Exhibit D:

ADEQ’s Statement of Basis and Purpose
BEFORE THE ARKANSAS POLLUTION CONTROL AND ECOLOGY COMMISSION

IN THE MATTER OF AMENDMENTS TO )
REGULATION NO. 9: FEE REGULATION )
DOCKET NO. 16-006-R

ARKANSAS DEPARTMENT OF ENVIRONMENTAL QUALITY’S
STATEMENT OF BASIS AND PURPOSE

Under Ark. Code Ann. § 8-1-103, the Arkansas Pollution Control and Ecology Commission (APC&EC) is granted the power and responsibility to establish by regulation reasonable fees for the initial issuance, annual review, and modification of water, air, and solid waste permits.

Proposed changes include:

1. **Amend the definitions.** The definition of “Q” or “Quantity” was added for clarification because it is used in formulas in Chapter 4 concerning the calculation of water permit fees;

2. **Amend Chapter 4 Formulas for Clarification.** Clarification to formulas in Chapter 4 concerning water permit fees were made to improve understandability;

3. **Incorporate a proposed fee calculation for minor municipal and non-municipal facilities with National Pollutant Discharge Elimination System (NPDES) permits** under Reg.9.403 for limits of toxic pollutants based solely on Total Maximum Daily Load (TMDL) to allow ADEQ to assess lower water permit fees for qualifying facilities;

4. **Update the fee schedule in Chapter 4** to reflect permits currently offered by the Office of Water Quality and eliminate four (4) General Permits under Reg.9.404 no longer issued by the Office of Water Quality;
5. **Incorporate Updates to Arkansas Law.** Acts 94 and 575 of 2015 were enacted by the Arkansas General Assembly and require revisions to Chapter 4 concerning contribution fees to the Nonmunicipal Domestic Sewage Treatment Works Trust Fund; and

6. **Stylistic and Formatting Corrections.** To make minor, non-substantive stylistic and formatting corrections throughout the Regulation.

These rules are necessary to serve the public interest and ensure compliance with both state and federal law.

Respectfully submitted,

![Signature]

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