further increased removals of pollutants of concern. However, as explained above, EPA's data show increases rather than decreases in concentrations of specific pollutants of concern.

In the case for the Oily Waste Subcategory, EPA is co-proposing two options for BAT: Options 2 and 3. EPA seeks comment on whether it should adopt BAT limitations based on Oils Option 3 or Oils Option 4 if the Agency decides to adopt Option 3 for BPT limitations for this Subcategory. Both the Options 3 and 4 treatment systems achieve increasingly greater levels of pollutant removal than Option 2. Both represent demonstrated technologies currently in use in the industry. However, the total costs for the industry over Option 2 are high. Given the statutory injunction for the Agency to develop BAT effluent limitations that reflect the best control measure economically achievable, EPA believes BAT limitations which reflect these more stringent effluent pollutant reduction levels may be appropriate. This is particularly true if the additional treatment results in significant reduction in pollutants discharged into the environment and thus reasonable further progress towards the goal of the Act-elimination of the discharge of pollutants to navigable waters. The Agency welcomes comment on this issue.

EPA's data show that the costs of both Option 3 and Option 4 (\$8.4 million and \$10.0 million, respectively) are significantly greater than Option 2 (\$0.87 million). Nevertheless, the cost of per-pound removals, \$0.38 and \$0.44, respectively, are reasonable. In addition, both Options 3 and 4 are economically achievable because there would be not change in the industry profitability status as a result of the adoption of either Option. As stated earlier, the impact of limitations based on either Option 1, 2, 3, or 4 is a decrease in profitability for one direct discharger with increased profitability for three others. However, adoption of BAT limits based on Oil Option 3 would provide approximately 150,000 pounds of additional removals of pollutants over Option 2 while BAT limitations based on costlier Option 4 would remove fewer pollutants. In the circumstances, EPA has preliminarily determined that is should not adopt Option 4 as the basis for BAT limits if it decides to base BPT on Option 2.

As with BPT limitations, EPA is proposing to require monitoring for compliance with the limitations at a point after treatment but prior to combining the CWT process wastewater with other wastewater. Many facilities operate other processes and the addition of this wastewater to CWT wastewater may result in dilution due to the difference in concentration of waste streams. Also, if a facility discharges non-contaminated stormwater, the proposed regulation is requiring monitoring of the CWT discharge prior to the addition of non-contaminated stormwater.

As with BPT, monitoring for compliance with the regulation for the Total Cyanide limitation at facilities in the Metals Subcategory which treat concentrated cyanide-bearing metal waste is after cyanide pretreatment and prior to metal treatment. This ensures that cyanide will not interfere with metals treatment.

See Section V.F. for further information regarding Monitoring to Demonstrate Compliance with the Regulation.

4. New Source Performance Standards

As previously noted, under Section 306 of the Act, new industrial direct dischargers must comply with standards which reflect the greatest degree of effluent reduction achievable through application of the best available demonstrated control technologies. Congress envisioned that new treatment systems could meet tighter controls than existing sources because of the opportunity to incorporate the most efficient processes and treatment systems into plant design. Therefore, Congress directed EPA to consider the best demonstrated process changes, inplant controls, operating methods and end-of-pipe treatment technologies that reduce pollution to the maximum extent feasible.

EPA is proposing NSPS that would control the same conventional, priority, and non-conventional pollutants proposed for control by the BPT effluent limitations. The technologies used to control pollutants at existing facilities are fully applicable to new facilities. Furthermore, EPA has not identified any technologies or combinations of technologies that are demonstrated for new sources that are different from those used to establish BPT/BCT/BAT for existing sources. Therefore, EPA is establishing NSPS subcategories similar to the subcategories for existing facilities and proposing NSPS limitations that are identical to those proposed for BPT/BCT/BAT. Again, the Agency is requesting comments to provide information and data on other treatment systems that may be pertinent to the development of standards for this industry.

EPA is specifically considering whether it should adopt NSPS for the Oil Subcategory which reflect either Option 3 or Option 4 treatment technologies. EPA does not believe there would be any barriers to entry in this industry associated with adoption of Option 3 or 4. One currently operating facility has demonstrated the performance of these control technologies—EPA is assessing whether or not to adopt NSPS for the Oil Subcategory that reflects this more stringent level of control. EPA is soliciting comments on this issue.

See Section V.F. for further information regarding Monitoring to Demonstrate Compliance with the Regulation.

5. Pretreatment Standards for Existing Sources

Indirect dischargers in the Centralized Waste Treatment Industry, like the direct dischargers, accept for treatment wastes containing many priority and non-conventional pollutants. As in the case of direct dischargers, indirect dischargers may be expected to discharge many of these pollutants to POTWs at significant mass and concentration levels. EPA estimates that indirect dischargers annually discharge approximately 85 million pounds of pollutants.

Section 307(b) requires EPA to promulgate pretreatment standards to prevent pass-through of pollutants from POTWs to waters of the U.S. or to prevent pollutants from interfering with the operation of POTWs. EPA is establishing PSES for this industry to prevent pass-through of the same pollutants controlled by BAT from POTWs to waters of the U.S.

a. Pass-through analysis. Before proposing pretreatment standards, the Agency examines whether the pollutants discharged by the industry pass through a POTW or interfere with the POTW operation or sludge disposal practices. In determining whether pollutants pass through a POTW, the Agency compares the percentage of a pollutant removed by POTWs with the percentage of the pollutant removed by discharging facilities applying BAT. A pollutant is deemed to pass through the POTW when the average percentage removed nationwide by well-operated POTWs (those meeting secondary treatment requirements) is less than the percentage removed by facilities complying with BAT effluent limitations guidelines for that pollutant.

This approach to the definition of pass-through satisfies two competing objectives set by Congress: (1) That standards for indirect dischargers be equivalent to standards for direct dischargers and (2) that the treatment