this preamble for further discussion of the regulatory history and general goals of the proposed standards and guidelines.

c. Cost of the Proposal

The nationwide annual costs associated with the proposed standards for new MWI's would increase by approximately \$74.5 million/yr from the regulatory baseline cost of \$63.3 million/yr. The cost of compliance with the proposed standards for an individual facility will vary depending on the method chosen to comply with the proposed emission limitations. Of the projected number of new MWI's, some will be constructed with air pollution control equipment to comply with the proposed emission limitations. However, as discussed in Section III of this preamble, the EPA expects that, to avoid the increased costs associated with the installation of control equipment, as many as 80 percent of the projected number of new MWI's will not be constructed. Instead, these facilities are likely to consider less expensive methods of treatment and disposal.

Under the proposed standards, the average annualized cost of incineration for a typical small MWI would be about \$326 thousand per year. The two most common alternatives to onsite incineration include offsite contract disposal and onsite steam sterilization. Instead of installing an MWI with air pollution control equipment, the facility may choose to use offsite contract disposal at an estimated average annualized cost of \$98.8 thousand per year, or onsite steam sterilization at an estimated average annualized cost of \$65.6 thousand per year. Either of these alternatives is considerably less expensive than onsite incineration under the proposed standards.

Under the proposed standards, the average annualized cost of incineration for a typical large MWI would be about \$520 thousand per year. The cost to dispose of the same amount of waste using offsite contract disposal is estimated at about \$1.01 million per year, which is considerably higher than the costs of onsite incineration. Onsite steam sterilization of the same amount of waste would cost about \$158 thousand per year. Instead of installing an MWI with air pollution control equipment, the facility may choose to use onsite steam sterilization at a much lower cost. A more complete summary of the cost and economic impacts of the proposed standards are presented in Section III of this preamble.

The nationwide annual costs associated with the proposed guidelines

for existing MWI's would increase by approximately \$351 million/yr from the regulatory baseline cost of \$265 million/ yr. As with new MWI's, the cost of compliance with the proposed guidelines for an individual facility will vary depending on the method chosen to comply with the proposed emission limitations. Some facilities may choose to keep their incinerator and install air pollution control equipment to comply with the proposed emission limitations. However, as discussed in Section IV of this preamble, the EPA expects that as many as 80 percent of existing facilities currently using onsite incineration will switch to an alterative method of treatment and disposal to avoid the increased cost of installing air pollution control equipment.

For a typical small MWI, the installation of control equipment would increase the average annualized cost of incineration to about \$329 thousand per year. Instead of installing air pollution control equipment, the facility may choose to use offsite contract disposal at an estimated average annualized cost of \$98.8 thousand per year, or onsite steam sterilization at an estimated average annualized cost of \$65.6 thousand per year. The costs for either of these alternatives is considerably less than the costs for installing control equipment to meet the proposed emission limitations.

The average annualized cost of incineration for a typical large MWI would increase to about \$533 thousand per year. The cost to dispose of the same amount of waste using offsite contract disposal is estimated at about \$1.01 million per year, which is substantially higher than the estimated costs of onsite incineration. Onsite steam sterilization of the same amount of waste would cost about \$158 thousand per year. Instead of installing air pollution control equipment to meet the proposed emission limitations, the facility may choose to use onsite steam sterilization at a much lower cost. A more complete summary of the cost and economic impacts of the proposed guidelines are presented in Section IV of this preamble.

d. Communication With Affected Parties

As previously mentioned, Executive Order 12875 requires the EPA to consult with representatives of affected State, local, and tribal governments, and prior to promulgation of final standards, summarize concerns of the governmental entities and respond to their comments. The EPA has already initiated consultations with numerous governmental entities including, but not limited to, the U.S. Conference of Mayors, the National Association of City and County Health Officials, the National Association of Counties, the National Association of Public Hospitals, and the National Governors Association. These groups have been informed of the content of the proposal and the estimated impacts. In drafting the proposal, the EPA has considered the concerns expressed by these groups, and discussions with these groups will continue following proposal. The EPA awaits comments from these groups on the proposal and will respond to their comments.

E. Regulatory Flexibility Act Compliance

The Regulatory Flexibility Act (RFA) (5 U.S.C. 601 *et seq.*) requires Federal agencies to give special consideration to the impact of regulations on small entities, which are small businesses, small organizations, and small governments. The major purpose of the RFA is to keep paperwork and regulatory requirements from getting out of proportion to the scale of the entities being regulated, without compromising the objectives of, in this case, the Act.

If a regulation is likely to have a significant economic impact on a substantial number of small entities, the EPA may give special consideration to those small entities when analyzing regulatory alternatives and drafting the regulation. In the case of the proposed standards and guidelines, the results of the economic analysis indicate that the standards and guidelines will not have a significant impact on a substantial number of small entities. Less than 20 percent of "small" government jurisdictions are expected to be significantly impacted. In addition, although some small medical waste generators would be significantly impacted by the regulation's control requirements, the majority of these impacts could be avoided by switching to less expensive alternatives for medical waste disposal. Therefore, it is expected that the number of facilities that are significantly impacted will not be "substantial."

List of Subjects in 40 CFR Part 60

Air Pollution control, Incorporation by reference, Intergovernmental relations, Medical waste, Reporting and recordkeeping.

Dated: February 1, 1995. Carol M. Browner, *Administrator.* [FR Doc. 95–3045 Filed 2–24–95; 8:45 am] BILLING CODE 6560–50–P