UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

AUG – 5 2004

OFFICE OF
WATER

Dr. Eileen Lee, Ph.D.
National Multi Housing Council
1850 M Street, NW, Suite 540
Washington, D.C. 20036

Dear Dr. Lee:

I appreciate receiving your Request For Correction (RFC) dated March 10, 2004, regarding the U.S. Environmental Protection Agency's (EPA) statement pertaining to Ratio Utility Billing Systems (RUBS) in the Federal Register notice entitled "Applicability of the Safe Drinking Water Act to Submetered Properties" (68 Federal Register 74233, December 23, 2003).

The EPA published a draft memorandum in the Federal Register on August 28, 2003, (68 FR 51777) proposing a change in agency policy regarding submetering and direct billing in certain situations. The change involved an interpretation of a statutory exclusion under the Safe Drinking Water Act. EPA asked for public comment on the proposed policy change and addressed comments similar to those raised in your recent correspondence relating to RUBS and water conservation during the public comment period. Public comments both promoted and questioned the water conservation benefits of RUBS. Based on our review of the comments received at that time, EPA determined that water conservation benefits from RUBS were uncertain and deferred decisions regarding the applicability of RUBS under the statutory exclusion to primacy agencies. (The comments can be accessed in the Office of Water Docket, Docket No. OW-02003-0065 at http://www.epa.gov/edocket.)

However, I appreciate your concern about our statement in the policy that RUBS "does not encourage" water conservation. It is premature to revise our policy at this specific time, as the comments we received on our proposed policy indicated uncertain conservation benefits from RUBS. However, it may well have been too strong to say that RUBS "does not encourage water conservation." I strongly support water conservation efforts, and want to encourage all actions to promote conservation by renters, homeowners, apartment owners, and water systems. Therefore, I plan to further study this issue and seek further comment on a range of water conservation options.

As you know, EPA and NMHC (along with other organizations) sponsored a major research study titled "the National Multiple Family Submetering and Allocation Billing Program Study". This study is undergoing peer review, and we expect the researchers' final report soon.

This report should provide the best information to date on the question of whether RUBS does or does not encourage water conservation. When we receive the final report, we will promptly solicit additional public comment on the specific question of the relationship of RUBS to water conservation, and make a determination as to whether the submetering policy should be further revised. We will consider the information and recommendations contained in your Request For Correction in making our determination.

Thank you for your interest in actions to promote water conservation. If you are dissatisfied with this decision, you may submit a Request for Reconsideration. EPA recommends that this request be submitted within 90 days of the date of this letter. To do so, send a written request to the EPA Information Quality Guidelines Processing Staff via mail (Information Quality Guidelines Staff, Mail Code 2811R, U.S. EPA, 1200 Pennsylvania Ave., N.W., Washington, D.C. 20460), electronic mail (quality@epa.gov) or fax (202-565-2441). The Request for Reconsideration should reference the request number assigned to the original request for correction (identified in the heading of this response). Additional information that should be included in the request is listed on the EPA Information Quality Guidelines web site ("www.epa.gov/quality/informationguidelines"). I look forward to working with you and your organization. If you have any further concerns on this topic, please feel free to contact Thomas Dabolt at (202) 564-1450.

Sincerely,

Benjamin H. Grumbles
Acting Assistant Administrator