

**Table VIII-2. Annualized Compliance Cost as a Percentage of Revenues or Expenditures for All Small Entities Using Ground Water Only.**

Entity by System Size	Number of Small Systems (Percent)		Average Annual Estimated Revenues <sup>1</sup> per System (\$)	Experiencing Costs of $\geq 1\%$ of their Revenues		Experiencing Costs of $\geq 3\%$ of their Revenues	
				Percent of Systems	Number of Systems	Percent of Systems	Number of Systems
	A		B	E	F=A*E	G	H=A*G
<b>Small Governments</b>	<b>19,133</b>	<b>50%</b>	<b>\$2,396,249</b>	<b>0.28%</b>	<b>54</b>	<b>0.10%</b>	<b>19</b>
<100	5,641		\$2,396,249	0.00%	-	0.00%	-
101-500	7,269		\$2,396,249	0.13%	9	0.00%	-
501-1,000	2,403		\$2,396,249	0.75%	18	0.07%	2
1,001-3,300	2,599		\$2,396,249	1.26%	33	0.04%	1
3,301-10,000	1,221		\$2,396,249	1.32%	16	1.32%	16
<b>Small Businesses</b>	<b>15,689</b>	<b>41%</b>	<b>\$2,391,978</b>	<b>0.28%</b>	<b>44</b>	<b>0.10%</b>	<b>16</b>
<100	4,625		\$2,391,978	0.00%	-	0.00%	-
101-500	5,960		\$2,391,978	0.13%	8	0.00%	-
501-1,000	1,970		\$2,391,978	0.75%	15	0.07%	1
1,001-3,300	2,131		\$2,391,978	1.26%	27	0.04%	1
3,301-10,000	1,001		\$2,391,978	1.32%	13	1.32%	13
<b>Small Organizations</b>	<b>3,444</b>	<b>9%</b>	<b>\$4,446,165</b>	<b>0.10%</b>	<b>4</b>	<b>0.01%</b>	<b>0</b>
<100	1,015		\$4,446,165	0.00%	-	0.00%	-
101-500	1,308		\$4,446,165	0.00%	-	0.00%	-
501-1,000	433		\$4,446,165	0.14%	1	0.00%	-
1,001-3,300	468		\$4,446,165	0.04%	0	0.02%	0
3,301-10,000	220		\$4,446,165	1.32%	3	0.04%	0
<b>All Small Entities</b>	<b>38,265</b>	<b>100%</b>	<b>\$2,578,991</b>	<b>0.28%</b>	<b>109</b>	<b>0.10%</b>	<b>38</b>
<100	11,282		\$2,578,991	0.00%	-	0.00%	-
101-500	14,537		\$2,578,991	0.13%	19	0.00%	-
501-1,000	4,806		\$2,578,991	0.14%	7	0.07%	3
1,001-3,300	5,198		\$2,578,991	1.26%	66	0.04%	2
3,301-10,000	2,443		\$2,578,991	1.32%	32	1.32%	32

<sup>1</sup> Revenue information was used whenever available. When it was not available, different measures, such as sales or annual operating expenditures, were used. Data were not available to differentiate revenue by system size.

Note: Detail may not add due to independent rounding.

Source: Economic Analysis (USEPA 2003i)

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As a result of the input received from stakeholders, the EPA workgroup, the Advisory Committee, and other interested parties, EPA has developed MCLs using locational running annual averages (LRAA) of 0.080 and 0.060 mg/L for TTHM and HAA5 respectively, in combination with Initial Distribution Systems Evaluations (IDSE), as the preferred Stage 2 DBPR option. LRAAs are running annual averages calculated for each sample location in the distribution system. Since many small systems only monitor at one location,

they will effectively base their compliance with the Stage 1 DBPR on an LRAA and therefore will not be significantly affected by the Stage 2 DBPR. In addition to meeting the MCLs for TTHM and HAA5, systems will be required to conduct IDSEs. The purpose of the IDSE is to identify compliance monitoring sites representing high TTHM and HAA5 levels in the distribution system. According to the Stage 2 DBPR Economic Analysis (USEPA 2003i), only 17% of all small water systems will conduct IDSE monitoring because small NTNCWSs are

exempt from IDSE monitoring, systems serving fewer than 500 people may receive a waiver from their States, and other systems are eligible for a 40/30 certification if all compliance monitoring samples have been  $\leq 0.040$  and  $\leq 0.030$  mg/L for TTHM and HAA5 respectively during the previous two years. A large number of small ground water systems will qualify for this certification. This provision is described in more detail in section V.H. of this preamble.

Although not required by the RFA to convene a Small Business Advocacy