

subpart FFFF. That brief notification serves to alert appropriate agencies (State agencies and EPA Regional Offices) of the existence of your affected source and puts them on notice for future compliance actions. The NOCS report, which is due 150 days after the compliance date of the NESHAP, is a comprehensive report that describes the affected source and the strategy being used to comply. The NOCS report is also an important aspect of the title V permitting strategy for sources subject to subpart FFFF. Compliance reports are required every 6 months.

III. Summary of Environmental, Energy, and Economic Impacts

A. What Are the Air Emission Reduction Impacts?

We estimate nationwide baseline HAP emissions from miscellaneous organic chemical manufacturing sources to be 21,900 Mg/yr (24,200 tpy). We project that the final rule will reduce HAP emissions by about 15,200 Mg/yr (16,800 tpy). Because many of the HAP emitted by miscellaneous organic chemical manufacturing facilities are also VOC, the NESHAP will also reduce VOC.

Combustion of fuels in combustion-based control devices and to generate electricity and steam will increase secondary emissions of carbon monoxide (CO), nitrogen oxides (NO_x), sulfur dioxide (SO₂), and PM less than 10 microns in diameter (PM₁₀) by about 870 Mg/yr (960 tpy). These impacts were estimated assuming electricity is generated in coal-fired power plants, steam is produced in natural gas-fired industrial boilers, and natural gas is used as the auxiliary fuel in incinerators and flares.

B. What Are the Cost Impacts?

The cost impacts include the capital cost to install control devices and monitoring equipment, and include the annual costs involved in operating control devices and monitoring equipment, implementing work practices, and conducting performance tests. The annual cost impacts also include the cost savings generated by reducing the loss of product or solvent in the form of emissions. The total capital cost for existing sources is estimated to be \$127 million, and the total annual cost for existing sources is estimated to be \$75.1 million per year.

We estimate that in the first 3 years after the effective date of 40 CFR part 63, subpart FFFF, that the annual cost burden will average \$3,150/yr per respondent for recordkeeping and reporting requirements. This estimate

was based on having 251 sources. Most of these costs are for new and reconstructed sources that must be in compliance upon startup; other costs are for existing sources to prepare initial notifications and plans. In the fourth year after the effective date, existing facilities must begin to monitor and record operating parameters to comply with operating limits and prepare compliance reports, which will significantly increase the annual burden nationwide.

We expect that the actual compliance cost impacts of the NESHAP will be less than described above because of the potential to use common control devices, upgrade existing control devices, implement emissions averaging, or comply with the alternative standard. Because the effect of such practices is highly site-specific and data were unavailable to estimate how often the lower cost compliance practices could be utilized, we could not quantify the amount by which actual compliance costs might be reduced.

C. What Are the Economic Impacts?

The economic impact analysis for 40 CFR part 63, subpart FFFF, shows that the expected price increase for affected output is 0.5 percent, and the expected change in production of affected output is a reduction of 0.3 percent. One plant closure is expected out of the 207 facilities affected by the final rule. It should be noted that the baseline economic conditions of the facility predicted to close affect the closure estimate provided by the economic model, and that the facility predicted to close appears to have low profitability levels currently. Therefore, no adverse impact is expected to occur for those industries that produce miscellaneous organic chemicals affected by the NESHAP, such as soaps and cleaners, industrial organic chemicals, and agricultural chemicals.

D. What Are the Non-air Health, Environmental, and Energy Impacts?

With the assumption that overheads from steam stripping will be recoverable as material or fuel, no solid waste is expected to be generated from steam stripping of wastewater streams. No solid waste is expected to be generated from controls of other emission points. We expect the overall energy demand (*i.e.*, for auxiliary fuel in incinerators, electricity generation, and steam production) to increase by an estimated 6.1 million gigajoules per year (5.8 trillion British thermal units per year).

IV. Summary of Responses to Major Comments

A. What Changes to Applicability Did the Commenters Suggest?

Comment: Several commenters suggested using only one industrial classification code, preferably the NAICS. The commenters also recommended increasing the specificity of the NAICS codes to six digits. As an alternative, one commenter suggested that the codes be scrapped and applicability be based simply on the manufacture of organic chemicals. Finally, the commenters requested exceptions for all codes that refer to inorganic chemical manufacturing processes.

Response: We decided to retain both the SIC and NAICS codes in the final rule. Although SIC codes are being phased out, we decided to retain them because many industries still use these codes, and they were the basis for the selecting industries that received the section 114 information request. We rejected the suggestion to use six-digit NAICS codes because the list would be unnecessarily long; listing exclusions is much shorter. For the final rule, we also decided to list only the three-digit NAICS code for the chemical manufacturing subsector (325) rather than the seven four-digit codes for industry groups within this subsector because 40 CFR part 63, subpart FFFF, applies to all of the industry groups. However, there are selected manufacturing processes within both the SIC and NAICS industry groups for which the final rule is not applicable. These processes are exempted in the final rule by listing only the applicable six-digit NAICS code. Thus, a process described by a listed six-digit NAICS code is exempt even if it falls within an otherwise applicable SIC code. The exemptions cover all but three of the processes described by NAICS codes 325131, 325181, 325188, 325314, 325991, and 325992. The three processes within these otherwise exempt categories are hydrazine, reformulating plastics resins from recycled plastics products, and photographic chemicals.

Comment: Two commenters stated that hydrazine manufacturing should not be subject to 40 CFR part 63, subpart FFFF, and the Hydrazine Manufacturing source category should be delisted because within the next few months, there will no longer be major sources within the source category; emissions from hydrazine manufacturing are too low to trigger controls; and hydrazine is an inorganic compound. If hydrazine is not removed from the miscellaneous