

Today's rule is proposed pursuant to non-HSWA authority. The proposed changes in the conditional exemptions from the definition of hazardous waste under the headworks rule are less stringent than the current Federal requirements. Therefore, States will not be required to adopt and seek authorization for the proposed changes. EPA will implement the changes to the exemptions only in those States which are not authorized for the RCRA program. Nevertheless, EPA believes that this proposed rulemaking has considerable merit, and we thus strongly encourage States to amend their programs and become Federally-authorized to implement these rules once they become final.

III. Statutory and Executive Order Reviews

A. Executive Order 12866: Regulatory Planning and Review

Under Executive Order 12866 (58 FR 51735), the Agency must determine

whether this regulatory action is "significant" and therefore subject to formal review by the Office of Management and Budget (OMB) and to the requirements of the Executive Order, which include assessing the costs and benefits anticipated as a result of the proposed regulatory action. The Order defines "significant regulatory action" as one that is likely to result in a rule that may: (1) Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or state, local, or tribal governments or communities; (2) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency; (3) materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) raise novel legal or policy issues arising out of legal mandates, the

President's priorities, or the principles set forth in the Executive Order.

Pursuant to the terms of Executive Order 12866, the Agency has determined that today's proposed rule is a significant regulatory action because this proposed rule contains novel policy issues. As such, this action was submitted to OMB for review. Changes made in response to OMB suggestions or recommendations are documented in the docket to today's proposal. EPA's economic analysis suggests that this rule is not economically significant under Executive Order 12866, because EPA estimates that the overall national economic effect of the rule is \$11.4 million to \$48.6 million in average annual potential cost savings for RCRA regulatory compliance. The following table presents an itemization of EPA's estimated count of affected facilities, affected annual RCRA waste quantities, and estimated annual cost savings for each of the five main features of this proposed rule.

SUMMARY OF ESTIMATED POTENTIAL NATIONAL ECONOMIC IMPACT FROM THE PROPOSED REVISIONS TO THE "HEADWORKS EXEMPTION" OF THE RCRA HAZARDOUS WASTE MIXTURE RULE (40 CFR 261.3(A)(2)(IV) (A) TO (E))

Item	Proposed regulatory revision to "Headworks Exemption"	Count of potentially affected entities (eligible industrial facilities)	Annual quantity of potentially affected (eligible) RCRA hazardous waste (tons/year)	Estimate of average annual economic impact* (\$/year)
1	Add two F005 spent solvents (benzene & 2-ethoxyethanol) to the "headworks exemption" for the RCRA hazardous waste mixture rule**.	115 to 1,800	0.036 to 0.594 million tons/year spent solvent (aqueous & non-aqueous & non-aqueous forms).	\$0.32 to \$5.65 million/year in spent solvent waste management cost savings (netting-out implementation paperwork costs).
2	Provide "headworks exemption" for F001 to F005 spent solvent hazardous waste combustion "scrubber waters".	3 to 9	0.20 to 0.61 million tons/year scrubber wastewater.	\$0.53 to \$1.58 million/year in scrubber wastewater management cost savings.
3	Allow "direct monitoring" of F001 to F005 spent solvent waste concentrations in headworks influent wastewaters, in lieu of "mass balance" computations.	1,800 to 7,300	1.13 to 4.58 million tons/year spent solvent wastes (aqueous & non-aqueous forms).	\$10.09 to \$40.88 million/year in spent solvent waste management cost savings.
4	Revise RCRA hazardous waste "de minimis" exemption to include RCRA F- & K-listed wastes.	70	30 tons/year spill incidents.	\$0.03 million/year in spill response cost savings.
5	Revise RCRA hazardous waste "de minimis" exemption to include non-manufacturing facilities.	1,270	570 tons/year spill incidents.	0.48 million/year in spill response cost savings.
	Column totals	3,300 to 10,400	1.37 to 5.78 million tons/year.	\$11.4 to 48.6 million/year cost savings.

*Economic impact based on year 2000 price levels for waste management systems.

**Hypothetical expansion of the RCRA "headworks exemption" to include all four chemical solvents examined in the proposed rule, would only result in addition of one wastestream, at an additional annual cost savings of about \$19,000 (consisting of 17,000 tons/year aqueous spent solvent).

A detailed presentation of EPA's methodology, data sources, and computations applied for estimating the number of affected entities (industrial facilities) and economic impacts attributable to today's proposal is

provided in the "Economic Background Document" to this proposal.

B. Paperwork Reduction Act

The information collection requirements in this proposed rule have been submitted for approval to the Office of Management and Budget

(OMB) under the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.* An Information Collection Request (ICR) document has been prepared by EPA (ICR No. 1189.12). A copy of this ICR may be obtained from Susan Auby by mail at Collection Strategies Division;