

governments, is not expected to exceed, at the maximum, \$5.1 million annually. The requirements do not uniquely affect small governments because they have the same ability to purchase these designated items as other entities whose duties result from today's rule. Additionally, use of designated items affects small governments in the same manner as other such entities. Thus, any applicable requirements of section 203 have been satisfied.

C. Summary of Benefits

EPA anticipates that this rule will result in increased opportunities for recycling and waste prevention. Waste prevention can reduce the nation's reliance on natural resources by reducing the amount of materials used in making products. This results in a commensurate reduction in energy use and in the generation and release of air and water pollutants associated with manufacturing. Additionally, waste prevention leads to a reduction in the environmental impacts of mining, harvesting, and other extraction processes.

Recycling can effect the more efficient use of natural resources. For many products, the use of recovered materials in manufacturing can result in significantly lower energy and material input costs than when virgin raw materials are used; reduce the generation and release of air and water pollutants often associated with manufacturing; and reduce the environmental impacts of mining, harvesting, and other extraction of natural resources. In addition to conserving non-renewable resources, recycling can also divert large amounts of materials from landfills, conserving increasingly valuable space for the management of materials that truly require disposal. This reduces the need to expand existing or site new disposal facilities, allowing local government officials to devote more attention to health, education, and safety issues.

By purchasing products made from recovered materials, government

agencies can increase opportunities for realizing these benefits. On a national and regional level, this rule can result in expanding and strengthening markets for materials diverted or recovered through public and private collection programs. Also, since many State and local governments, as well as private enterprises, reference EPA guidelines when purchasing designated items, the CPG can result in increased purchase of recycled products, locally, regionally, and nationally.

Finally, purchase and use of recycled products by government agencies can also spur private sector development of new technologies, creating business and employment opportunities that enhance local, regional, and national economies. Technological innovation associated with the use of recovered materials can translate into economic growth and make American industry more competitive in the global economy.

D. Summary of Costs

As discussed in Section III, EPA received several comments regarding the cost estimates presented in the proposed CPG. Based on these comments and actual cost information submitted by commenting Federal agencies, EPA modified its approach to estimating costs attributable to the CPG. Details on EPA's approach for estimating costs presented in this subsection are included in "Technical Background Document for the Comprehensive Procurement Guideline." This document is included in the RCRA docket for this rulemaking.

As shown in Table 2 below, EPA estimates that the annualized costs of today's rule will range from \$10 to \$13 million, with costs being spread across all procuring agencies (i.e., Federal agencies, State and local agencies that use appropriated Federal funds to procure designated items, and contractors to all three). These costs are annualized over a 10-year period at a three percent discount rate. Because there is considerable uncertainty regarding several of the parameters that

drive the costs, EPA conducted a sensitivity analysis to identify the range of potential costs of this rule. Thus, high-end and low-end estimates are presented along with the best estimate. The primary parameters affecting the range of cost estimates are the number of products each procuring agency is assumed to procure each year and the number of contractors that will be affected by this rule.

TABLE 2.—SUMMARY OF ANNUALIZED COSTS OF CPG TO ALL PROCURING AGENCIES

Procuring agency	Total annualized costs (\$1000)	Best estimate total annualized costs (\$1000)
Federal agencies	\$8,100–\$7,500	\$8,100
States	1,600–1,000	1,600
Local governments	3,500–1,800	2,800
Contractors	130–26	79
Total	13,300–10,300	12,600

RCRA section 6002(g) requires the Office of Federal Procurement Policy to report to Congress every two years on the actions taken by Federal agencies to comply with RCRA section 6002. In developing this report, OFPP requests information and data from Federal agencies regarding their affirmative procurement programs and related activities. Table 3 below presents the estimated annualized costs to Federal agencies, including (1) specification revision and affirmative procurement program modification/implementation costs, and (2) recordkeeping and reporting costs. The recordkeeping and reporting costs presented below are the likely costs that would be incurred by Federal agencies to maintain and compile information for and complete the annual OFPP information request using the existing OFPP reporting format (i.e., the format used to collect information for fiscal years 1993 and 1994).

TABLE 3.—SUMMARY OF BEST ESTIMATE ANNUALIZED COSTS OF CPG TO FEDERAL AGENCIES

Federal agency	Specification revision and APP costs (\$1000)	Recordkeeping and reporting costs (\$1000)	Total annualized costs (\$1000)
Civilian Agencies	\$1,100	1,600	\$2,700
Defense Agencies	2,000	3,400	5,400
Total	3,100	5,000	8,100