



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

SEP 28 2005

OFFICE OF
ENVIRONMENTAL INFORMATION

Dr. Eileen Lee
Vice President of Environment
NMHC/NAA
1850 M Street, NW, Suite 540
Washington, D.C. 20036

Re: Request for Reconsideration (#04017A) Regarding the "Applicability of the Safe Drinking Water Act to Submetered Properties" revised policy

Dear Dr. Lee:

This letter is in response to your Request for Reconsideration (RFR) of November 5, 2004, on behalf of the members of the National Multi Housing Council (NMHC) and the National Apartment Association (NAA), under the U.S. Environmental Protection Agency (EPA) *Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by the Environmental Protection Agency* (Information Quality Guidelines) concerning EPA's statement pertaining to Ratio Utility Billing Systems (RUBS) in the revised policy entitled "Applicability of the Safe Drinking Water Act to Submetered Properties" (68 FR 74233, December 23, 2003). In your RFR, you disagree with and seek reconsideration of EPA's August 5, 2004, response to your Request for Correction (RFC) dated March 10, 2004. Specifically, in your RFR, you state that you consider the Agency to have agreed with your RFC's position that RUBS encourages water conservation, so you do not believe that promising future Agency action is sufficient to address your concerns.

In conformance with the Information Quality Guidelines, your RFR was presented to a three-member executive panel comprised of EPA's Acting Economics Advisor, Acting Assistant Administrator for Research and Development, and myself. The executive panel has carefully reviewed your RFR, your RFC, EPA's response to your RFC and other relevant materials. The panel finds that EPA's response to your RFC was consistent with EPA's Information Quality Guidelines.

Your RFC challenged a statement in the revised policy which read, "At this time, EPA believes that RUBS or other allocation billing systems do not meet the definition of submetering, as used in this policy, and do not encourage water conservation." In your RFC, you asserted that this statement did not appear to have been subject to pre-dissemination review and did not comply with the objectivity and utility components of the Information Quality Guidelines. Prior to issuing the revised policy, consistent with the Information Quality Guidelines, EPA took public comment on the issue of RUBS as it relates to water conservation. EPA also reviewed the available literature at that time. Subsequently, EPA has reviewed the most current study to date, "National Multiple Family Submetering and Allocation Billing Program Study," released in August 2004. Although this study was not available at the time EPA issued the revised policy, it provides additional information to support EPA's position with regard to RUBS and water conservation. In addition, as promised in our response to your RFC, EPA published an announcement in the Federal Register on January 11, 2005, again seeking public comment and requesting additional information or literature on RUBS as a mechanism to promote water conservation. The Agency did not receive information demonstrating that RUBS encourages water conservation in response to this announcement.

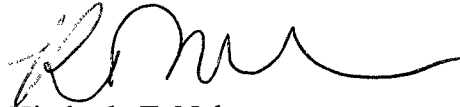
As mentioned above, the 2004 "National Multiple Family Submetering and Allocation Billing Program Study" was included in our thorough review. This peer review study stated that:

"[There was no evidence found] that Ratio Utility Billing Systems (RUBS) reduced water use by a statistically significant amount compared with traditional in-rent arrangements, and the data showed that the difference between water use in RUBS and in-rent properties was not statistically different from zero."

We also considered the 29 comments that we received on water metering and RUBS. Of these comments, six cited studies that EPA had previously reviewed and considered, 10 provided anecdotal evidence of water conservation, and five provided comments related to individual properties. The anecdotal and individual property data, although interesting, were not peer reviewed; data did not appear to be collected and analyzed by an impartial third party; and quality assurance and quality control procedures were not provided. Thus, for this determination, EPA did not rely on these data. The remaining comments either supported EPA's position on RUBS or only addressed submetering. Finally, EPA also looked at the 19 references cited in your original RFC. We were unable to find seven of these studies in the open literature; however, of the studies we did find, only a small portion appeared related to RUBS and eight were reviewed in the 2004 report mentioned above. In total, we did not find the body of evidence to be scientifically strong enough to support a revision of our submetering policy.

EPA values input from the public on the quality of information it produces and embraces opportunities for improvement. EPA is committed to promoting transparency in our processes and providing the public with information that is objective and useful. If you have any questions about our decision on this RFR, please do not hesitate to contact Reggie Cheatham, Director, Quality Staff at (202) 564-6830.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kimberly T. Nelson', with a long horizontal flourish extending to the right.

Kimberly T. Nelson
Assistant Administrator and
Chief Information Officer