

concurrently proposing additional control of disinfection byproducts (Stage 2 Disinfection Byproducts Rule). These rules may have overlapping impacts on some drinking water systems but the extent is not possible to estimate because of lack of information on co-occurrence. However, it is possible for a system to choose treatment technologies that would address multiple contaminants. Therefore, while the total cost impact of these drinking water rules is uncertain, it is most likely less than the estimated total cost of all individual rules combined.

K. What is the Benefit/Cost Determination for the Proposed LT2ESWTR?

The Agency has determined that the benefits of the proposed LT2ESWTR justify the costs. As discussed in section VI.C, the proposed rule provides a large reduction in endemic cryptosporidiosis illness and mortalities. More stringent alternatives provide greater reductions but at higher costs. Alternative A1 provides the greatest overall reduction in illnesses and mortalities but the incremental benefits between this

option and the preferred option are relatively small while the incremental costs are significant. In addition, the preferred regulatory option, unlike option A1, specifically targets those systems whose source water requires higher levels of treatment.

Tables VI-17a and VI-17b present net benefits for the four regulatory alternatives that were evaluated. Generally, analysis of net benefits is used to identify alternatives where benefits exceed costs, as well as the alternative that maximizes net benefits. However, as with the analysis of incremental net benefits discussed previously, the usefulness of this analysis in evaluating regulatory alternatives for the LT2ESWTR is limited because many benefits from this rule are un-quantified and non-monetized. Analyses of net benefits should consider both quantified and non-quantified (where possible) benefits and costs.

Also, as noted earlier, the regulatory alternatives considered for the LT2ESWTR vary both in the population that experiences benefits and costs (*i.e.*,

risk bin boundaries) and the magnitude of the benefits and costs (*i.e.*, treatment requirements). Consequently, the more stringent regulatory alternatives provide benefits to population groups that do not experience any benefit under less stringent alternatives.

As shown by Tables VI-17a and VI-17b, net benefits are positive for all four regulatory alternatives evaluated. With the enhanced COI (Table VI-17a), net benefits are highest for the Preferred Alternative, A3, under the majority of occurrence distributions and discount rates evaluated. When the traditional COI (Table VI-17b) is used, the Preferred Alternative has the highest net benefits at a three percent discount rate for the two of the occurrence distributions, the Information Collection Rule and ICRSSM, while the least stringent alternative, A4, is highest for the ICRSSL. At a seven percent discount rate, A4 maximizes net benefits under all occurrence distributions.

Table VI-17a.— Mean Net Benefits by Rule Option—Enhanced COI (\$millions, 2000\$)