10. Foreign Trade Impacts

The EIA does not project any foreign trade impacts as a result of the effluent limitations guidelines and standards. Although most of the affected CWT facilities treat waste that is considered hazardous under RCRA, international trade in CWT services for treatment of hazardous wastes is virtually nonexistent.

11. Regulatory Flexibility Analysis

The Agency performed an initial regulatory flexibility analysis to assess the relative severity of impacts on small entities, specifically small companies, owning CWT facilities. Small companies are defined as those having sales less than \$6 million, which is the Small Business Administration definition of a small business for SIC code 4953. Refuse Systems. This is the SIC code that most CWTs listed in their questionnaire responses. Thirteen of the 84 facilities not owned by the Federal Government are small companies according to this definition. One facility is owned by the Federal Government. To determine whether the impacts on small companies are "significant," EPA used the following criteria:

- (1) Annual compliance costs increase total costs of production for small entities for the relevant process or product by more than 5 percent.
- (2) Compliance costs as a percentage of sales for small entities are at least 10 percent higher than compliance costs as a percentage of sales for large entities.
- (3) The requirements of the regulation are likely to result in closures of small entities.

Six of the thirteen small companies are estimated to have compliance costs

exceeding 5 percent of baseline CWT costs. Larger companies, however, have both a higher absolute number and a higher percentage of companies incurring compliance costs that exceed 5 percent of baseline CWT costs. Thus, small businesses are affected less than other facilities.

The median value for the ratio of compliance costs to sales for small companies is very small: 0.6 percent. However, the median value for larger companies is even smaller: less than 0.001 percent. Thus, the ratio for small companies is more than 10 percent higher than the ratio for larger companies. While this suggests that small companies are more affected in comparison to the larger companies, the overall level of impact is very low for all size categories.

The analysis does not estimate facility closures, but it does assess the impact of the Regulatory Options on the likelihood of company bankruptcy. As shown in Tables VI.C-3 and VI.C-4, three of four additional companies predicted to become "likely" to incur bankruptcy under Regulatory Option 1 are small. Of the three additional companies becoming likely to incur bankruptcy as a result of Option 2, one is small. Thus, under Regulatory Option 1, small businesses incur relatively larger impacts according to this measure, but under Regulatory Option

relatively larger impacts.

Overall, while companies in all size categories are affected, small companies may experience impacts that are somewhat greater relative to those incurred by larger companies.

2. small businesses do not incur

The Agency considered less stringent control options for each subcategory.

However, given the concentrated and difficult-to-treat wastes handled at CWT facilities, the Agency does not believe a less stringent level of control is BPT/ BCT/BAT. From discussions with permit writers for CWT facilities, under the present treatment standards, many instances of water contamination and odor releases occur because of Centralized Waste Treatment facilities as well as contamination of sludge at POTWs. In comparison to other promulgated effluent guidelines, this industry has some of the most concentrated and toxic waste streams. Therefore, a stringent level of control is deemed necessary.

12. Cost-Effectiveness Analysis

For each of the Regulatory Options, cost-effectiveness is calculated as the ratio of the incremental annual costs in 1981 dollars to the incremental poundsequivalent of pollutants removed. The estimated pounds-equivalent removed were calculated by weighting the number of pounds of each pollutant by the relative toxic weighting factor for each pollutant. The use of poundsequivalent gives correspondingly more weight to more highly toxic pollutants. Thus, for a given expenditure and pounds of pollutants removed, the cost per pound-equivalent removed would be lower when more highly toxic pollutants are removed than when less toxic pollutants are removed. The analysis employed toxic weighting factors for weighting different pollutants according to their relative toxicity.5 Table VI.C-5 and Table VI.C-6 show the Total Cost-Effectiveness for each subcategory option for BPT/BAT and PSES, respectively.

TABLE VI.C-5.—BPT/BAT COST EFFECTIVENESS ANALYSIS

Option	Total costs (\$1981)	Total removals (lb. eq.)	Cost-effective- ness (\$/lb. eq.)	Incremental cost-effective- ness (\$/lb. eq.)
Metals Subcate	egory			
1	2,278,827 8,541,863 8,840,764	1,085,922 1,142,279 1,148,324	5.54 51.52 61.79	111.13 49.45
Oils Subcate	gory			
1	0 628,228 6,143,622	0 113,500 119,256	0 5.54 51.52	5.54 958.19

⁵ Further, EPA's toxic weighting factors do not provide environmental "credit" for removal of certain regulated pollutants. Thus, for example, the

toxic weighting factors do not account for removals of the conventional pollutant, oil and grease. Consequently, a comparison of the difference in cost-effectiveness associated with oil subcategory Regulatory Options 1 and 2 does not account for the significantly greater removals of oil and grease achieved through Regulatory Option 2 treatment technology.