

rulemaking at \$178 million. For Option 2, EPA has estimated this amount at \$172 million. These cost savings for both those who are modeled to switch to recycling and those who currently recycle either on-site or within the same industry comes from reduced administrative costs, transportation costs, disposal/management costs, state hazardous waste taxes, contingency planning costs and increased salvage revenue (for entities that shift from disposal to recycling). The Agency notes that the cost saving results are relatively sensitive (*i.e.*, change with) to the proportion of entities and volumes that are modeled to shift from disposal to recycling. In particular, the estimated cost savings in this rulemaking for entities that shift from treatment and disposal to recycling are much higher on a per ton basis due to the disposal cost avoided by recycling and the salvage revenue of the reclaimed product. Salvage revenue is the market price of the reclaimed material less the cost of recycling it. The Agency also notes that it has only been able to evaluate a portion of those entities in the Biennial Reporting Systems 1997 and 1999 database who potentially may elect to shift from disposal to recycling. And although there is uncertainty inherent in estimating these cost savings for both entities that are modeled to recycle pre-rule and post-rule, as well as those who are modeled to shift from disposal to recycling, the Agency notes that the potential magnitude of this uncertainty is greater in those who are modeled to shift from disposal to recycling both because the cost savings are more sensitive to these volumes and because the coverage of these types of entities is less complete than it is for those who currently recycle. EPA solicits comment on additional methodologies, sources of data or other information that would help to minimize this uncertainty in prospective analysis.

To estimate the economic impact of this proposed rule, the Agency evaluated the cost savings or incremental costs as a percentage of firm sales. In virtually all cases, economic impacts are cost savings and are less than one percent of firm sales. The average cost savings for an affected entity that either recycles onsite or within the same industry in the 1999 BRS or did so in the 1997 and is projected to shift back to recycling post-rule from this proposal for both Options ranges from \$4 thousand to \$150 thousand annually.

#### c. Benefits

EPA has evaluated the qualitative benefits and to a lesser extent, the quantitative benefits of the proposed revisions to the definition of solid waste. Some of the benefits resulting from today's rule include conservation of landfill capacity, increase in resource efficiency, growth of a recycling infrastructure and development of innovative technologies for affected secondary materials. EPA estimates that approximately 425 thousand tons or over 460 thousand cubic feet of secondary materials would be redirected away from landfills towards recycling under the Agency's proposal today. In addition, as mentioned above, the use of secondary materials generated onsite or within the same industry benefits the manufacturer by mitigating the need to purchase expensive virgin feed materials. This rule will facilitate the growth and development of the innovative recycling technologies in the United States by reducing regulatory barriers to new technologies becoming established.

The Agency acknowledges that some 1500 thousand tons of hazardous secondary materials would be no longer subject to regulation as hazardous waste under subtitle C of RCRA under this proposal. As part of today's proposal, EPA has not evaluated any potential for changes resulting in either higher or lower releases to the environment of hazardous constituents from different handling methods for affected secondary materials. The Agency notes that most hazardous waste that is currently recycled is stored in tanks, containers or buildings prior to the reclamation process. And this practice is likely to continue post-rule both because most affected entities have already purchased these storage units and as a means of avoiding legal liability for releases to groundwater from land based units (materials excluded from RCRA subtitle C regulation if recycled under this proposal would still be considered hazardous wastes if released to the environment and then abandoned). Also, residuals from excluded recycling processes would still be considered hazardous wastes if they exhibit a hazardous characteristic and are discarded.<sup>18</sup> However, residuals from formerly listed hazardous wastes would not be considered hazardous wastes under the derived-from rule if recycled

<sup>18</sup> Note, characteristic sludges and byproducts from recycling processes that are themselves recycled are not solid wastes or hazardous wastes currently (40 CFR 261.2(c)(3)) and would not be under today's proposal.

under this proposal. In such cases, these residuals could be land disposed in units other than hazardous waste landfills. The Agency has not evaluated the potential for such management of these materials to result in a change in releases to the environment.

#### 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. 2106.01) and a copy may be obtained from Susan Auby by mail at U.S. Environmental Protection Agency, Collection Strategies Division (Mail Code 2822), 1200 Pennsylvania Avenue, NW., Washington, DC 20460-0001, by e-mail at [auby.susan@epamail.epa.gov](mailto:auby.susan@epamail.epa.gov), or by calling (202) 260-4901. A copy may also be downloaded off the internet at <http://www.epa.gov/icr>.

Under Section 3001 of RCRA, Congress directed EPA to promulgate regulations identifying the characteristics of hazardous waste and listing particular hazardous wastes. The proposed exclusion, when finalized, will be self-implementing. Notification of a facility's basis for claiming the exclusion would allow authorized States or EPA Regions to more effectively render assistance to recyclers wishing to ensure that their operations are within the exclusion. In addition, persons claiming to be excluded from hazardous waste regulation because they are engaged in recycling must be able to demonstrate that the recycling is legitimate. These demonstration criteria are comparable to, if not more streamlined than, the existing guidance. Following are the affected ICRs, along with a brief description of relevant assumptions:

Manifest ICR (EPA ICR Number 801): All claimants are expected to be relieved of manifesting their excluded waste under the proposal. O&M costs are associated with postage for sending and returning copies of the manifest forms.

Generator Standards ICR (EPA ICR Number 820): Large quantity generators (LQGs) generating excluded waste under 40 CFR 261.2(g) are expected to become small quantity generators (SQGs) under the rule, *i.e.*, their excluded waste will not count toward their generator status determinations. SQGs are subject to less burdensome paperwork requirements than LQGs. O&M costs are associated with postage for sending various documents to EPA.