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DEPT. OF NAT. RESOURCES
ENVIRONMENTAL SERVICES

March 19, 2012

Larry Groner
Missouri Department of Natural Resources
PO Box 176
Jefferson City, MO 65102-0176

Dear Mr. Groner:

Based on the Affordability Committee Meeting of March 7, 2012 and the Draft Guidance for Conducting and Developing Affordability Finding I would like to offer the following comments:

1. New permits that do not include new requirements are not always affordable. Some have requirements that permittees cannot currently meet and will cause hardship if those provisions remain.
2. In the third criteria "An evaluation of the overall costs and environmental benefits of the control technologies." must be completed. However, nothing in the document suggests how the environmental benefits will be evaluated. There are a number of tools available to the Department that could assist the permittee but may be unknown to many of the smaller POTWs. The Department needs to evaluate how these tools can be used to assist the permittees.
3. The Department makes the same assumption that the Federal Government continues to make that rates that are less than 2% of MHI are affordable. This is not always the case and the Department should revisit this position.
4. The Department has not considered that in Missouri most funding decisions require an election to sell bonds, get an RD loan or an SRF loan. If the voters do not approve the borrowing, how affordable does it become?
5. In many cases, communities have already received funding to move forward with an improvement program (often dictated by an AOC or existing permit compliance schedule). Delaying the issuance of a permit could put the permittee out of compliance. Consideration needs to be given to speed the process if the permittee has agreed to complete the work and has stated that construction of the improvements are affordable and do not require a rate increase.

Thanks you for the opportunity to comment and be a part of this process. If you have any questions concerning these issues, please call me at (573) 874-8080 ext. 229.

Sincerely,

A handwritten signature in black ink that reads "Richard J. Tuttle".

Richard J. Tuttle, P.E.
VP, Director of Operations
Alliance Water Resources, Inc.