

in company profits. Increased borrowing and changes in the assets owned by the companies, together with changes in profits, result in changes in overall company financial health. The EIA projects changes in the likelihood of company bankruptcy as a result of the effluent limitations guidelines and standards. These effects are separately calculated for small businesses. Changes in employment are specified by location to determine the community impacts.

For non-commercial facilities, financial viability was determined on a company level. This is because the non-commercial facilities are generally cost centers for their companies. They do not explicitly receive revenues for their services. They exist to perform a service for the rest of the company and are not expected to be "profitable" as a unit. These facilities are included in the market analysis because prices charged

for their commercial operations may change. Companies with some commercial operations will raise prices to cover the variable costs of the treatment and help pay for some of their fixed costs (e.g. underwrite the company waste treatment costs). Thus, no change in the quantity of CWT wastes treated are projected for non-commercial aspect of these facilities nor are market effects analyzed for the products of the parent company, since the share of waste treatment costs in the marketed products are minimal.

5. Results of the Economic Impact Analysis

Results may be reported at the facility, company, market, or community level. All facilities are either direct or indirect dischargers. Most companies own either facilities that are direct dischargers or indirect dischargers, although two companies own both direct and indirect

discharging facilities. Market level impacts are the combined result of both types of dischargers simultaneously complying with the regulation. Because markets for CWT services combine facilities that are direct dischargers and facilities that are indirect dischargers, it is not possible to break the market-level impacts into impacts of BPT/BCT/BAT as distinguished from impacts of PSES. Community-level impacts are also reported based on the combined impacts of BPT/BCT/BAT and PSES. Company-level impacts are reported separately for BPT/BCT/BAT and PSES.

The impacts of complying with BAT controls under Regulatory Options 1 and 2 for the 57 companies operating CWT facilities are shown in Table VI.C-3 (for companies owning facilities that discharge directly) and Table VI.C-4 (for companies owning facilities that discharge indirectly).

TABLE VI.C-3.—IMPACTS OF THE BPT/BCT/BAT REGULATORY OPTIONS <sup>a</sup>

Company impacts of compliance with BPT/BCT/BAT regulatory options	Likelihood of bankruptcy					
	Option 1			Option 2		
	Small companies	Others	Total	Small companies	Others	Total
Likely .....	0	1	1	0	1	1
Indeterminate .....	0	2	2	0	2	2
Unlikely .....	0	11	11	0	11	11

<sup>a</sup>Two companies own both direct and indirect dischargers. Company-level impacts combine the effects of complying with BPT/BCT/BAT and PSES controls. These two companies appear in both tables.

TABLE VI.C-4.—IMPACTS OF THE PSES REGULATORY OPTIONS <sup>a</sup>

Company impacts of compliance with the PSES regulatory options	Likelihood of bankruptcy					
	Option 1			Option 2		
	Small companies	Others	Total	Small companies	Others	Total
Likely .....	4	5	9	2	6	8
Indeterminate .....	2	10	12	0	10	10
Unlikely .....	5	13	18	9	12	27

<sup>a</sup>Two companies own both direct and indirect dischargers. Company-level impacts combine the effects of complying with BPT/BCT/BAT and PSES controls. These two companies appear in both tables.

6. Market Impacts of EPA Regulatory Options

The markets for CWT services are regional. Within each region, markets for overall types of treatment such as metal recovery or metal treatment may be further subdivided into smaller markets on the basis of the per-gallon cost of treatment. The price changes and quantity changes projected at the regional and service level with each option are combined into an overall national value for the CWT services. In all cases, EPA's assessment projects that the prices of these services will increase

and utilization of service will fall. Thus, EPA would expect, if the limitations and standards are promulgated as proposed, a reduction in the absolute quantity of wastes commercially treated in addition, of course, to the improvement in treatment. These market-level adjustments in the quantity of wastes that are treated are reflected in the reduction in the quantity of services provided by individual commercial CWTs. In some cases, with less waste being managed by these facilities, it is possible that some commercial facilities could close. If demanders of waste

management services are assumed to have fewer substitutes for CWT services than assumed here, then prices would increase more than projected here, quantities would fall less and the facility and company level impacts (discussed below) would be smaller.

Under Option 1, price increases range from 3 to 35 percent, while quantities of waste treated decrease by between 3 percent and 20 percent. Under Option 2, price increases range from 3 to 42 percent, while quantity decreases range from 3 percent to 65 percent. The larger price increases occur in the Oils