



**OFFICE OF ADVOCACY
U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, DC 20416**

Via Electronic Mail

December 22, 2003

Mr. Alexander Cristofaro (MC-1804A)
Small Business Advocacy Chair
U.S. Environmental Protection Agency
1200 Pennsylvania Ave., N.W.
Washington, DC 20460

Subject: SBAR Panel for § 316(b) Cooling Water Phase III Rule

Dear Mr. Cristofaro:

I received your letter of December 4, 2003 regarding the Small Business Advocacy Review Panel (Panel) for the proposed Clean Water Act section 316(b) Phase III rule for Cooling Water Intake Structures. The formal notification of the Panel was sent to the Office of Advocacy on September 23, 2002.

As we recently discussed with the U.S. Environmental Protection Agency (EPA), Advocacy concurs with the revised partial list of Small Entity Representatives (SERs), that have agreed to participate in the Panel process. Advocacy is continuing to work to identify additional SERs, particularly in the chemical and steel industries. This process should be complete by the first week of January 2004. Also, within the next few days we will be forwarding for EPA's review a report prepared by our consultant that evaluates the benefits estimate methodology, cost estimates, and regulatory alternatives of the Phase III rule. We intend to make this report available to EPA, the Office of Management and Budget (OMB), and the SERs as a resource to use in reviewing the Phase III draft proposed rule.

We understand that EPA would like to have a pre-Panel meeting with the SERs in mid-January 2004 and convene the Panel the following month. We ask that EPA provide supporting materials and, if possible, a draft regulatory analysis in order to allow sufficient review time by Panel members. Adequate and timely information and data is critical to ensuring that the Panel process yields meaningful results. We look forward to working with you through this process.

Sincerely,

/s/ _____

Thomas M. Sullivan
Chief Counsel for Advocacy

cc: Arthur Fraas, Chief
Natural Resources, Energy & Agriculture Branch
Office of Information and Regulatory Affairs, Office of Management and Budget