Comments of the Waters Advocacy Coalition
on the U.S. Army Corps of Engineers’
Proposal to Reissue and Modify Nationwide Permits
COE–2015–0017; RIN 0710–AA73

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I. Introduction

The Waters Advocacy Coalition ("WAC" or the "Coalition") submits the following comments in response to the U.S. Army Corps of Engineers ("the Corps") Proposal to Reissue and Modify Nationwide Permits. See Notice of Proposed Rulemaking, 81 Fed. Reg. 35,186 (June 1, 2016) ("the Proposal"). The Coalition represents a large cross-section of the nation’s construction, housing, transportation, recreational, mining, agriculture, manufacturing, and energy sectors, all of which are vital to a thriving national economy, including providing much-needed jobs, products, and services. 1 Projects, activities, and operations in these sectors are often subject to regulation under Section 404 of the Clean Water Act ("CWA") and members of the Coalition often rely on nationwide permits ("NWPs") to ensure compliance with the CWA.

In June 2015, the U.S. Environmental Protection Agency ("EPA") and the Department of the Army ("the Agencies") issued a rule redefining "waters of the United States," expanding federal jurisdiction under the CWA. 80 Fed. Reg. 37,054 (June 29, 2015) ("WOTUS Rule" or "Rule"). On October 9, 2015, the U.S. Court of Appeals for the Sixth Circuit issued a nationwide stay of the WOTUS Rule pending further order of the court. 2 The scope of federal jurisdiction and its effect on the efficient administration of the NWP program is of critical importance to WAC and its members. Indeed, Congress enacted Section 404(e) of the CWA in direct response to the Agencies’ efforts to increase the scope of jurisdictional areas following the

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1 The complete list of signatories to these comments is included in Attachment A.
2 In re E.P.A., 803 F.3d 804 (6th Cir. 2015).
Callaway decision.3 Anticipating that an increase in the scope of “waters of the United States” would lead to an increased need for Section 404 permits,4 Congress enacted Section 404(e) to allow for general permits, including general permits on a nationwide basis.5 In particular, Congress intended that the NWP program streamline permitting for activities resulting in discharges to “waters of the United States” that “cause only minimal adverse environmental effects.” 33 U.S.C. § 1344(e)(1); see also 33 C.F.R. § 325.5(c). Accordingly, there is no question that the scope of the definition of “waters of the United States”—and, therefore, the status of the WOTUS Rule—has critical implications for the NWP program.

While WAC supports the reissuance of the NWPs, it makes the following recommendations:

- Due to the nationwide stay of the WOTUS Rule, the Corps should clarify that the WOTUS Rule definitions will not apply to the final NWPs and should remove any citations to stayed regulations.

- If the WOTUS Rule is implemented, WAC believes that the Rule will have significant implications on the NWP program, and the Corps will need to address those implications through revised NWPs at that time.

- Even with the WOTUS Rule stayed, several WAC members believe the acreage caps should be increased. At a minimum, however, the Corps should maintain the current acreage limits, pre-construction notification (“PCN”) thresholds, and stream waiver provisions, but should apply more flexible standards.

These recommendations are discussed in more detail in the following sections.

II. The Corps Should Clarify that the WOTUS Rule Does Not Apply.

The Corps has not made it clear which regulations defining the scope of “waters of the United States” would apply to the reissued NWPs. As the Corps acknowledges, the WOTUS

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Rule was stayed by the Sixth Circuit after being challenged by multiple states, businesses, municipalities, and trade associations. See 81 Fed. Reg. at 35,190. Yet, critical definitions in the proposed NWPs refer to provisions in the stayed rule. For example, definitions including “waterbody,” “non-tidal wetland,” “ordinary high water mark,” and “tidal wetland” cite to the new WOTUS regulations. See, e.g., id. at 35,239-40 (citing 33 C.F.R. § 328.3(c)). The WOTUS Rule litigation is ongoing, the nationwide stay ordered by the Sixth Circuit is in effect, and, given the briefing schedule set by the Sixth Circuit, it is very unlikely that a final decision on the WOTUS Rule challenges will be issued before the Corps promulgates the final NWPs (sometime before March 19, 2017).6 Because the WOTUS Rule will still be stayed nationwide when the Corps reissues the NWPs, the Corps cannot incorporate the WOTUS Rule’s new jurisdictional definitions into the reissued NWPs or cite to the stayed regulations.

The Corps should adhere to the Agencies’ November 2015 joint memorandum responding to the nationwide stay, which directs both EPA and Corps staff to comply with the Sixth Circuit’s stay, and to resume use of the Agencies’ prior regulatory definition of “waters of the United States.”7 According to the memorandum, the Agencies should apply the regulations defining “waters of the United States” codified in 19868 and follow the 2008 Rapanos Guidance9 in making jurisdictional determinations. Similarly, to avoid any confusion with the NWP program, the Corps should comply with the Agencies’ directive, remove citations to stayed

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6 See Case Management Order No. 2, In re E.P.A., Nos. 15-3751, et al. (6th Cir. June 14, 2016). Final briefs on the merits will be filed in February 2017 with oral argument to follow. Meanwhile, the Corps intends to promulgate the new NWPs before the current permits expire on March 18, 2017. 81 Fed. Reg. at 35,189. According to the Proposal, “[t]he Corps will try to publish the final NWPs . . . approximately 90 days before the planned effective date,” i.e. December 2016. Id.
7 See EPA and Dep’t of the Army Memorandum, Administration of Clean Water Programs in Light of the Stay of the Clean Water Rule; Improving Transparency and Strengthening Coordination, at 2 (Nov. 16, 2015).
regulations, and clarify that the 1986 regulations will apply to the reissued NWPs. Upon conclusion of the litigation, the Corps may seek to amend the NWPs accordingly.

III. The Scope and Meaning of “Waters of the United States” Has Significant Implications for the NWP Program.

Under the NWP program, the Corps can authorize certain categorical activities that involve discharges to “waters of the United States” resulting in no more than minimal individual and cumulative adverse environmental effects. 33 U.S.C. § 1344(e). For many categories of such activities, the Corps has established acreage and/or linear foot limits on impacts to “waters of the United States” to ensure that the authorized activities will have minimal environmental effects. For example, NWP 12 (Utility Line Activities) authorizes discharges of dredged or fill material associated with construction, maintenance, repair, and removal of utility lines provided the discharge “does not cause the loss of greater than ½-acre of non-tidal waters of the United States.” 81 Fed. Reg. at 35,219 (emphasis added). Similarly, NWP 14 (Linear Transportation Projects) allows activities for construction, expansion, modification and improvement of linear transportation projects where the activities will cause a loss of no more than ½-acre of non-tidal waters and ½-acre of tidal waters. Id. at 35,220. Thus, to determine whether an activity qualifies for authorization through a NWP, it is critical to understand the scope of the activity’s impacts to “waters of the United States.” Any change in the scope of the “waters of the United States” definition would necessarily affect the scope and applicability of the NWP program.

A. The WOTUS Rule Broadens the Definition of “Waters of the United States.”

The WOTUS Rule fundamentally expands the “waters of the United States” definition, thereby requiring a completely different analysis to determine whether an activity qualifies for authorization through a NWP. Through expansive definitions of key terms such as “adjacent,” “neighboring,” and “tributary,” the WOTUS Rule extends jurisdiction to myriad features that
have not previously been regulated as waters of the United States, such as isolated wetlands and
ponds, streams and washes that flow infrequently, many ditches and other man-made
conveyances, and industrial and stormwater features. Under the WOTUS Rule’s definition of
“tributary,” the Agencies would now be able to assert jurisdiction based on any indication of a
bed, banks, and ordinary high water mark, including ditches, drains, and streams remote from
Moreover, whereas the current regulations have a more limited definition of “adjacent” and
allow for jurisdiction based on adjacency only for wetlands, under the WOTUS Rule’s broad
“adjacent” definition, any water feature (including wetlands, ponds, and other industrial features)
would be jurisdictional if it is within the 100-year floodplain and 1,500 feet of any feature that
qualifies as a “tributary.” See id. at 37,078. Even if a feature falls outside these broad
definitions of “tributary” and “adjacent water,” the WOTUS Rule provides a “catch-all”
provision, allowing for jurisdiction over all water features in the 100-year floodplain or within
4,000 feet of a water of the United States as long as the Agencies find a “significant nexus.” Id.
When taken together, the WOTUS Rule would significantly expand federal jurisdiction to cover
vast swathes of the landscape, which would result in a major shift in the NWP program.

B. The Proposal Fails to Clarify Numerous Key Terms and Definitions That
Are Related to the WOTUS Rule.

Numerous key terms and definitions used in the proposed NWPs tie directly to key terms
defined in the WOTUS Rule. But the Corps fails to clarify the use of such terms in the context
of the NWP program.

i. The Corps Should Not Adopt the WOTUS Rule’s Definition of
“Adjacent.”

The term “adjacent” is critical to the implementation and application of the NWPs
because it is incorporated into the descriptions of many NWPs, General Conditions, and related
definitions, but the Proposal does not provide a definition of “adjacent” or indicate whether the Corps intends to rely on the WOTUS Rule’s definition of “adjacent.” Instead of clarifying the term “adjacent,” the Corps has removed the clause of the 2012 “waterbody” definition that provided that “adjacent” means “bordering, contiguous, or neighboring.” Compare 77 Fed. Reg. 10,184, 10,290 (Feb. 21, 2012) with 81 Fed. Reg. at 35,240. Yet, there is no explanation in the preamble for the purpose or intent of this modification which leaves no formal definition of “adjacent” in the proposed rule.

The meaning of this term is especially important for NWPs 29 (Residential Developments) and 40 (Agricultural Activities), because those NWPs do “not authorize discharges into non-tidal wetlands adjacent to tidal waters.” 81 Fed. Reg. at 35,224, 35,227 (emphasis added). And as explained above, the WOTUS Rule has a significantly broader definition of “adjacent” that would substantially expand the meaning of the term. In the context of NWPs 29 and 40, the use of the WOTUS Rule’s concept of adjacency could mean that fewer discharges would qualify for authorization under those NWPs. Moreover, without clarification, regulators and applicants managing discharges associated with residential developments or agricultural activities sited near tidal areas will have difficulty determining whether impacts are jurisdictional and whether a NWP is required.

ii. The Corps Should Clarify or Eliminate the “Waterbody” Definition.

The Proposal’s use of the key term “waterbody”—which relies in part on the “adjacent” concept—causes further confusion. The term “waterbody,” which is used in a number of NWPs and General Conditions, is significant for determining whether activities qualify for NWP authorization. For example, under NWPs 12 (Utility Line Activities) and 14 (Linear Transportation Projects), for activities “crossing a single waterbody more than one time at separate and distant locations, or multiple waterbodies at separate and distant locations, each
crossing is considered a single and complete project for purposes of NWP authorization.” *Id.* at 35,220, 35,221. Therefore, to determine whether linear projects, such as pipelines, railroads, and highways, qualify for NWP authorization, the prospective permittee has to evaluate whether crossings are “single and complete project[s]” based on “waterbody” crossings.

Yet the “waterbody” definition is muddled by an unclear relationship to and/or overlaps with the definition of “waters of the United States” and related key concepts from the WOTUS Rule. The proposed rule defines “waterbody” as a “jurisdictional water of the United States.” *Id.* at 35,240. The definition states that a wetland “adjacent to a waterbody determined to be a water of the United States under 33 CFR 328.3(a)(1) through (5)” is considered a “single aquatic unit” with that waterbody. *Id.* As discussed above, the Proposal would remove the clause of the “waterbody” definition providing that “adjacent” means “bordering, contiguous, or neighboring,” and it is unclear which interpretation of “adjacent” the Corps would rely on in applying its “waterbody” definition. See *id.* Again, use of the “adjacent” concept from the WOTUS Rule would be substantially more expansive, and WAC is concerned that its use in the context of the “waterbody” definition could be misinterpreted to result in broader areas being considered a “single aquatic unit,” thereby resulting in, for example, fewer crossings qualifying as “separate and distant” locations under NWPs 12 and 14.

Based on the first clause of the “waterbody” definition, it appears that the Corps intends to use “waterbody” interchangeably with “water of the United States” in the NWP program. If that is the case, to alleviate this confusion, the Corps should eliminate the “waterbody” definition altogether and use the term “water of the United States” instead. Or, at a minimum, the Corps should clarify the “waterbody” definition to avoid using concepts from the WOTUS Rule in that definition.

Finally, the Corps improperly relies on other various concepts from the stayed WOTUS Rule throughout the Proposal. For example, NWP 43 (Stormwater Management Facilities) cites to the exclusion of certain stormwater features under the WOTUS Rule. \textit{Id.} at 35,227. Definitions such as “non-tidal wetland,” “ordinary high water mark,” and “tidal wetland” cite to the new regulations in the WOTUS Rule. \textit{Id.} at 35,239-40. And most importantly, the term “water of the United States” is used throughout the Proposal in nearly every NWP.

The Corps should remove provisions in the proposal adopting or incorporating terms, definitions, or concepts from the stayed WOTUS Rule. And if the WOTUS Rule is implemented at some point, the Corps will also need to address the new definition’s significant implications on the NWP program, which will likely necessitate revisions to the NWPs to relax linear and acreage limitations, restore consistency with the Congressional intent for a streamlined permitting process where there are minimal environmental impacts, and fulfill the Corps’ stated objective of reducing reliance on individual permits. \textit{See id.} at 35,188.

IV. An Increase in Jurisdiction Would Threaten the Effective Administration of the NWP Program.

Broader jurisdiction under the WOTUS Rule would increase the burden on the Corps and permit applicants to develop mitigation plans and would significantly increase the number of annual applicants for NWPs, straining already-limited Corps resources. Project proponents would also face greater uncertainty as to whether aquatic features are jurisdictional and, thus, whether a NWP is available. The confluence of these factors would impede the efficient processing of NWP applications and limit the program’s effectiveness, in direct contradiction to Congress’s intent in establishing the program.

A. Greater Burden on Corps and Applicants to Develop Mitigation Plans
Compensatory mitigation can include “requirements to offset authorized losses of jurisdictional waters and wetlands so that the net adverse environmental effects are no more than minimal.” *Id.* at 35,188. If the WOTUS Rule is implemented, more areas would be treated as jurisdictional and that would, in turn, mandate more robust mitigation plans. Projects originally designed to avoid jurisdictional features may now find newly designated “waters of the United States” directly within the path or boundaries of the project. Consistent with the proposed General Condition 23, the district engineer may require compensatory mitigation for losses of jurisdictional “waters of the United States” to ensure that activities authorized by NWPs result in no more than minimal adverse environmental effects. *See id.* at 35,210. The potential addition of jurisdictional areas under the WOTUS Rule and the added complexity of the mitigation requirements would encumber the application process.

**B. Influx of Applications for NWPs and Individual Permits**

If the WOTUS Rule is implemented, the scope and prevalence of jurisdictional features would increase. Consequently, discharges of dredged or fill material into these newly jurisdictional features would trigger CWA Section 404 requirements, significantly increasing the number of activities seeking authorization through NWPs. Also, some activities that previously qualified for NWPs may no longer be able to meet the acreage thresholds, increasing the need for individual permitting. As the Corps has stated, use of the NWP program is critical to ensuring that the Corps is able to focus its limited resources on more rigorous evaluation of activities that have the potential for causing more severe adverse environmental impacts. *Id.* at 35,188. Again, this was Congress’s motivation for enacting Section 404(e). However, if more areas are jurisdictional and fewer activities qualify for NWP authorization, the Corps resources will be
strained with the influx of individual permit applications and it will not be able to authorize activities with minimal environmental impacts in a streamlined, timely manner.

The Corps is already struggling to process permits in a timely manner and simply will not be able to handle the notifications, consultations, reviews, assessments and approvals that will result from the greatly expanded scope of CWA jurisdiction under the WOTUS Rule. A lack of Corps resources, additional mitigation requirements, and confusion over whether water is jurisdictional would substantially increase the time and cost it takes to obtain a NWP. Typically, it takes over two years to obtain an individual permit but only ten months to obtain a NWP. Many developers design projects to qualify for a NWP by avoiding impacts to jurisdictional areas. As the Corps notes, NWPs “provide incentives to permit applicants to reduce impacts to jurisdictional waters and wetlands to meet the restrictive requirements of the NWPs and receive authorization more quickly than they would through the individual permit process.” Id. at 35,188. A prolonged or complex NWP process may dissuade project proponents from this practice. Moreover, an increase in time and cost will make it more difficult for smaller projects to afford to comply with the program. This outcome is counter to the goals of the NWP Program and the CWA.

V. WAC Supports Increases in Acreage Limits, PCN Thresholds, and Stream Waiver Provisions but, at a Minimum, the Corps Should Maintain Existing Standards.

The Corps seeks comments on “changes in acreage and linear foot limits . . ., PCN thresholds, and the use of other tools for complying with the no more than minimal adverse environmental effects requirement for NWPs.” Id. at 35,191. While several WAC members

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10 See Rapanos, 547 U.S. at 721 (plurality op.) (citing David S undoing & David Zilberman, The Economics of Environmental Regulation by Licensing: An Assessment of Recent Changes to the Wetland Permitting Process, 42 NAT. RESOURCES J. 59, 74-76 (2002) (“The average applicant for an individual permit spends 788 days and $271,596 in completing the process, and the average applicant for a nationwide permit spends 313 days and $28,915 – not counting costs of mitigation or design changes.”)).
urge the Corps to increase the current standards, at a minimum, the Corps should maintain the existing acreage caps, PCN thresholds, and stream waiver provisions. If the WOTUS Rule is implemented, however, the Corps must assess the need to increase the thresholds due to the potential implications of the WOTUS Rule, discussed above.

A. Acreage Limits and PCN Thresholds

To qualify for NWPs 12, 14, 21, 29, 39, 40, 42, 43, 44, 50, 51, and 52, “the total loss of waters of the United States . . . cannot exceed \( \frac{1}{2} \)-acre,” id. at 35,191, and for certain NWPs, a PCN may be required where the loss is greater than \( \frac{1}{10} \)-acre. See, e.g., id. at 35,220. The current acreage limits and PCN thresholds were developed and refined over decades of successive public notice and comment to meet the statutory objectives of the NWP program which include providing a streamlined authorization process. The limits and thresholds are appropriate—and may even be overly conservative in some areas—and are well supported by the record, protective of the environment, and fully meet the “minimal effects” standard. WAC, therefore, urges the Corps, at a minimum, to retain the acreage caps and thresholds for the NWPs.

If the WOTUS Rule goes into effect, however, the Corps must consider increasing these thresholds to avoid an overwhelming influx of individual permit applications and an additional burden for applicants. With more features and areas considered “waters of the United States,” many more activities will exceed the NWP threshold, and applicants will be forced to rely on individual permits. Individual permits are more costly than NWPs and the application process is considerably longer.\(^\text{11}\) Also, a large increase in individual permit applications is likely to overwhelm EPA and Corps staff, further increasing delays. Overall, the increased costs and delays associated with individual permitting could thwart development and maintenance of

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\(^{11}\) Supra note 9.
critical infrastructure, such as highways, railroads, and utility lines that previously would have relied heavily on NWPs. The Corps should, instead, focus its limited resources on proposed activities that have the potential for substantial adverse environmental impacts, and, thus, an increase in acreage thresholds may be appropriate.

B. Stream Waiver Provisions

Since 2002, the 300 linear foot limit for losses of stream bed in NWPs 21, 29, 39, 40, 42, 43, 44, 50, 51, and 52, and the 500 linear foot limit for NWP 13, could be waived if the district engineer determined based on the PCN that the proposed activity would not result in more than minimal individual and cumulative environmental adverse effects. In the final 2012 NWPs, a requirement was added whereby waivers of certain NWP limits could be granted only through a written determination by the district engineer. In the latest proposal, the Corps is soliciting comment on whether to make any changes to the numeric limits of the waiver and whether district engineers should retain the authority to issue activity specific waivers of certain NWP limits. See id. at 35,191-92.

WAC supports the current case-by-case authority provided to district engineers to issue activity-specific waivers. It is important that district engineers maintain the authority to issue waivers, and WAC opposes any changes that restrict or narrow this authority. Sustaining the current waiver descriptions will give district engineers the flexibility to grant waivers where they are appropriate and reasonable. Removing this authority would require activities that exceed certain numeric levels to obtain individual permits even though they have minimal adverse environmental effects. Furthermore, WAC opposes any linear foot cap because it would limit district engineers’ ability to analyze the specific environmental conditions, reducing flexibility within the program. Also, there is no evidence that a linear foot limit would provide any further
assurances that these NWPs only authorize activities with no more than minimal adverse environmental effects. The current provisions, providing the district engineer with case-by-case discretion, reflect Corps experience and better accomplish the statutory standards and objectives of the program.

Finally, a linear foot cap, coupled with expanded CWA jurisdiction under the WOTUS Rule if implemented, could severely limit the availability of NWPs. If the WOTUS Rule is implemented, the broader definition of “waters of the United States” would mean that larger numbers of disperse features would be potentially impacted, even though actual environmental impacts would be no greater than without implementation of the Rule. For example, newly jurisdictional features such as ditches, isolated wetlands, dry washes and drainages may be impossible to avoid, and an arbitrarily low linear foot cap could unduly restrict the availability of NWPs. Given the marginal nature of most of these features, it is appropriate to give the district engineer flexibility to grant waivers where they are appropriate and reasonable. Moreover, if the WOTUS Rule is implemented, the criteria should be expanded to allow district engineers the flexibility to grant waivers under additional circumstances where there are minimal adverse environmental effects.

VI. Conclusion

In sum, the Coalition believes that the Corps failed to adequately analyze a critical component of the NWP program—the scope of “waters of the United States” subject to the Corps’ jurisdiction. Due to the pending litigation and nationwide stay of the WOTUS Rule, the Corps should clarify that the WOTUS Rule’s terms, definitions, and key concepts will not apply to the reissued NWPs, and should remove citations to stayed regulations. If the WOTUS Rule is implemented, WAC believes it will have significant implications for the NWP program, and the
Corps will need to revise the NWPs to maintain the streamlined process envisioned by Congress. Even with the Rule stayed, several WAC members believe that the Corps should increase the current acreage limits, but, at a minimum, the Corps should maintain current acreage limits, PCN thresholds, and stream waiver provisions. This will ensure that the NWP program provides expedited permitting to activities with minimal adverse environmental effects, as Congress intended.
ATTACHMENT A

Agricultural Retailers Association
American Exploration & Mining Association
American Farm Bureau Federation
American Gas Association
American Petroleum Institute
American Public Power Association
American Road & Transportation Builders Association
American Society of Golf Course Architects
Associated Builders and Contractors, Inc.
Associated General Contractors of America
Association of American Railroads
Association of Equipment Manufacturers
Association of Oil Pipe Lines
Club Managers Association of America
Corn Refiners Association
CropLife America
Edison Electric Institute
Fertilizer Institute
Florida Sugar Cane League
Foundation for Environmental and Economic Progress
Golf Course Builders Association of America
Golf Course Superintendents Association of America
Independent Petroleum Association of America
Industrial Minerals Association – North America
International Council of Shopping Centers
International Liquid Terminals Association
Irrigation Association
National Association of Home Builders
National Association of Manufacturers
National Association of REALTORS®
National Association of State Departments of Agriculture
National Cattlemen's Beef Association
National Corn Growers Association
National Cotton Council
National Council of Farmer Cooperatives
National Industrial Sand Association
National Mining Association
National Multifamily Housing Council
National Oilseed Processors Association
National Pork Producers Council
National Rural Electric Cooperative Association
National Stone, Sand, and Gravel Association
Public Lands Council
Southeastern Lumber Manufacturers Association
Southern Crop Production Association
Texas Wildlife Association
Treated Wood Council, Inc.
United Egg Producers
U.S. Chamber of Commerce