

concluded its database is insufficient to support a determination that the Option 4 standards are technically achievable. Consequently, EPA is today rejecting Option 4 technology as the basis for NSPS in the PWB subcategory.

For today's final rule EPA evaluated setting PWB NSPS based on the Option 2 technology. EPA reviewed its database for establishing PWB NSPS based on the Option 2 technology as commentors indicated the proposed standards were not technically achievable. In response to these comments, EPA reviewed all the information currently available on PWB facilities employing the Option 2 technology basis. EPA now concludes that the PWBs Option 2 database can only be used to establish limitations for copper, nickel, and tin. In order to assess the difference between current NSPS requirements (from part 433) for PWB facilities and those under consideration here, EPA estimated the incremental quantities of copper, nickel, and tin that would be reduced if a new PWB facility were required to meet NSPS based on the Option 2 technology rather than NSPS based on 433. EPA analysis shows minimal amounts of pollutant reductions based on more stringent requirements on copper, nickel, and tin.

Consequently, EPA is today rejecting Option 2 technology as the basis for NSPS in the PWB subcategory based on the small incremental quantity of toxic pollutants that would be reduced in relation to existing requirements. EPA is not establishing NSPS for new PWB direct dischargers and is not revising existing NSPS for new PWB direct dischargers. Wastewater discharges from these facilities in this subcategory will remain regulated by permit limits and part 433 as applicable. 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.

3. Pretreatment Standards for Existing Sources (PSES)

EPA proposed to establish PSES for existing indirect dischargers in the PWB subcategory based on the Option 2 technology. 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 PWB subcategory based on the Option 2 technology for the following reasons: (1) All PWB 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 6.5% of the existing indirect dischargers in this subcategory (55 of 840 existing PWB indirect dischargers); and (3) EPA determined that the toxic pollutant reductions are very expensive per pound removed (the cost-effectiveness value (in 1981\$) is \$455/PE). EPA has determined that Option 2 technology is not the best available technology economically achievable for existing indirect dischargers in the PWB subcategory, therefore is not establishing PWB PSES based on the Option 2 technology.

As discussed in the June 2002 NODA (see 67 FR 38802), 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; and

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

EPA notes that all facilities in the PWB subcategory are currently subject to part 413, part 433 or both.

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" option (Options C) previously described. Using information from this revised analysis, EPA rejected Options B and C as: (1) Greater than 10% of existing indirect dischargers not covered by part 433 close at the upgrade option; or (2) the incremental compliance costs of the upgrade options were too great in terms of toxic removals (cost-effectiveness values (in 1981\$) in excess of \$833/PE). Therefore EPA is not revising PSES for existing indirect dischargers in the PWB subcategory. Wastewater discharges to POTWs from facilities in this subcategory will remain regulated by 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.

4. Pretreatment Standards for New Sources (PSNS)

EPA proposed to establish PSNS for indirect dischargers in the PWB subcategory based on the Option 4 technology. 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. Consequently, EPA is today rejecting Option 4 technology as the basis for PSNS in the PWB subcategory.

For today's final rule EPA evaluated setting PWB PSNS based on the Option 2 technology and assessed the financial burden to new PWB indirect dischargers. Specifically, EPA's 'barrier to entry' analysis identified whether PWB PSNS based on the Option 2 technology would pose sufficient financial burden on new PWB facilities to constitute a material barrier to entry into the MP&M point source category.

EPA projects a barrier to entry for PWB PSNS based on the Option 2 technology as 3% of PWB indirect dischargers have after-tax compliance costs between 1 to 3% of revenue and 4% have after-tax compliance costs greater than 5% of revenue. Consequently, EPA is today rejecting Option 2 technology as the basis for PSNS in the PWB subcategory. EPA has selected "no further regulation" for new PWB indirect dischargers and is not revising PSNS for new PWB indirect dischargers. Wastewater discharges to POTWs from facilities in this subcategory will remain regulated by local limits, general pretreatment standards (part 403), and part 433, as applicable. 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.

D. Non-Chromium Anodizing Subcategory

EPA is not revising limitations or standards for any facilities that would have been subject to this subcategory. Such facilities will continue to be regulated by the General Pretreatment Standards (part 403), local limits, permit limits, and parts 413 and/or 433, as applicable.

1. BPT/BCT/BAT

As previously discussed, after publication of the June 2002 NODA EPA