

pH ranges. Consequently, to address concerns raised by commentors, EPA also costed new sources to operate two separate chemical precipitation and solids separation steps in series. Two-stage chemical precipitation and solids separation allows General Metals facilities with multiple metals to control metal discharges to concentrations lower than single-stage chemical precipitation and solids separation over a wider pH range.

Applying this revised costing approach, EPA projects a barrier to entry for General Metals NSPS based on the Option 2 technology as 14% of General Metals direct dischargers have after-tax compliance costs between 1 to 3% of revenue, 22% have after-tax compliance costs between 3 to 5% of revenue, and 2% have after-tax compliance costs greater than 5% of revenue.

Consequently, based on the compliance costs of the modified Option 2 technology EPA is today rejecting Option 2 technology as the basis for NSPS in the General Metals subcategory. See section 11 of the TDD for a description of how these new source compliance costs were developed and Chapter 9 of the EEBA for a description of the framework EPA used for the barrier to entry analysis and general discussion of the results.

EPA also considered transferring NSPS from existing Metal Finishing effluent guidelines (40 CFR 433.16) to the General Metals subcategory. EPA reviewed existing General Metals direct dischargers and found that all are currently either covered by or have permits based on the Metal Finishing limitations at 40 CFR part 433. EPA has no basis to conclude that new General Metals facilities would have less stringent requirements than existing facilities, particularly since, in the absence of promulgated NSPS, it is likely that permit writers would consult the part 433 requirements to establish BPJ limits. In addition, those new facilities which meet the applicability criteria for part 433 will be subject to the NSPS for that category. Therefore, transferring standards from these existing Metal Finishing effluent limitations guidelines would likely result in no additional pollutant load reductions.

Therefore, based on the lack of additional pollutant removals that are estimated, EPA is not promulgating NSPS for the General Metals subcategory. EPA is not revising or establishing NSPS for any facilities in this subcategory. Direct dischargers in the General Metals subcategory will remain regulated by permit limits and part 433, as applicable.

#### 5. Pretreatment Standards for Existing Sources (PSES)

EPA proposed to establish PSES for existing indirect dischargers in the General Metals subcategory based on the Option 2 technology (*i.e.*, the same technology basis that EPA considered for BPT/BCT/BAT for this subcategory) with a “low-flow” exclusion of 1 million gallons per year (MGY) to reduce economic impacts on small businesses and administrative burden for control authorities. Based on the revisions and corrections to the EPA Cost & Loadings Model discussed in the NODA and in section IV.B.1 of today’s final rule, EPA rejected promulgating PSES for existing indirect dischargers in the General Metals subcategory based on the Option 2 technology for the following reasons: (1) Many General Metals indirect dischargers are currently regulated by existing effluent guidelines (parts 413 or 433 or both, as applicable); (2) EPA estimates that compliance with PSES based on the Option 2 technology will result in the closure of approximately 4% of the existing indirect dischargers in this subcategory; and (3) EPA determined that the incremental toxic pollutant reductions are very expensive per pound removed (the cost-effectiveness value (in 1981\$) for Option 2 for indirect dischargers in the General Metals subcategory is \$432/PE).

This suggests to EPA that the identified technology is not truly “available” to this industry because it would remove a relatively small number of additional toxic pounds at a cost significantly greater than that EPA has typically determined is appropriate for other industries. EPA has determined that Option 2 technology is not the best available technology economically achievable for existing indirect dischargers in the General Metals subcategory. Therefore, EPA is not establishing PSES for this subcategory based on the Option 2 technology.

As discussed in the June 2002 NODA (see 67 FR 38798), EPA also considered a number of alternative options whose economic impacts would be less costly than Option 2 technology. These options potentially have compliance costs more closely aligned with toxic pollutant reductions. EPA considered the following alternative options for today’s final rule:

*Option A:* No change in current regulation;

*Option B:* Option 2 with a higher low-flow exclusion;

*Option C:* Upgrading facilities currently covered by part 413 to the PSES of part 433; and

*Option D:* Upgrading all facilities covered by part 413, and those facilities covered by “local limits only” that discharge greater than a specified wastewater flow (*e.g.*, 1, 3, or 6.25 MGY) of process wastewater to the part 433 pretreatment standards for existing sources. Note that facilities regulated by “local limits only” are also regulated by the General Pretreatment Regulations (40 CFR part 403).

As discussed in section IV.B.1 of today’s final rule, based on comments, EPA has revised its methodology for estimating compliance costs and pollutant loadings for Option 2, higher low-flow exclusions (Option B); and the “upgrade” options (Options C and D) previously described. Using information from this revised analysis, EPA concludes that all of these alternative options (Options B, C, and D) are either not available or not economically achievable. EPA rejected Options B, C, and D as: (1) Greater than 10% of existing indirect dischargers not covered by part 433 close at the upgrade option; or (2) toxic removals of the upgrade options are quite expensive (cost-effectiveness values (in 1981\$) in excess of \$420/PE), suggesting that these options are not truly available technologies for this industry segment. EPA consequently determined that none of the treatment options represented best available technology economically achievable. Therefore, EPA is not revising or establishing PSES for existing indirect dischargers in the General Metals subcategory (Option A). Wastewater discharges to POTWs from facilities in this subcategory will remain regulated by local limits, general pretreatment standards (part 403), and parts 413 and/or 433, as applicable. EPA also notes that facilities regulated by parts 413 and/or 433 PSES must comply with part 433 PSNS if the changes to their facilities are determined to make them new sources.

#### 6. Pretreatment Standards for New Sources (PSNS)

In 2001, EPA proposed pretreatment standards for new sources based on the Option 4 technology basis. Option 4 technology is similar to Option 2 (including Option 2 flow control and pollution prevention) but includes oils removal using ultrafiltration and solids separation by a microfilter (instead of a clarifier). As explained in section VI.A.4, EPA concluded its database is insufficient to support a determination that the Option 4 standards are technically achievable. As a result, for the final rule EPA considered