this permit (e.g., equipment and vehicle maintenance facilities), must comply with the pollution prevention plan and monitoring requirements of that other section. The purpose of this requirement is to ensure that the pollution prevention plan and monitoring requirements appropriately address all aspects of regulated industrial activity that occur at a specific facility. For more explanation of this requirement, see the Co-located activities section of this summary.

Another commenter noted that differences exist between the list of BMPs identified in Table N-11 of the factsheet and section VIII.P of the permit. BMPs identified in Table N-11 were not intended to be all inclusive; rather the table identifies optional and alternative BMPs that may be used for vehicle and equipment maintenance. If scrap and waste recycling facilities have co-located facilities that meet the definition of industrial activity covered under section VIII.P, the operator is required to comply with the plan requirements for that section, including any specifically identified BMPs.

A number of commenters argued that EPA should drop the analytical monitoring requirements since many BMPs would be implemented thereby obviating the need for monitoring. In addition, these commenters said it would be more beneficial to target resources towards BMP implementation rather than to put resources towards monitoring. EPA does not agree that the implementation of BMPs at scrap recycling facilities should automatically eliminate the need to conduct monitoring. EPA is requiring monitoring primarily for purposes of demonstrating the effectiveness and adequacy of the pollution prevention plan as implemented over the term of the permit. EPA believes that the transient nature of activities at scrap recycling facilities and the results of the group application sampling effort clearly justify analytical monitoring during the permit term.

Some commenters questioned why EPA proposed to require monitoring for aluminum and iron at scrap recycles. Only 5 scrap recycling facilities sampled for these pollutants during the group application process. The limited sampling information provided by scrap recycling facilities for iron and aluminum, however, suggests that these facilities may be significant sources of iron and aluminum in storm water runoff. Given the volumes of ferrous and non-ferrous materials commonly handled at scrap recycling facilities, EPA believes that it is reasonable to monitor for these pollutants to

determine if they are present and if so to provide information to the facility operator to ensure the pollution prevention plan is effective at controlling these pollutants. Therefore, EPA believes that additional data on these two pollutant parameters is needed for purposes of better characterizing pollutant sources that may be present so that pollution prevention plans may be more appropriately designed.

A number of commenters requested clarification on the use of the term "battery reclaimers" as it applies to scrap recycling and waste recycling industries. EPA agrees that scrap and waste recycling facilities which only collect and temporarily store used leadacid batteries are not classified as battery reclaimers as described by 40 CFR Part 266. Battery reclaimers engage in the practice of breaking-up used leadacid batteries for purposes of reclaiming the lead contained within them. During the group application process, EPA did not receive any group applications composed of battery reclaimers. Therefore, facilities which engage in the reclaiming of used, lead-acid batteries are not eligible for coverage under this permit.

EPA has reviewed a cost study provided by industry and concludes that a substantial portion of the costs arose as a consequence of unclear permit language or activities that are already substantively employed at scrap recycling facilities (i.e., not necessarily in response to the NPDES storm water program). EPA believes that the cost estimates provided in the fact sheet to the proposed permit are reasonably accurate and representative of the actual range of costs most facilities will experience to comply with the requirements of this permit (see cost of compliance discussion in this summary).

EPA is not requiring scrap recycling facilities to construct permanent or semi-permanent covers over stockpiled materials, therefore, the estimated capital costs would be substantively reduced over those calculated by industry. In addition, EPA observed during a site visit that a scrap facility with a shredder already had at least one roll-off box for collecting shredder fluff. Given the substantial volume of shredder fluff produced annually, some means of collecting and disposing of shredder fluff already exists at shredder facilities. Therefore, EPA does not agree that scrap recycling facilities are facing the additional capital expenses as reported in the industry cost report.

With regard to retention ponds, the final permit provides additional

clarifying language that states that the operator is expected to employ a full range of non-structural erosion and sediment control measures to reduce sediment loadings. If substantial loadings persist after employing a full array of non-structural measures, the operator could be expected to construct a retention pond or its equivalent. However, the operator would first be expected to identify what additional measures might be taken to reduce sediment loadings before constructing a retention pond. In addition, the final permit allows the operator to make a determination that insufficient area is available to construct a pond or its equivalent. These additional provisions in the final permit are expected to dramatically reduce the likelihood that many scrap recycling facilities will be required to construct retention ponds.

Discussions with the scrap recycling industry indicate that facilities that receive substantial quantities of turnings have established appropriate containment areas with suitable berming and drainage collection (including the use of sumps and/or oil/ water separators). In addition, measures to properly dispose or recycle substantial quantities of residual fluids are already in practice in response to other environmental and safety regulations at the Federal, State, and local levels. Consequently, EPA does not agree that the estimated annual operation and maintenance cost of \$13,000 can be exclusively attributed to the NPDES storm water program.

The scrap recycling industry cost study estimates that berms around stockpile as will be replaced quarterly at an annual cost of \$55,000. EPA has a number of concerns with regard to this estimate. The use of berms around certain stockpile areas was proposed as a BMP alternative by industry and many of its members. In addition, group applications cited the use of berms as a frequently employed best management practice. If such a cost estimate were accurate, it is unrealistic to expect that a scrap recycling facility would incur such a cost given the industry's expressed concerns about extreme competitive pressures. It is more likely that such a BMP would be considered impractical or economically infeasible by the facility operator and other BMPs would be chosen in preference.

EPA also wishes to respond to a number of other costs elements reported in the industry study. The study also identifies additional costs in response to the draft permit:

- Encourage suppliers to drain fluids.
- Inbound scrap lead acid battery control program.