

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

JUN 26 2000

WSG 135  
Date Signed: June 26, 2000

MEMORANDUM

**SUBJECT:** Recommendation for Approval of Proposed Additions to the EPA Operator Certification Guidelines and the Proposed Allocation Methodology for Funding to States for the Operator Certification Expense Reimbursement Grants Program -- TRANSMITTAL MEMORANDUM

**FROM:** Cynthia C. Dougherty, Director  
Office of Ground Water and Drinking Water  
(4601)

**TO:** J. Charles Fox  
Assistant Administrator

I am transmitting a package that proposes additions to our Operator Certification Guidelines and proposes the allocation methodology for state grants for the operator certification expense reimbursement grants program. We are specifically seeking public comment on (1) the approach and schedule for review of state operator certification programs for the purpose of making Drinking Water State Revolving Fund (DWSRF) withholding determinations, (2) the intent of the term "validated exam," and (3) the proposed allocation methodology and program for funding that will be used to award grants to states for the operator certification expense reimbursement grants program.

The final operator certification guidelines were published in the *Federal Register* on February 5, 1999. States have two years after the publication date of the guidelines (February 5, 2001) to adopt and begin implementation of operator certification programs that meet the requirements of the guidelines. We must withhold 20% of DWSRF capitalization grant funds for states that do not meet this deadline. The final guidelines did not provide states with a program submittal schedule or our DWSRF withholding process. This proposal covers the deadlines for states to submit their operator certification programs to us, time frames for us to review states' programs, time frames for states to address any identified deficiencies, and time frames for us to make withholding decisions. DWSRF withholding decisions will be made on an annual basis once a state has received our approval that its program meets the guidelines. Annual DWSRF decisions will be based upon a state's ongoing implementation of its operator certification program.

## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

The baseline standard for *Operator Qualifications* within the guidelines specifies that state programs must require that for an operator to become certified, the operator must “take and pass an exam that demonstrates that the operator has the necessary skills, knowledge, ability and judgement as appropriate for the classification.” Furthermore, this baseline standard specifies that “all exam questions must be validated.” Included in the definitions section of the guidelines is the term “validated exam.” We define a validated exam to be “an exam that is independently reviewed by subject matter experts to ensure that the exam is based on a job analysis and related to the classification of the system or facility.” We are requiring states to validate exams for operators because it will ensure that exams cover the fundamental skills, knowledge, ability and judgement required to safely operate water systems as well as determine the competency of operators. The requirement that “all exam questions must be validated” is not entirely consistent with the reference to “validated exam.” We believe that an exam that is made up of validated questions may not include the full spectrum of information that an operator needs to know in order to properly operate a water system. We are therefore requesting comment on an amendment to the guidelines that would clarify our intent that all *exams*, not just exam questions, be validated.

Section 1419(d) of the SDWA requires us to reimburse the costs of training, including an appropriate per diem for unsalaried operators, and certification for persons operating community and nontransient noncommunity public water systems serving 3,300 persons or fewer that are required to undergo training pursuant to our operator certification guidelines. The reimbursement is to be provided through grants to states. We are proposing to allocate these grant funds based on the number of community and nontransient noncommunity water systems serving 3,300 or fewer in each state. We estimate that it will cost between \$97 million and \$131 million to initially certify or renew certificates for small system operators and are seeking comment on the method for estimating the total amount of funding costs and for allocating these funds.

I request that you sign this proposal so that we may seek public comment on these issues, which will enable us to provide additional guidance to states in meeting our operator certification guidelines to avoid DWSRF withholding. Once we have considered all public comments, we will finalize this document and publish it in the *Federal Register*. If you have any questions, please call me or have your staff call Jenny Jacobs at 202 260-2939.