

TABLE VI.2.—NUMBER AND TYPE OF FACILITIES—Continued

Production system	Size (lbs/yr)	Owner	Estimated number of facilities					Options at proposal
			Potentially in scope	Incur costs	Baseline closures <sup>1</sup>	In cost totals <sup>2</sup>	In closure analysis <sup>3</sup>	
Total .....	.....	.....	522	506	59	452	447	

n.d. Not disclosed for reasons of confidentiality.

NA not applicable.

<sup>1</sup> Numbers of commercial facilities that are projected baseline closures assuming cash flow analysis. Section VI.B.1.a discusses baseline closures using net income.

<sup>2</sup> Facilities used to derive values in Table VI.A.1. Excludes baseline closures (based on cash flow analysis) which we assume will close before promulgation and, thus, incur no costs under the rule.

<sup>3</sup> Facilities used to derive values in Table VI.B.1. Excludes baseline closures (based on cash flow analysis), start-ups, and other facilities where we did not have enough information to conduct closure analysis.

<sup>4</sup> Facilities with less than 100,000 pounds annual production were not within the scope of the proposed rule.

Table VI.3 breaks out the estimated 181 commercial facilities with costs by financial organization. Slightly over half (55 percent) of the commercial facilities are organized as corporations. C and S corporations are named after the Subchapters in the IRS code under which they are organized and are taxed in different ways. C corporation earnings are taxed at the corporate rate. S corporation earnings are paid to individuals, who then pay taxes at the personal rate on those earnings.

TABLE VI.3.—COMMERCIAL FACILITIES WITH COSTS BY FINANCIAL ORGANIZATION

Financial organization	Estimated number of facilities
C Corporation .....	42
S Corporation .....	58
Sole Proprietorship .....	49
Limited Partnership .....	24
General Partnership .....	5
Other .....	5
Total .....	181

**Note:** Numbers do not sum due to rounding.

#### A. National Cost Estimates

Table VI.A.1 summarizes the cost of the rule by subcategory. We estimated

national costs on the number of facilities we expect to incur compliance costs if they exceed the production threshold in the final rule. We assume that possible compliance costs will occur in all facilities that are not baseline closures. This includes some facilities for which EPA could not make baseline closure determinations (e.g., start-up operations, facilities with insufficient data) that we excluded from the closure analysis. The number of baseline closures increases under net income analysis, implying that national costs decrease when we use net income analysis (see Table VI.B.2). Table VI.2 indicates that non-commercial flow-through facilities make up about two-thirds of the facilities projected to incur costs. They incur about 80 to 83 percent of the total cost for each option.

TABLE VI.A.1.—NATIONAL COSTS—TOTAL BY SUBCATEGORY AND OPTION<sup>1</sup>

Production system <sup>2</sup>	Owner	Pre-tax annualized costs <sup>4</sup> (thousands, 2001 dollars)				
		Option A	Option B	Option 1	Option 2	Option 3
Flow-through .....	Commercial 20–100K production .....	\$45	\$50	\$22	\$50	\$89
	Commercial 100–475K production .....	151	371	315	362	779
	Commercial >475K production .....	17	17	7	17	53
	Non-commercial .....	1,351	2,796	2,528	2,794	5,612
	Alaska Non-profit .....	141	172	165	176	188
Recirculating .....	Commercial <sup>3</sup> .....	8	8	3	8	8
	Non-commercial .....	18	55	44	60	81
	Alaska Non-profit .....	0	0	0	0	0
Net Pen .....	Commercial .....	0	0	0	0	0
	Non-commercial .....	0	0	0	0	0
	Alaska Non-profit .....	0	0	0	0	0
Total .....	Pre-Tax .....	1,731	3,469	3,084	3,466	6,809
	Post-Tax .....	1,693	3,375	3,004	3,372	6,695

<sup>1</sup> Does not include costs for facilities projected to close before implementation of the rule, where baseline closures are determined using cash flow. Number of baseline closures increases if net income is used, implying decreased costs.

<sup>2</sup> Costs for facilities that use both flow-through and recirculating technologies were divided according to production and placed in the appropriate category. For example, for a facility that splits production equally between flow-through and recirculating, we would split costs equally and add to flow-through and recirculating costs.

<sup>3</sup> All costs for the recirculating commercial category in the table are incurred by facilities producing between 20,000 and 475,000 lbs. Due to the small number of facilities (i.e., confidentiality) in the recirculating category, costs are not presented by size.

<sup>4</sup> Cost equaling zero (\$) in the table indicate that facilities already meet the requirements of the option. Zero cost does not imply that facilities are exempt.