quantified or monetized because of the lack of data, or because sufficient information to define the causal relationship between coastal oil and gas production activities and environmental effects is not available. The evaluated non-quantified benefits include: (1) an analysis of environmental equity issues related to this rulemaking; (2) effects on threatened or endangered species and migratory waterfowl, and potential benefits from the proposed rule for ecosystem health for coastal areas of Gulf of Mexico and Cook Inlet.

(1) An Analysis of Environmental Equity Issues. An analysis of potential impacts on socioeconomic and ethnic groups in coastal areas of Texas, Louisiana, and Cook Inlet conducted to address environmental equity issues related to the discharges from coastal oil and gas facilities indicates that the subsistence and personal use of fisheries in both geographic areas may be appreciable, indicating potential environmental equity concerns for low income subsistence and personal use anglers including Alaska's Native populations. These socioeconomic and ethnic groups are known to be frequent recreational or subsistence anglers and are consuming a high rate of seafood, and could consequently be at higher than average risk, providing they consume seafood that may be contaminated with coastal oil and gas pollutants. The subsistence and personal use fisheries in these areas also provide food sources that would otherwise have to be purchased elsewhere. In addition, Cook Inlet fisheries are of cultural value to Alaskan Native populations in that they allow the continuance of a traditional lifestyle dependent on the natural resources of the Inlet. A zero discharge and control of discharges of produced water, and zero discharge of drilling fluids and drill cuttings, and well treatment, workover and completion fluids discharges would reduce these impacts.

(2) Effects on Threatened and Endangered Species. The proposed regulation may also have beneficial effects on 32 threatened and endangered species in coastal area of Texas and Louisiana (such as Brown Pelican, Hawksbill Sea Turtle, Leatherback Sea Turtle, Ocelot, and others) that use these areas as part of their habitat. The Upper Cook Inlet is an important pathway for spawning fish and nonendangered mammals which are resident or occur seasonally in Cook Inlet including sea lion, fur seal, harbor seal, sea otter and beluga whale. The Cook Inlet area is also a critical habitat for seabirds, shorebirds, and migrating waterfowl, including the Cackling Canada Goose, Pacific Black Brant, Emperor Goose, and Tule Goose. There are at least four endangered cetacean species which may occur in or near Cook Inlet. These include the humpback whale, fin whale, sei whale, and gray whale. Endangered avian species which may occur as migrants in or near Cook Inlet include the short-tailed albatross, American peregrine falcon, and Arctic peregrine falcon. Control of produced water and treatment, workover, and completion fluids discharges and zero discharge of drilling fluids and drill cuttings, would reduce these impacts.

*D. EPA Region VI Production Permit*

The benefits of the proposed rule evaluated in the benefit analysis are based on discharges and discharge locations that were projected for the proposed guidelines (without the published final Region 6 NPDES General permits regulating produced water discharges to coastal waters in Louisiana and Texas in effect). Because of the close timing of the publication of these final General permits and the proposed effluent guidelines, little opportunity for in-depth re-analysis of environmental benefits occurred. The approach selected is to proportionate quantified benefits based on a simple flow proportion (*i.e.*, the 29 percent share of produced water flow), attributable to the facilities excluded from coverage under the General permits but covered by the proposed effluent guidelines. Using this approach, EPA estimates that with the Region 6 General permits final, quantified monetized benefits may be in the $0.9 to $67 million range in 1990 dollars ($1.1 to $76 million in 1994 dollars). EPA will re-evaluate environmental benefits of the coastal oil and gas subcategory effluent guidelines upon promulgation of the final rule.

## XIII. Regulatory Implementation

*A. Toxicity Limitation for Drilling Fluids and Drill Cuttings*

Under the alternative option EPA considered for drilling fluids and drill cuttings, EPA would establish a toxicity limit for this waste stream. The toxicity limitation would apply to any periodic blowdown of drilling fluid as well as to bulk discharges of drilling fluids and drill cuttings systems. The reader is referred to the Offshore Guidelines (58 FR, March 4, 1993, page 12502) for an explanation of the regulatory implementation for the toxicity limit.

*B. Diesel Prohibition for Drilling Fluids and Drill Cuttings*

Under EPA's alternative option for drilling fluids and drill cuttings, diesel oil and muds and cuttings contaminated with diesel would be prohibited from discharge from Cook Inlet oil platforms. The reader is referred to the Offshore Guidelines (58 FR 12502) for a discussion on the implementation of this requirement.

*C. Upset and Bypass Provisions*

A recurring issue of concern has been whether industry guidelines should include provisions authorizing noncompliance with effluent limitations during periods of ''upsets'' or ''bypasses''. The reader is referred to the Offshore Guidelines (58 FR 12501) for a discussion on upset and bypass provisions.

*D. Variances and Modifications*

Once this regulation is in effect, the effluent limitations must be applied in all NPDES permits thereafter issued to discharges covered under this effluent limitations guideline subcategory. Under the CWA certain variances from BAT and BCT limitations are provided for. A section 301(n) (Fundamentally Different Factors) variance is applicable to the BAT and BCT and pretreatment limits in this rule. The reader is referred to the Offshore Guidelines (58 FR 12502) for a discussion on the applicability of variances.

*E. Synthetic Drilling Fluids*

During the Offshore Oil and Gas Guidelines rulemaking, several industry commenters noted recent developments in formulating new (synthetic) drilling fluids as substitutes for the traditional water-based or oil-based fluids. The newer drilling fluids provide improved environmental and operational benefits when compared to many of the traditional fluids being used. The industry commenters contended that the new drilling fluids are not being used due to potential interpretation of effluent guidelines and permit limitations. Prohibitions on the use of oil-based fluids and inverse emulsions were identified as potential barriers to use. Commenters also specifically identified the sheen test, which is used to prohibit the discharge of fluids and cuttings containing free oil, as giving false positive results due to a discoloration which may occur when cuttings containing small amounts of some of the synthetic fluids are discharged.

Since the promulgation of the Offshore Guidelines, data have been submitted to document the enhanced