criteria and limitations and effluent standards)

The River Alliance of Wisconsin supports this rule that addresses the chronic problem of phosphorus pollution in Wisconsin's waters.

After mercury, phosphorus is the most serious and challenging pollutant for surface waters in Wisconsin. The results of phosphorus pollution, especially from agriculture, are evident in the algae blooms that occur this time of year across the state, from Lake Michigan to the St. Croix River. If there is one water quality issue that concerns and frustrates our members, it is the algae blooms caused by phosphorus.

Wisconsin has made some gains in controlling phosphorus in just the past two years through policy changes. Phosphorus has been banned in almost all consumer cleaning products, and virtually banned from lawn fertilizer. What's left is the phosphorus coming from the pipes of cities and industries, and the phosphorus that runs off farm fields.

In many watersheds, it is so-called "nonpoint" pollution making the biggest phosphorus contribution to rivers. But without these phosphorus water quality criteria in place, regulating nonpoint pollution has been, and would continue to be, almost impossible. Without some "line in the water" that says, "This is too much phosphorus for this river," it is very difficult to regulate the phosphorus that feeds the nasty and even toxic algae blooms that are driving people away from their riverside homes and public beaches.

Perhaps the most important element of these proposed standards is the ability for cities or even industry – the so-called "point sources" – to make a deal with non-point sources in the same watershed to cooperate and reduce phosphorus pollution at the place where, and with the investment, that makes the most sense. This "adaptive management" option in the rule gives flexibility to the parties involved, should optimize pollution control spending, not maximize it, and should actually result in what the rule is intended to get – cleaner rivers and lakes.

Your approval of these rules now is critical, as it comes at the same time as another set of rules – the "nonpoint" pollution rules codified in NR 151, 153 and 155 – are being reviewed and (we hope) approved by the legislature's agriculture committees. While these are two separate rule packages, these non-point rules are the other side of the same coin of controlling phosphorus pollution. The promise of one of these rules cannot be fulfilled without the implementation of the other.

The two rule packages, in tandem, represent a real breakthrough in managing what is a persistent and, in some cases, increasingly dangerous pollutant for Wisconsin. (Some algae are toxic.) We urge the Senate Environment Committee's approval of Clearinghouse Rule 10-035.

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State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Jim Doyle, Governor
Matthew J. Frank, Secretary

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July 28, 2010

Chairman Mark Miller
317 East, State Capitol
Members, Senate Environment Committee

Chairman Spencer Black
210 North, State Capitol
Members, Assembly Natural Resources Committee

Subject: Clearinghouse Rule 10-035, Phosphorus Water Quality Standards Criteria and Permit Limits

Dear Senator Miller and Representative Black and Members of the Senate Environment and Assembly Natural Resources Committees:

Wisconsin's lakes, rivers and streams are a key foundation of our quality of life and our economy. Under the strong leadership of Governor Doyle, and with the support of the Legislature and the Natural Resources Board, Wisconsin has made tremendous progress in protecting these great natural resources. In recent years, Wisconsin passed the Great Lakes Compact, enacted strong rules to reduce mercury pollution of our state waters by 90 percent, began full-scale clean-ups of the Fox, Kinnickinick and other rivers, modernized shoreland protections, took important steps to protect groundwater, and adopted strong measures to combat the spread of aquatic invasive species.

The largest unmet water quality challenge we face is the phosphorous, nutrient and sedimentation pollution which threaten watersheds across the state. As a result there are 172 lakes and rivers currently listed in Wisconsin as impaired waters. This pollution causes excessive weed growth, forms nuisance algae blooms which foul our lakes and beaches, and contributes to the public health threat posed by blue green algae. In 2009, there were 35 reported health cases in Wisconsin due to algae blooms. This pollution negatively affects our fisheries by depleting oxygen levels and degrading habitat for spawning. It also impacts all who enjoy fishing, boating, paddling or the simple beauty of our lakes and streams.

This important water quality issue also affects our economy. The water quality of our lakes and streams impact Wisconsin's $13 billion tourism industry, our $2.75 billion fishing industry, as well as the property values of private property owners and local economies in watersheds across the state.

I applaud the legislature for its pro-active action in passing a ban on phosphorous in dishwasher detergents and lawn fertilizers in this legislative session. The rules that are now being considered by the environmental and agriculture committees in both houses build upon those initiatives, representing a comprehensive approach that will lead to significant and measurable progress in addressing phosphorous, nutrient and sediment pollution.

Phosphorus comes from many sources – both point and nonpoint sources. The rules the Department has proposed address all sources of phosphorous and sedimentation in a watershed, whether the source is agricultural run-off, municipal water treatment systems, urban or suburban stormwater run-off, or manufacturing. Numeric water quality standards for phosphorous are established for the first time. Using sound science and data, these rules provide a framework to assess the problem in a particular watershed and then implement the most cost-effective solutions that will provide the greatest environmental results at the lowest cost.

These rules were not drafted in a vacuum. The Department listened carefully to the public and to a wide variety of stakeholders and modified the rules to reflect their valuable input. A partial listing of business, municipal and farm organizations who improved the rule through their discussions with us include: the Wisconsin Department of Agriculture, Trade and Consumer Protection, the Wisconsin Farm Bureau, the Wisconsin Paper Council, the Dairy Business Association, the Cheese Makers Association, the Potato and Vegetable Growers, the Cranberry Growers, the Corn Growers, the Wisconsin River Alliance, Clean Wisconsin, Midwest Environmental Advocates, the Municipal Environmental Group (representing small and medium size municipal water treatment systems) as well as Metropolitan Sewage Districts in Green Bay, Milwaukee and Madison.

The approach we have taken builds compliance flexibility into the rules. This will significantly reduce the costs of compliance while ensuring that the most cost-effective investments are made within a watershed which yield the greatest improvements in water quality. These provisions include:

- *Compliance schedules* – provides for up to 15 years (3 permit terms) for point sources to comply. This provides the necessary time to plan for and implement the actions that will be necessary (if any).
- *Adaptive Management and Total Maximum Daily Load (TMDL)* – establishing these alternative limits will ensure that point and nonpoint sources contribute to the solution for a particular watershed in the proportion that they contribute to the phosphorus problem.
- *Pollutant Trading* – with final enactment of these rules, we are committed to designing a system with full stakeholder input that will allow us to work with municipalities, industry and farmers to find the most cost-effective solution on a watershed. This can significantly reduce compliance cost.
- *Variances* – if the costs of compliance exceed the reasonable means of the municipality's taxpayers or have a significant adverse impact on the profitability of an industrial point source the department has the ability (with a proven track record of using this authority) to waive the requirements or give a less stringent phosphorus limit.
- *Cost*-sharing- the new regulatory framework will better target existing nonpoint funding the Governor and the legislature have made available to help farmers reduce nutrient loading and sedimentation as well as clean water revolving loan funds the state makes available to public point sources.

In addition, market place changes, including technological advancements in water quality treatment and clean and renewable energy that have already begun to occur, will help drive improvements while lowering the cost of compliance.

The comprehensive approach we have advanced ensures that Wisconsin will maintain the ability to set our own water quality standards and implement those standards in a way that protects our unique environment while sustaining competitive manufacturing, agricultural and tourism industries. By taking

action now, we can avoid the experience of Florida, which is dealing with this issue through lawsuits. We believe that the carefully balanced approach we have crafted with significant stakeholder input is far preferable to the uncertainty and more costly actions that often result when the courts become the forum for a solution. We have worked closely with the United States Environmental Protection Agency and believe that our approach is not only novel, but that it can become a national model for action at the state and national level.

The Department is prepared to answer any questions you may have about our proposed water quality rules. I am also enclosing an attachment that has been prepared by my staff that more specifically responds to a number of misconceptions about the rules raised in the letter dated July 13, 2010, from the Wisconsin Manufacturers and Commerce.

Thank you for the time and attention you have devoted to this important issue.

Sincerely,

Matt Frank
Secretary
Wisconsin Department of Natural Resources

Attachment: Misconceptions in Letter from WMC and Others

The letter dated July 13, 2010 to Wisconsin legislators from Wisconsin Manufacturers and Commerce and other groups contains a number of misconceptions regarding Clearinghouse Rule 10-035 that establishes water quality-standards criteria for phosphorus. Specific comments are as follows:

1. The WMC comments fail to recognize that the Department is proposing a rule to also address the nonpoint sources of phosphorus. Concurrent with this proposal to establish numeric water quality standards for phosphorus and implementation mechanisms for point sources, the Department is forwarding revisions to NR 151 that establish phosphorus-based performance standards for nonpoint sources to address that component of the issue.

2. After numerous meetings with impacted municipal and industrial dischargers and conservation groups, additional flexibility has been added to these rules to specifically address the potential costs of compliance with these rules. Pollutant trading as well as permit limits based on total maximum daily load (TMDL) analyses that account for phosphorus contributions from nonpoint sources, and a watershed adaptive management option that allows for less stringent interim permit limits for between 15 and 20 years to address the nonpoint source contributions and less costly technology options to be developed. For a large number of facilities, the Department has made initial determinations that permit limits for phosphorus will not change resulting in no additional cost, and for a large number of other facilities, that the permit limits can be met at 10 to 20 percent of the worst case estimate using one or more of the flexibility options contained in the rules.

3. The letter provides a number of inaccurate claims concerning the impact of the phosphorus criteria to water quality including "without achieving a meaningful benefit to water quality", and "it will not result in a meaningful improvement to water quality". The authors of the letter provide no scientific data to back up these claims and they are simply untrue. These rules along with the proposed NR 151 (being reviewed currently by the legislative Agriculture committees) are based on a comprehensive and science based approach that ensures that both point and not-point sources are all engaged to find a solution for that particular watershed thus ensuring that significant gains in water quality will be achieved.

4. The letter infers that all point sources would uniformly be required to meet very stringent limits, and industries "are already under extremely intensive competitive pressures based upon product cost, and are not is the position to absorb significant new expenses". The Department recognizes this fact and worked with the impacted industries to provide the requested flexibility to control compliance costs. The rules, in accordance with federal and state law, call for limits to be based on the water quality of the receiving stream, river or lake. A large number of municipal and industrial facilities, for example, Eagle River, Shawano, Oconto, Peshtigo, Badger Papers, Flambeau papers, Chippewa Falls, Eau Claire, Rhinelander, and Waupaca, among numerous others, will likely see no reduction in their current limits because the receiving waters already meet the proposed water quality standards.

   Other flexibility mechanisms included in the rule will result in less stringent permit limits. The rule provides that limits may be established based on a total maximum daily load (TMDL) analysis. A TMDL takes into account all sources of a pollutant such as phosphorus, and a point

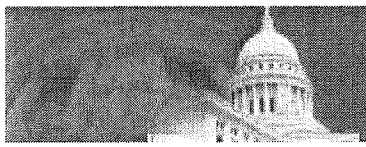
source limit will be based on the proportion of contribution and the reduction required of that contribution to meet the water quality standard. For example, the Department is currently engaged in developing a TMDL for the Upper Fox River watershed, in which is located the City of Berlin. Preliminary results show that Berlin's permit limit may only need to reduced from 1 milligram per liter to 0.8 to 0.9 milligrams per liter. Since Berlin's discharge is currently averaging less then 0.7 milligrams per liter of phosphorus in their effluent, they would not be required to make any changes to their operation or facility.

The watershed adaptive management flexibility option offered in the rule proposal provides another mechanism designed to help address nonpoint source pollution impacts while lowering costs for point sources. A point source choosing this option can be allowed two to three permit terms (a permit term is 5 years) to implement a plan to work with nonpoint sources that discharge to the same receiving water. In the meantime, the department works with the point source in a stepped approach to ensure that the point source is not compelled to over comply. The point source receives an interim limit (0.6 milligrams/liter) in the first permit term and another interim limit (0.5 milligrams/liter) in the second permit term – if necessary. This allows the facility time to work with nonpoint sources to reduce their phosphorus input based on a plan proportionate to the point sources contribution. Cost benefits of this option include, preventing over compliance by point sources by delaying and possibly eliminating (if addressing nonpoint sources results in meeting water quality standards) the need for capitol improvements to the facility lowering costs as they are reduced through improvements in technology, and providing time for the facility to establish pollution trading contracts with nonpoint sources where reductions of phosphorus on a per point basis are significantly less. In addition, delaying the need to engage in facility upgrades will allow the facility to make any necessary capitol improvements at the same time it would be upgrading the facility anyway due to it reaching the end of its normal life cycle.

5. Another misleading statement in the letter is that "an average of 20% of the phosphorus loading into Wisconsin water bodies is attributable to point sources" and that "the remaining 80% comes from nonpoint sources which are not regulated by this rule". Statewide averages have no meaning in relation the managing to meet water quality standards. When we analyze individual water bodies, we find a range to situations from those where point sources are the dominant sources of phosphorus, to those where nonpoint sources are the dominant source, with wide ranges in between. These rules in combination with NR 151 are designed to address all of these varying situations. The Department's management of water quality in the state not one-size fits all but rather is based on assessing the needs of an individual lake, river or stream. If a particular watershed is not experiencing water quality problems due to excessive phosphorus loading then no additional regulation will be required.

6. The letter incorrectly states that "While some surrounding states have proposed establishment of phosphorus standards, none have set standards for lakes, reservoirs, rivers and streams". Minnesota has adopted numeric water quality standards for phosphorus for lakes and reservoirs and will be proposing phosphorus water quality criteria in the next 12 to 18 months. Illinois adopted phosphorus criteria for lakes more than 10 years ago. Ohio has proposed draft water quality criteria for phosphorus for streams and rivers to EPA and is expected to issue them in the next 6 months.

7. The letter also incorrectly states that "no other Midwest state has proposed establishment of discharge limits for phosphorus. Minnesota, for example, has used existing procedures to establish discharge limits for phosphorus more stringent than 1.0 milligram per liter for facilities discharging to lakes. Michigan, through the TMDL process, has established limits for phosphorus more stringent than 1.0 milligram per liter for over 75 municipalities and industrial facilities. In Wisconsin, without these rules, U.S. EPA will require that effluent limits be based on procedures designed for toxics, which do not contain the flexibility provisions contained in Chapter NR 217 and any state where EPA administers the permit program directly, have facilities with phosphorus limits down to 0.1 milligrams per liter, including Massachusetts and New Hampshire.



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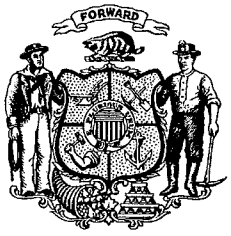

MWFPA
Midwest Food Processors Association, Inc.

To: **Wisconsin Senate Committee on Environment**
From: **Nick George, President - Midwest Food Processors Association**
Date: **July 28, 2010**
Re: **Opposition to CR 10-035 (NR 102 and NR 217 related to phosphorous water quality standards criteria)**

Thank you for taking the time to schedule this hearing. Members of the Midwest Food Processors Association (MWFPA) are opposed to CR 10-035, relating to changes to NR 102 and NR 217 as approved by the Natural Resources Board on June 23, 2010. We respectfully ask that this committee send the rule back to DNR to make changes.

We would like to make it clear that MWFPA members are NOT opposed to lowering phosphorus limits in their wastewater. In fact food processors are continually trying to lower phosphorus discharges and have made great progress over the years. Even without this rule our members will continue to lower discharges as much as is economically and technologically feasible. However as written, the rule is unclear and will add additional costs to the food processing industry with no appreciable reductions in phosphorus.

In addition we would like to acknowledge the time and effort DNR Secretary Frank and his staff took to address our concerns and those of other business and agricultural organizations. Unfortunately, the unbending demands of EPA and threat of lawsuits by environmental organizations, put DNR policy makers and point-source phosphorus dischargers in a "no-win" situation. Attempts to address our concerns only caused more uncertainty.

For example, the adaptive management option in the rule (NR 217.18) is meant to give some flexibility and options for dischargers that cannot meet the phosphorus levels because they are either too costly or the technology does not exist. However, as drafted the option is almost unworkable and opens the door to lawsuits.

Attempts to clarify downstream impacts also fell short. It is very unclear how phosphorus levels downstream will impact a discharger up stream. Will a discharger in central Wisconsin be responsible for phosphorus levels on the lower Mississippi? No one knows. If so, shouldn't this rule clarify the point?

Cost of compliance is a concern. The rule may be extremely costly for food processors and all dischargers. DNR estimates the cost of compliance to be about $1.5 billion and the Municipal Sewage Districts estimated that the costs are closer to $4 billion. These costs will be an additional burden to Wisconsin businesses at a time when they are all struggling to stay

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competitive and maintain jobs. Our members estimate that costs will range anywhere from $100,000 to $1 million per facility for capital costs; and $30,000 to $250,000 for yearly operational costs. These estimates do not include the additional costs that will be charged by the municipal sewage districts.

Our concerns of the economic impact from this rule are so great that in December 2008, MWFPA joined six other business and agricultural organizations in a petition to Wisconsin Department of Administration Secretary Michael Morgan asking for an economic impact report on this rule (attachment A). In his reply, Secretary Morgan did acknowledge that there would be a cost to dischargers.

Finally, it should be noted that these costs do not guarantee or provide assurance with a reasonable degree of scientific certainty that phosphorus goals will be achieved. In the end every business and home in Wisconsin will pay for a phosphorus regulatory system that does not lower phosphorus levels sufficiently to improve water quality. The DNR has characterized statewide nutrient loadings as being 80% from non-point sources and 20% from point sources. This rule targets that 20%. By the department's own admission this rule will not lower phosphorus levels and will cost the citizens of Wisconsin over $1.5 billion.

It is almost unimaginable that such a complicated, costly, ineffectual rule went through the regulatory process in just three months.

Other organizations opposing this rule have made specific recommendations for changes. We support all of those recommendations. In addition, we believe Wisconsin should defer action on this rule until there is a uniform national approach that deals equitably with both point and non-point sources, and DNR should take the lead among states in working with EPA to develop such an approach. Meanwhile, point sources will continue to work on ways to reduce phosphorus discharges.

This rule should be sent back to the DNR because it is too costly; it may jeopardize jobs; it adds uncertainty to NR 102 & 217; and it will not lower the amount of phosphorus in Wisconsin's surface waters. Again, thank you for listening to our concerns and holding this hearing.

(Attachment A)

December 23, 2008

Secretary Michael Morgan
Wisconsin Department of Administration
101 E. Wilson Street
Madison, WI 53703

RE: Petition for an Economic Impact Report for Proposed Phosphorus Rule

Dear Secretary Morgan:

Pursuant to Wis. Stat. §227.137, the Midwest Food Processors Association, Dairy Business Association of Wisconsin, Wisconsin Dairy Products Association, Wisconsin Cheese Makers Association, Wisconsin Federation of Cooperatives, Wisconsin Paper Council, and the Wisconsin Manufacturers & Commerce hereby petition the Wisconsin Department of Administration (DOA) to direct the Department of Natural Resources (DNR) to prepare an economic impact report on DNR's proposed phosphorus rule.

According to its September 2008 scope statement, DNR is developing additions to Chapters NR 102 and 104 to incorporate nutrient water quality criteria for lakes and streams. In addition, DNR is proposing additions to Chapters NR 106 and 216 to incorporate provisions for developing nutrient criteria-based water quality based effluent limits. Based on previous meetings, DNR envisions establishing water quality-based effluent limits for phosphorus between 0.1 milligrams per liter (mg/L) to 0.075 mg/L.

If implemented, the proposed rule will be extremely costly to Wisconsin businesses and local governments. As noted below, we estimate the rule as currently envisioned by DNR would have a $10 billion price tag. These costs would be borne by businesses and municipalities at time when the state can ill afford to lose more jobs and place further constraints on the business climate. Moreover, because Wisconsin already has in place stringent water quality-based effluent limits for phosphorus, this proposed rule will provide little in the way of environmental benefits. Therefore, we deem it vital that the DOA direct DNR to perform an economic impact report to assess the effect the proposed phosphorus rule would have on the various sectors and the economy.

Affected Parties Issuing Petition for Economic Impact Report

The affected parties assert that the proposed phosphorus rule, if adopted, would cost well in excess of $20 million a year for the first five years after the rule's implementation. Furthermore, the affected parties argue that the proposed rule would adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, and local governments. *See* Wis. Stat. §227.137 (2) (a)-(b). Below are the affected parties petitioning DOA for an economic impact report:

- The Midwest Food Processors Association (MWFPA) represents the food processing industry in the Midwest with food processor members operating 100 facilities in Wisconsin, Illinois, and Minnesota. In addition, MWFPA has over 200 Associate Members consisting of firms in allied industries. MWFPA has a substantial interest in the proposed phosphorus rule because a number of its members will be adversely affected by the proposal.

- The Dairy Business Association of Wisconsin (DBAW) is the statewide organization of dairy producers, vendors, allied industry partners, and professionals actively working to assure that dairy products, large and small, remain an active and thriving part of Wisconsin's economy, communities, and food chain. DBAW has a substantial interest in the proposed phosphorus rule because a number of its members will be adversely affected by the proposal.

- The Wisconsin Dairy Products Association (WDPA) is a statewide trade association that represents all segments of the dairy industry. It represents member companies (both cooperative and proprietary) that process fluid milk, cheese, butter, ice cream, yogurt, dried milk and dried whey, as well as market fluid milk, package cheese and distribute a wide variety of dairy products. WDPA members are responsible for 80 percent of the milk and dairy products marketed in Wisconsin. WDPA has a substantial interest in the proposed phosphorus rule because a number of its members will be adversely affected by the proposal.

- The Wisconsin Cheese Makers Association (WCMA) has for 117 years been the voice of Wisconsin dairy processors on national and state issues that affect its members' businesses. WCMA's mission is to maintain a positive and competitive climate for Wisconsin's cheese and butter manufacturers and marketers. WCMA has a substantial interest in the proposed phosphorus rule because a number of its members will be adversely affected by the proposal.

- The Wisconsin Federation of Cooperatives (WFC) is the statewide association representing a variety of cooperatives, including farm supply, health, dairy marketing, consumer, credit, livestock marketing, telephone, electric, housing, insurance, and cable communications. Wisconsin cooperatives employ 23,400 residents within the state, paying nearly $700 million in wages and benefits annually, producing more than $65 million in taxes each year. More than 2.9 million cooperative members in Wisconsin depend on approximately 800 co-ops to market, manufacture, and supply agricultural products as well as provide credit, electricity, telephone service, health care, housing, insurance and many other products and services. WFC has a substantial interest in the proposed phosphorus rule because a number of its members will be adversely affected by the proposal.

- Wisconsin Paper Council (WPC) is a business trade representing the pulp, paper, and allied industry. Wisconsin has led the nation in papermaking for the last 50 years. WPC represents 21 member firms and has been in existence since 1950. Most of the member firms operate wastewater treatment systems and would be subject to the proposed standard. WPC has a substantial interest in the proposed phosphorus rule because a number of its members could be adversely affected by the proposal.

- Wisconsin Manufacturers & Commerce (WMC) is a business trade organization with more than 4,300 members statewide in the manufacturing, energy, commercial and service sectors. Roughly

one-quarter of the private sector employees in Wisconsin are employed by WMC members. WMC has a substantial interest in the proposed phosphorus rule as it has numerous members who will be adversely affected by the proposal.

Why an Economic Impact Report Should Be Issued

Pursuant to Wis. Stat. § 227.137 (2), after an agency publishes a scope statement under Wis. Stat. § 227.135 and before the agency submits the proposed rule to the legislature for review under Wis. Stat. § 227.19 (2), a municipality, or an association that represents a farm, labor, business, or professional group may submit a petition to the secretary of the DOA requesting that he/she direct the agency—in this case the DNR—to prepare an economic impact report for the proposed rule.

The secretary is required to direct the agency to prepare an economic impact report for the proposed rule before submitting the proposed rule to the legislature for review if the secretary determines that all of the following apply:

(a) The petition was submitted to the department of administration no later than 90 days after the publication of the statement of the scope of the proposed rule under s. 227.135 (3) or no later than 10 days after publication of the notice for a public hearing under s. 227.17, whichever is earlier.
(b) The proposed rule would cost affected persons $20 million or more during each of the first 5 years after the rule's implementation to comply with the rule, or the rule would adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or state, local, or tribal governments or communities. (Emphasis added).

Wis. Stat. § 227.137 (2) (a)-(b).

An economic impact report shall contain information on the effect of the proposed rule on specific businesses, business sectors, and the state's economy. The agency, in preparing the report, is required to solicit information and advice from the Department of Commerce and from governmental units, associations, businesses, and individuals that may be affected by the proposed rule. *See* Wis. Stat. § 227.137 (3).

Specifically, an economic impact report shall include of the following:

(a) An analysis and quantification of the problem, including any risks to public health or the environment, that the rule is intending to address.

(b) An analysis and quantification of the economic impact of the rule, including costs reasonably expected to be incurred by the state, governmental units, associations, businesses, and affected individuals.

(c) An analysis of benefits of the rule, including how the rule reduces the risks and addresses the problems that the rule is intended to address.

Wis. Stat. § 227.137 (3).

As demonstrated below, this petition is timely filed. Moreover, the affected parties argue that, if adopted, the proposed phosphorus rule would adversely affect the economy, productivity, competition, jobs, and local governments.

Petition Was Timely Filed

The DNR's scope statement for the proposed phosphorus rule was published on September 30, 2008. The petition was placed in the mail on December 23, 2008, well within the 90-day time limit.

The Proposed Rule Will Cost Well in Excess of $20 Million during the First Five Years after Implementation and Will Adversely Affect the Economy, Productivity, Competition, Jobs, and Local Governments

Although it is difficult to estimate exactly how much the proposed rule will cost each of the various sectors, one study[1] found that achieving the proposed effluent phosphorus concentrations would cost publicly owned treatment works (POTWs) $2.9 to $4.9 billion based on capital costs, and $4.0 to $7.0 billion on a 20-year present worth basis (see Attachment A).

For the purpose of developing statewide aggregate costs, this cost study extrapolated capital and 20-year present worth costs to an estimated 500 Wisconsin POTWs that discharge to surface waters. Site-specific costs were developed for Green Bay, Madison, Milwaukee, and Racine by those agencies. For example, the Green Bay Metropolitan Sewerage District would see total *annual* costs around $27 million. In turn, these costs will be passed on to homeowners and businesses.

Note that these costs do not include any of the industrial and private wastewater treatment plants that are also subject to the existing phosphorus rule and that will be required to meet new DNR limits. There are currently 394 such facilities in Wisconsin that hold individual WPDES permits and there are more that have general permits for cooling water and similar discharges. Given that these facilities would see comparable compliance challenges, we believe it is fair to assume the overall costs to affected parties could exceed $10 billion.

In addition, the attached study did not include site-specific considerations such as land acquisition, special construction for unfavorable subsurface conditions, or similar factors. The generic and site-specific costs also do not take into consideration greenhouse gas emissions and other negative environmental impacts associated with increases in energy, chemical production and transport, and sludge management. Therefore, this analysis should be considered a baseline and conservatively low compared to the actual costs of complying with DNR proposal.

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[1] *Opinions of Probable Cost for Achieving Lower Effluent Phosphorus Concentrations at Wastewater Treatment Plants in Wisconsin*, Report for Municipal Environmental Group, Wisconsin, Strand Associates, Inc., Aug., 2008.

Given these estimates, it is clear that this proposal far exceeds the $20 million threshold for five years under Wis. Stat. § 227.137 (2) (b).

Moreover, the cost of the achieving lower effluent will adversely affect Wisconsin's economy, numerous sectors, productivity, competition, jobs, and local governments—especially at a time when the state is facing a recession. *See* Wis. Stat. § 227.137 (2) (b).

For example, the food processing sector would be particularly affected. If required to comply with the proposed regulations, certain Wisconsin food processing companies will be forced to spend millions of dollars in equipment and annual operating costs. This in turn would make these companies less competitive with other companies.

Wisconsin food processors are already at a disadvantage compared to plants in southern and western states, which have longer growing seasons and therefore are able to operate longer. Food processors operate on thin margins and look for a three to six-month return on investments. For many fruit and vegetable processors, attaining these margins is made difficult because they operate at full capacity from late May through early November. Having to comply with more stringent water quality criteria for phosphorus will undoubtedly place Wisconsin's food processing sector at a major competitive disadvantage with companies in other regions of the country.

Conclusion

Given that all of the prerequisites under Wis. Stat. § 227.137 are met, the affected parties request the DOA to direct DNR to prepare an economic impact report. In addition, we ask that any such report be undertaken in a collaborative fashion, with input from all affected parties. *See* Wis. Stat. § 227.137 (3).

Thank you for your consideration. Please let me know if you have any questions regarding this petition.

Sincerely,

Nickolas C. George, Jr.
President
Midwest Food Processors Association, Inc.
Association

Laurie Fischer
Executive Director
Wisconsin Dairy Business

Bradley A. Legreid
Executive Director
Wisconsin Dairy Products Association
Association

John T. Umhoefer
Executive Director
Wisconsin Cheese Makers

Ed Wilusz
Vice President, Governmental Relations

William Oemichen
President & CEO

Wisconsin Paper Council

Wisconsin Federation of Cooperatives

Scott Manley
Director of Environmental Policy
Wisconsin Manufacturers & Commerce

Cc: Governor Jim Doyle
Matthew J. Frank, Secretary of Department of Natural Resources
Patrick Henderson, Deputy Secretary of Department of Natural Resources

WISCONSIN LIQUID WASTE CARRIERS ASSOCIATION, INC.

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July 28, 2010

Senate Environment Committee
c/o Sen. Mark Miller
Room 317 East, State Capitol
Madison, WI 53707-7882

Dear Committee Members,

The Wisconsin Liquid Waste Carriers Association is a nonprofit trade association comprised of approximately 200 septage servicing companies throughout the state. Although the WLWCA understands that tighter regulations pertaining to phosphorus – both at wastewater treatment plants and nonpoint sources – are on the horizon, we have concerns about how these rules will indirectly affect our industry.

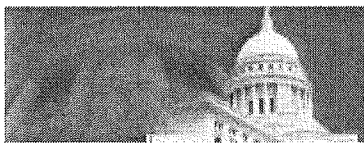
In 2009, an estimated 800 million gallons of septage were removed from an estimated 732,000 private onsite wastewater treatment systems such as holding tanks and septic tanks in the state of Wisconsin. This waste can be disposed of at a municipal wastewater treatment plant or via land application. However, it is not uncommon to see some treatment plants in the state refuse to accept waste from private septage carriers - they either do not have the capacity to accept outside waste, or they simply do not want to "deal with it." And with CR 10-035 pending that would require treatment plants to reduce their phosphorus output, we anticipate that more and more treatment plants will simply refuse to accept septage from private carriers.

Meanwhile, landspreading options are dwindling as well. Urban sprawl is taking away agricultural land for landspreading, and the DNR is becoming more restrictive with land application site approvals.

If septage haulers are not welcome at treatment plants AND landspreading is further restricted, what solution do state leaders have for the disposal of this waste?

These rules could greatly impact not only our industry, but the hundreds of thousands of homeowners who have private onsite wastewater systems in their yards. We foresee a septage disposal crisis in coming years that must be addressed. The Wisconsin Liquid Waste Carriers Association believes that increased use of septage storage facilities is one possible answer, and we would like to see the DNR revise its rules to ease permitting requirements for septage storage facilities.

Sincerely,
Ann Gryphan, Association Manager



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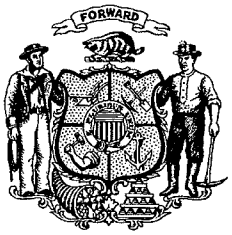

City of

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July 28, 2010

NR 102 Hearing

The City of Nekoosa is reviewing NR 102 legislation proposed to limit phosphorus to the Wisconsin River from our Wastewater Treatment Plant. The information that is posted on the internet relates to agricultural runoff to be 80% of the problem. The City of Nekoosa has just started to rebuild our Wastewater Treatment Plant for six million dollars and with the proposed regulation we will have an increased cost as soon as our new treatment plant is completed.

The cost to the City will be from the cost of chemicals to lower the Phosphorus, shipping cost of the chemicals, increased sludge to dispose of at a contracted rate per mile, electric bills and general maintenance of the plant will increase.

In reading about this recommendation from the DNR the cost of 20% reduction of phosphorus to the water streams in Wisconsin will be 1.13 BILLON DOLLARS. The cost is paid for by the user the municipality, a large increase in their taxes again. The City of Nekoosa tax payers do not need to absorb another increase to possibly help 20% of the phosphorus runoff to the water streams. The current cost to treat phosphorus in the City is over $200.00 per day. The City of Nekoosa practices environmental safety and is always looking to improve the environment. The DNR's proposed NR 102 is not a cost effective way to improve the problem for the State of Wisconsin. It will be a very small amount of phosphorus, at a very large cost.

The City of Nekoosa opposes NR102 legislation.

Respectfully,

Ken Hartje

Ken Hartje
P W Committee Chairman
City of Nekoosa

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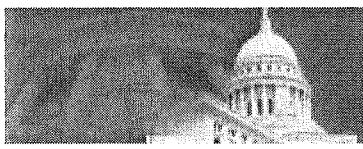

WISCONSIN STATE LEGISLATURE

WISCONSIN LAKES

WISCONSIN LAKES

Conserving ~ Enhancing ~ Restoring

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Senate Environment Committee

July 28, 2010

STATEMENT IN SUPPORT
Clearinghouse Rule 10-035
Water Quality Standards Criteria and Permit Limits (NR 217)

Toni Herkert
Policy Director
608-661-4313

Dear Senator Miller and Committee Members:

Thank you for the opportunity to voice our support for the water quality standards criteria and permit limits contained in Clearinghouse Rule 10-035. Wisconsin Lakes is a statewide, nonprofit organization that works to conserve, enhance and restore the lake resources in this state. It is in the best interest of lakes, Wisconsin's $13 billion tourism industry and all the people who enjoy boating, fishing, swimming, and living on lakes to have clean water, healthy fisheries and proactive, sustainable management of our lake resources so generations to come can enjoy Wisconsin Lakes.

Phosphorus continues to be the final frontier for water resource management in the State. Excess phosphorus, nutrients and sedimentation can result in lower oxygen levels which threaten fisheries and aquatic life, cause excessive vegetation growth and contribute greatly to the nuisance and sometimes dangerous algae blooms in our lakes and along our beaches.

In the last legislative session major strides were taken to reduce the amount of phosphorus reaching our state waters. We would like to thank the members of this committee and the full legislative body for the passage of Wisconsin Acts 9 and 63 relating to the phosphorus lawn fertilizer ban and requiring more stringent limits for phosphorus in dishwashing detergents.

It is this type of continual improvements that will help protect and restore the state's lakes and rivers. WI Lakes believes that through the innovative use of pollutant trading, TMDL's and adaptive management in NR 217 that the Department recognizes that the solution to the phosphorus problem in this state is not one dimensional. It is apparent that we need a combined point and nonpoint source reduction plan that will allow the greatest accomplishments on a per watershed basis. This rule package, combined with NR 151, will balance the competing interests and allow greater collaboration on actually solving the problem at its roots. Some watersheds will require greater point source controls and others will require greater nonpoint controls. Allowing both rules and the innovative

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management strategies in NR 217 to work together will result in the greatest reduction in phosphorus to our precious water resources.

The members of this Committee know full well that lakes matter in Wisconsin. They provide recreation for untold numbers of anglers, boaters and swimmers. They anchor our recreational economy and the property tax bases of many Wisconsin communities. Many of you have probably seen or heard stories from constituents on the unrelenting algae blooms that are all too common on our lakes. But I am not sure we have focused enough on the hard economic value of lakes and streams.

The Department of Revenue's property valuation records are aggregated mostly using taxing jurisdictions and property use classes (such as residential and agricultural). As a result, there is no statewide data that shows the economic significance of land on or near our lakes and streams. But WI Lakes has done some homework to help you better recognize the significance of the property bordering lakes -- lakes that are exposed to damage from phosphorus and nutrients whose impacts state lawmakers struggle to address due to the hard and fast economic factors involved.

WI Lakes has looked at Department of Revenue assessed valuation data for a series of the state's larger town sanitary districts and lake districts located on major lakes in Southern Wisconsin. The trend would no doubt be repeated on thousands more lakes across the State. Here are some highlights:

We looked at the 2009 assessed valuation of property in the Green Lake Sanitary District, the Buffalo Lake Management District and the Lake Puckaway Management District which are located in Marquette and Green Lake Counties. Each of these special districts includes substantially all of the waterfront property on these lakes and very few nonriparian lots. Here's what we found: The Green Lake Sanitary had a 2009 assessed valuation of just under $1.1 billion. This compares with a *total value of all the taxable property in Green Lake County* of just over $2 billion. That means that the ribbon of lakefront homes and lots on Big Green Lake have a value exceeding all the rest of the property in the county and contribute more than half of the tax dollars that support the public schools, the sheriff's department, the highway department and others. Just down the road, the Lake Puckaway Management District had a 2009 valuation of $56,259,295, which totals just under half of the total value of taxable property in the entire Town of Mecan (which had a 2009 valuation of $115,403.00. A little further west, the Buffalo Lake Management District in the Montello area had a 2009 valuation of $92,868,630 in two towns and the City of Montello. Of that, $64,190,562 of property value was in the Town of Packwaukee, where the lake district property accounted for almost 36 percent of that town's property value.

Further southeast, in Waukesha, Walworth and Kenosha Counties, the story is about the same. The Pewaukee Lake Sanitary District, Delavan Lake Sanitary District, Lauderdale Lake Management District, Fowler Lake Protection and Rehabilitation District, Camp and Center Lake Rehabilitation District and Powers Lake Management District all contribute hugely to the tax bases of

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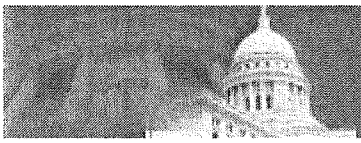
the towns in which they are located, with the lake property constituting between 23 percent to 85 percent of the total value of property in the jurisdictions in which they are located.

Of course, the state's inland lakes do far more for our state's economy beyond serving as an engine of property taxes. These water resources are central to the how people in Wisconsin actually live and the reason so many of us love the state. We thank the committee for taking time out of your busy summer schedules to hear our comments on this very important set of rules. We encourage you to support this rule and take the necessary steps to move our lakes closer to becoming the prized jewels we know they can be.



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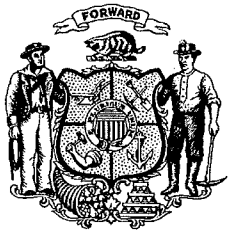

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July 28, 2010

As Water and Street Superintendent for the City of Park Falls and on behalf of its 2,700 residents, I appreciate this opportunity to provide comments for the record concerning the proposed changes to NR102 and NR217 relating to the establishment of phosphorus limits in Wisconsin's surface waters.

Let me begin by saying that the City of Park Falls takes its job of protecting the environment and providing safe and affordable water resources very seriously. Our staff operates our wastewater system in a manner that consistently produces high marks on the DNR's Compliance Maintenance Annual Report. Furthermore, our commitment to excellence in the field of wastewater operation is reflected in the fact that the City of Park Falls was the recipient of the Wisconsin Rural Water Association's prestigious 2010 Wastewater System of the Year Award.

While we understand the challenges the Wisconsin DNR and the US Environmental Protection Agency face in weighing the costs and benefits of regulations needed to protect both the environment and the human resources that use them, we feel strongly that the actions and levels as proposed in the revisions to N102 and NR217 will be extremely costly to many communities while at the same time providing very little appreciable reduction in phosphorus levels.

Small communities like Park Falls produce small amounts of phosphorus.

Effective overall phosphorus reduction can be best achieved by reducing limits on the largest dischargers. It is my understanding that 80% of the phosphorus problem is caused by sources other than municipal wastewater. It makes sense to address 80% of the problem before even beginning to zero in on the remaining 20%. Once reduction in these larger sources of phosphorus is achieved, you will likely find that expensive phosphorus reduction measures from small communities are not necessary.

The City of Park Falls currently treats its wastewater in an aerated lagoon. Lagoons are a popular and effective form of treatment and are common in small communities. They are simple to operate and are very energy efficient. Phosphorus removal is much more difficult in an aerated lagoon than in a mechanical plant. Proposed phosphorus regulations will force small communities to abandon simple, relatively inexpensive lagoon systems for complex and costly mechanical systems while at the same time realizing very little gain in water quality.

The current 1.0 mg/L phosphorus limit will cost Park Falls Sewer Utility ratepayers over $200,000 to add equipment and over $91,000 each year for additional chemicals and operating expenses.

We can probably live with the 1.0 mg/L limit but an additional reduction in the phosphorus limit will make it extremely difficult and extremely expensive.

Government must not forget the importance of balancing the benefit of rules and regulations with the economic cost of those rules and regulations. As state and federal governments regulate phosphorus limits they must also be partners by providing funding mechanisms to meet the new standards. Unfunded mandates will put business and industry in the State of Wisconsin at a competitive disadvantage.

Unfunded mandates in the current economic climate will be also be devastating to small communities, especially when the overall benefit to the environment would be minimal.

The City of Park Falls recently completed a mandated water upgrade project. This upgrade project cost the Park Falls Water Utility 4 million dollars. As a result, water rates increased by 39%. In addition, we are currently facing a 2.3 million dollar water and sewer rehabilitation project in conjunction with the 2012 reconstruction of State Highway 13 through Park Falls.

If we are forced to build a mechanical plant to treat our wastewater and meet more stringent phosphorus limits, our engineer estimates it will cost the City of Park Falls in excess of 5 million dollars. Where does it end? This is an expense the 2,700 residents in our small community simply cannot absorb.

We believe the State of Wisconsin should adopt phosphorus standards on a watershed by watershed basis. Watersheds in the Park Falls area are much less affected by phosphorus than watersheds in other regions of the state. Why should we be asked to spend millions of dollars to fix a problem that isn't a problem in the Park Falls area?

Municipal wastewater treatment systems are committed to working with everyone else in protecting our water resources, fisheries, and aquatic life. Through previous efforts, municipalities have already reduced phosphorous levels in their discharges by 80-90%.

The State of Wisconsin must now require the same commitment and cooperation from others so that real environmental improvement can be realized in the most cost effective manner possible.

Scott M. Hilgart

Scott Hilgart, Water & Street Superintendent

City of Park Falls