million/yr). The nationwide annualized cost of waste disposal per unit of medical waste treated would increase by \$177/Mg (\$161/ton) from the estimated nationwide annualized cost of \$150/Mg (\$136/ton) under the regulatory baseline.

E. Economic Impacts

The goal of the economic impact analysis was to estimate the market response to the NSPS and to determine whether there would be adverse impacts associated with the proposed standards. The proposed standards would affect five major industry sectors (hospitals, nursing homes, veterinary facilities, commercial research laboratories, and commercial medical waste incineration facilities) within which some facilities operate an onsite MWI. In addition, the proposed standards would affect a number of other industry sectors in which facilities do not typically operate an onsite MWI (e.g., blood banks). The economic impact analysis for new MWI's examined each of these sectors as a whole to determine industrywide

To assess the industrywide impacts of control costs, the market price increase resulting from the proposed standards was estimated for each regulated industry. The market price increases, presented in Table 8, may be thought of as an average price increase across each industry required to recover control costs within each industry. Table 8 reflects the more likely switching scenario. For example, under the switching scenario, the hospital industry would have to raise prices by an average of about 0.03 percent (over current revenues of about \$224 billion/ yr) to cover the increased cost of waste disposal. This table shows that the price increase is relatively small for each industry. This result is mainly due to the projection that most facilities do not (or will not, within the next 5 years after adoption of the standards) operate an onsite incinerator.

TABLE 8.—MARKET PRICE INCREASES IN THE MAJOR INDUSTRY SECTORS UNDER THE NSPS—SWITCHING SCENARIO

Industry	Price in- crease, percent
Hospitals	0.03 0.01 0.01
tories	0.03
Physicians' Offices	0
Dentists' Offices	0
Freestanding Bloodhanks	0.02

TABLE 8.—MARKET PRICE INCREASES
IN THE MAJOR INDUSTRY SECTORS
UNDER THE NSPS—SWITCHING
SCENARIO—Continued

Industry	Price in- crease, percent
Commercial Medical Waste Incineration Facilities	a N/A

^a Industrywide impacts were not calculated for commercial medical waste incineration facilities because estimates of the change in demand for commercial medical waste incineration were not available. However, this industry is expected to be able to recoup all control cost increases through price increases.

Output, employment, and revenue impacts were also estimated. As a result of the low market price increases and/ or relatively inelastic demand, the corresponding decreases in output, employment, and revenue were also low, never exceeding 0.05 percent under the more likely switching scenario. This result implies that no medical wastegenerating industry would need to be significantly reconstructed (e.g., through closures or consolidations) as a result of the proposed standards.

IV. Impacts of the Proposed Guidelines for Existing MWI's

This section presents a description of the air, water, solid waste, energy, control cost, and economic impacts of today's proposed guidelines. All impacts are nationwide impacts that are expected to result from the implementation of the emission guidelines. As discussed below, it is expected that as many as 80 percent of existing facilities currently using onsite incineration will switch to an alternative method of treatment and disposal to avoid the increased cost of installing air pollution control equipment. Therefore, impacts are presented assuming 80 percent of existing facilities using onsite MWI's will switch to a lower cost alternative treatment and disposal methods (i.e., the "switching scenario").

Onsite incineration is only one of several medical waste treatment and disposal options, and for some MWI's, the cost of the equipment necessary to comply with the proposed emission guidelines will make onsite incineration more expensive than other treatment and disposal options. Consequently, many facilities that currently operate onsite MWI's are likely to switch to a less expensive method of treatment and disposal. The EPA expects that as many as 80 percent of the existing facilities currently using onsite MWI's will switch to a lower cost alternative

method of treatment and disposal if the guidelines are promulgated as proposed. This is referred to in this notice as the "switching scenario" because of the expectation that owners of MWI's will switch to another method of waste treatment and disposal.

Recent experience at the State level confirms that switching to lower cost alternatives is a likely impact of the implementation of MWI regulations that require add-on air pollution control. For example, recent regulations adopted by the State of New York require the use of add-on acid gas scrubber systems. As a result, the State estimates that as many as 90 percent of previously existing MWI's in New York have ceased operation. New York's regulations are similar to the proposed EPA guidelines in that they require the use of add-on air pollution control systems or use of an alternative waste disposal approach. While these State regulations have increased the cost of waste disposal, it appears that the availability of alternatives to onsite incineration has mitigated the economic impacts that might have been associated with the State regulations.

One concern that has recently been raised related to switching away from onsite incineration is the availability of alternatives to onsite incineration. Two common alternatives are offsite contract disposal (most commonly commercial medical waste incineration) and onsite autoclaving (steam treatment). Other less common alternatives include onsite chemical treatment and onsite microwave irradiation. The commercial medical waste disposal industry believes that there presently exists sufficient offsite capacity to treat the waste that would no longer be treated onsite. In addition, autoclaves and other onsite waste disposal options are available. In fact, even today in the absence of Federal regulation, most facilities that generate medical waste do not operate onsite MWI's. This indicates that there currently are viable alternatives to onsite incineration.

A second concern regarding a shift away from onsite incineration is the increased transportation and handling of untreated medical waste. However, the Department of Transportation (DOT) has promulgated regulations (49 CFR parts 171, 172, and 173) that address the safe transportation and handling of medical waste. The DOT regulations include provisions for packaging and labeling of medical waste. Also, the Occupational Safety and Health Administration (OSHA) has promulgated regulations on December 5, 1991 (29 CFR part 1910) that address occupational exposure to bloodborne