§ 180.203 Oxamyl; tolerances for residues.

Commodity

Parts per million

Crop trade

* * * * *

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 435

Effluent Guidelines and Standards, Oil and Gas Extraction Point Source Category

AGENCY: Environmental Protection Agency.

ACTION: Final and Interim Final Rules.

SUMMARY: Final effluent limitations guidelines establishing “best practicable control technology currently available” (BPT) are hereby promulgated for the offshore, onshore, coastal and agricultural and wildlife water use subcategories in the oil and gas extraction industry. These final regulations combine the near and far offshore subcategories of the offshore segment of the industry into a single offshore subcategory. The beneficial use subcategory is renamed the agricultural and wildlife water use subcategory. Finally, the definition of the stripper subcategory is clarified. However, the Agency does not yet have sufficient technical data to promulgate effluent limitations for this subcategory, and, thus, those sections remain reserved. Additionally, this regulation promulgates, as interim final, changes in the descriptions and applicability of the coastal and agricultural and wildlife water use subcategories. Comments on these interim final changes are solicited. The limitations are based upon the application of BPT as defined in section 304(b) of the Clean Water Act of 1977, (PL 95-217, 33 U.S.C. 1251 et. seq.) (The Act).

DATES: The effective date of these regulations is April 13, 1979. Comments on the interim final regulations must be received on or before June 12, 1979.

ADDRESS: Comments should be directed to: John M. Cunningham, Effluent Guidelines Division (WH-352), Environmental Protection Agency, 401 M Street, S.W., Washington, D.C. 20460, (202) 426-7770.

FOR FURTHER INFORMATION CONTACT: John M. Cunningham, (202) 426-7770.

SUPPLEMENTARY INFORMATION:

Background

On September 15, 1975 (40 Fed. Reg. 42543) and October 13, 1976 (41 Fed. Reg. 44942), EPA promulgated interim final effluent limitations based on the application of “best practicable control technology currently available” (BPT) for the offshore and onshore segments of the Oil and Gas Extraction point source category. Concurrently, the Agency also proposed effluent limitations based on the application of “best available technology economically achievable” (BAT), pretreatment standards and standards of performance for new sources. After promulgation of these interim final regulations, members of the oil and gas industry filed Petitions for Review of the interim limitations for both the onshore segment, American Petroleum Institute, et al., v. EPA (No. 76-4497, 5th Cir.) and offshore segment; American Petroleum Institute, et al. v. EPA (No. 75-3588, 8th Cir.). In the course of negotiations on these cases, stipulations were entered in which the Agency agreed to promulgate certain of the regulations contained in this notice. These include, among others, the limitations on deck drainage in the offshore subcategory, changes to the Agricultural and Wildlife Water Use subcategory, and with certain reservations, the description of the coastal subcategory.

The regulations set forth below incorporate comments received after publication of the interim final regulations and the Agency’s stipulated agreements based on those comments. These regulations deal only with BPT limitations. No changes in the proposed BAT, new source, or pretreatment regulations issued on those same dates are made by the regulations set forth below. Based on comments received to date, the Agency believes that further technical and economic study is required prior to promulgation of those regulations.

Legal Authority

These regulations are promulgated pursuant to sections 301(b) and 304(b) of the Act. Section 301(b)(1) requires the attainment of effluent limitations based upon the application of “best practicable control technology currently available” by July 1, 1977. Section 304(b) provides for the promulgation of regulations defining a technology as “best practicable control technology currently available” and specifies the factors to be taken into account in defining BPT.

Summary and Basis of Regulations

Effluent limitations for oil and grease are established for all subcategories with the exception of the stripper subcategory. The major source of waste waters generated by facilities in this industrial category is produced waters. These produced waters vary from 0 to 99 percent of the total volume of fluids produced. This extreme fluctuation of flow volumes of produced waters depend on natural phenomena and is not subject to process controls. Consequently, the effluent limitations for produced water are concentration based rather than based upon mass per unit of production.

No limitations have been established for several other waste water pollutants identified in field surveys. These decisions were made either because technology is not presently available to control the pollutant discharge or available data indicate they are normally reduced incidentally with the removal or reduction of another pollutant parameter.

Additionally, facilities subject to these regulations may be required to prepare and implement spill prevention control and countermeasure (SPCC) plans under section 311(j) of the Clean Water Act. These requirements are set forth at 40 CFR Part 112.

A report entitled “Development Document for Interim Final Effluent Limitations Guidelines and Proposed New Source Performance Standards for the Oil and Gas Extraction Point Source Category” was prepared in support of the initial interim final BPT limitations. This document discussed the oil and gas industry, available waste treatment technology and the results of the technical study which resulted in the limitations contained in these regulations. Additionally, a supplementary report on the possible economic impacts of the regulations was issued at that time.

Since publication of interim final regulations, interested parties have submitted comments and new data for consideration by the Agency. The changes made in this notice are based on an analysis of these comments and data. In largest part, these revisions merely clarify the interim final regulations. However, in some cases these regulations do alter the anticipated impact of the original regulations. This notice contains a discussion of those revisions and evaluation of those impacts.

Copies of the development document, supplementing economic analysis and public comments are available for
inspection and copying at the EPA Public Information Reference Unit, Room 2922 (EPA Library), Waterside Mall, 401 M Street, S.W., Washington, D.C. Copies of the interim final documents were sent to numerous persons or institutions affected by the regulation or who have placed themselves on a mailing list for this purpose (See EPA's Advance Notices of Public Review Procedures, 38 Fed. Reg. 21202, August 6, 1973). An additional limited number of copies of the Development Document are available from the Distribution Officer (WH-552), Effluent Guidelines Division, Environmental Protection Agency, Washington, D.C. 20460.

Summary of Public Participation

As a result of comments received following publication of the interim final regulations, the limitations originally established have been reevaluated. A summary of public participation in this rulemaking, public comments, and the Agency's consideration and response is contained in Appendix B of this preamble.

Summary of Changes

A number of changes are being made to the interim final regulations. A detailed discussion of those changes and their technical basis can be found at Appendix A to this preamble.

Offshore Subcategory—Applicability and Description

Because the BPT limitations for the old near offshore subcategory (subcategory A) and the far offshore subcategory (subcategory B) were identical, and because some confusion existed into which subcategory some facilities should be placed, the two subcategories are combined into a single offshore subcategory.

Coastal Subcategory—Applicability and Description

The coastal subcategory is redefined on a descriptive rather than geographic basis. This subcategory will include facilities operating over water or wetlands located landward of the outer boundary of the territorial seal. This area encompasses certain coastal bays and all inland lakes and wetlands.

Agricultural and Wildlife Water Use Subcategory—Applicability and Description

The beneficial use subcategory is renamed to avoid confusion with the term in western water rights law. Additionally it is redefined to include facilities operating west of the 98th meridian which have produced water that is used for agricultural or wildlife watering purposes.

Deck Drainage Limitations—Offshore and Coastal Subcategories

The oil and grease limitations for deck drainage in the offshore and coastal subcategories were originally established based on data derived from the treatment of deck drainage and produced water in combination. Although the Agency presently has only limited information concerning the technological capability for treating deck drainage separately, there is substantial data that sources in these subcategories are able to achieve the limitation established under the oil discharge regulations promulgated pursuant to section 311 of the Clean Water Act. Consequently, pending further acquisition of data, a limitation of "no discharge of free oil," comparable to that established under section 311, is being promulgated for this parameter.

Agricultural and Wildlife Water Use Subcategory—Effluent Limitations

It has come to the Agency's attention that some of the data used to establish the oil and grease limitation for this subcategory could not be verified as having been analyzed by an EPA approved method. Consequently, those data had to be removed from the data base. Removing those data points resulted in the maximum daily oil and grease concentration being reduced from 45 mg/l to 35 mg/l.

Economic Analysis

The Agency has made a study of the economic and inflationary impacts of these regulations. Since changes made by these final regulations should not increase costs beyond those projected for interim final regulations, the impacts are estimated to be the same as those of complying with the interim final regulations. It is estimated that the capital cost of complying with the limitations, based on the best practicable control technology currently available, will be between $112.4 and $206.7 million, and the total annual operating costs, including amortization, operating and maintenance expense, to be between $14.1 and $23.6 million. The costs and impacts associated with the regulations are detailed in the economic analysis documents.

Additionally, data has been received which suggests that the interim final revision of the description of the coastal subcategory could result in a reduction of the production from certain affected wells of up to 7.6 million barrels of oil and 32 billion cubic feet of gas at current economic conditions. Estimated continued production of those wells would be 270 million barrels of oil and 1,105 billion cubic feet of gas. The associated capital and operating costs of the wells affected by this revision would be approximately $10 million per year over the average life of the affected wells. Expected deregulation of interstate natural gas prices could significantly reduce the predicted number of well closures since the data upon which closures were estimated assumed that all gas would be sold at regulated interstate prices.

The economic and inflationary effects of these regulations were evaluated in accordance with Executive Orders 11821 and 12094.

Small Business Administration Loans

Section VIII of the Act authorizes the Small Business Administration, through its economic disaster loan program, to make loans to assist any small business concerns in effecting additions to or alterations in their equipment facilities, or methods of operation so as to meet water pollution control requirements under the Act, if the business is likely to suffer a substantial economic injury without such assistance.

For further details concerning this Federal loan program write to EPA, Office of Analysis and Evaluation, WH-588, 401 M Street, S.W., Washington, D.C. 20460.

Solicitation of Comments

Comments are solicited with respect to the revised statement of description and applicability of the Coastal and Agricultural and Wildlife Water Use Subcategories. Comments must be received on or before June 12, 1979.


Douglas M. Costello,
Administrator.

Appendix A—Discussion of revisions

Offshore Subcategory—Applicability and Description

The interim final regulations for the oil and gas extraction industry defined two separate subcategories, near and far offshore, for the offshore segment of the industry. While this classification was appropriate at a time when the Agency planned to impose different effluent limitations in these subcategories, the establishment of identical limitations based upon "best practicable technology currently available" and the similarity of factors influencing the regulation of offshore facilities have led the Agency to conclude that different subcategories for offshore facilities are unnecessary. Consequently, EPA is now combining
the near and far offshore subcategories into a single offshore subcategory.

Additionally, certain ambiguities with respect to the applicability and description of the offshore subcategories were raised as issues in a Petition for Review of the interim final regulations brought by members of the offshore industry in the Court of Appeals for the Ninth Circuit. First, there was confusion as to the proper classification of facilities which were located in one subcategory of the offshore segment but which discharged into the other subcategory. Further, industry litigants expressed concern that platforms which piped effluent to land-based treatment facilities and then discharged the treated effluent offshore would be classified in the onshore subcategory.

At the time when the offshore segment consisted of two subcategories, the Agency agreed with litigants challenging the interim final offshore regulations to include a preamble provision explaining that, for the offshore subcategory only, classification in a subcategory was to be based on point of discharge. This provision stated: “For the purpose of the effluent limitations guidelines for the offshore segment of the oil and gas extraction category, the locations of the discharge of a point source into the receiving waters shall determine the subcategory into which the point source will be placed.” However, in the exercise of its responsibility to promulgate appropriate regulations, the Agency has combined the two offshore subcategories and defined the classification of offshore sources based upon their location of operation. This action satisfies all objections raised by the industry and effectively implements the objectives of the parties. Not only does combining the subcategories eliminate confusion about the classification of facilities within the offshore segment, but by classifying facilities based on their location of operation, facilities located offshore but treating onshore will be placed in the offshore subcategory. The Agency believes that this is a proper response to this problem. Facilities piping effluent to onshore treatment facilities could, in most cases, use less effective on-site treatment. To classify those facilities as onshore, with a concomitant zero discharge requirement, would discourage the use of land-based treatment and might, in the long run, produce greater levels of pollutant discharge. Thus, classification based on location of operation was considered proper.

In litigation challenging the interim final regulations for the onshore segment of the industry, litigants argue that their operations should be classified based upon point of discharge. The Agency stipulation in the offshore litigation was in no way intended to affect this issue. For the reasons stated above, EPA has not adopted the industry’s recommended approach.

Coastal Subcategory—Applicability and Description

The coastal subcategory was originally established when the interim final regulations for the onshore segment of the industry were promulgated on October 13, 1976. (41 FR 44935). This subcategory was established in recognition of the fact that oil drilling and production operations existed on platforms in the coastal region. This provision stated: “For the purpose of the effluent limitations guidelines for the onshore segment of the oil and gas extraction category, the locations of the discharge of a point source into the receiving waters shall determine the subcategory into which the point source will be placed.” However, in the exercise of its responsibility to promulgate appropriate regulations, the Agency has combined the two offshore subcategories and defined the classification of offshore sources based upon their location of operation. This action satisfies all objections raised by the industry and effectively implements the objectives of the parties. Not only does combining the subcategories eliminate confusion about the classification of facilities within the offshore segment, but by classifying facilities based on their location of operation, facilities located offshore but treating onshore will be placed in the offshore subcategory. The Agency believes that this is a proper response to this problem. Facilities piping effluent to onshore treatment facilities could, in most cases, use less effective on-site treatment. To classify those facilities as onshore, with a concomitant zero discharge requirement, would discourage the use of land-based treatment and might, in the long run, produce greater levels of pollutant discharge. Thus, classification based on location of operation was considered proper.

In litigation challenging the interim final regulations for the onshore segment of the industry, litigants argue that their operations should be classified based upon point of discharge. The Agency stipulation in the offshore litigation was in no way intended to affect this issue. For the reasons stated above, EPA has not adopted the industry’s recommended approach.

Coastal Subcategory—Applicability and Description

The coastal subcategory was originally established when the interim final regulations for the onshore segment of the industry were promulgated on October 13, 1976. (41 FR 44935). This subcategory was established in recognition of the fact that oil drilling and production operations existed on platforms inside the territorial seas which would not qualify for inclusion in either the far offshore or near offshore subcategories. The coastal subcategory was defined in the interim final regulation on a geographic basis which contained specific boundaries for the subcategory identified in terms of latitude and longitude. These boundaries were set to include all platforms of which the Agency was aware which were both inside the territorial seas and which were located in the waters of states that permitted the discharge of produced water.

After analyzing comments and data received during the comment period, and after further consideration by the Agency, a number of problems were evident with respect to this approach. First, industry identified a significant number of facilities located in coastal areas which were not included within the definition of the subcategory because they are located in areas in which state laws do not permit the discharge of produced water. However, since more stringent state requirements are enforceable regardless of the subcategory to which a platform belongs, the Agency believes that their exclusion on this basis is unnecessary. Second, it was pointed out that certain platforms in upper Cook Inlet, Alaska, were not included in the subcategory although subject to the same conditions as other platforms in the coastal subcategory.

An overall problem identified by these comments is that defining the subcategory on a geographic basis requires the Agency to reassess the existing boundaries of the subcategory whenever industry explores new areas that might be considered coastal. Since this process would be administratively cumbersome and could lead to unnecessary delays in exploration activities, the Agency has concluded that the coastal subcategory should not be geographically defined. Instead, the Agency proposed to change the definition to include all facilities located over waters landward of the outer boundary of the territorial seas, including wetlands adjacent to such waters.

An additional problem with the previous geographic definition was that it classified in the coastal subcategory an estimated 1,700 wells which operated on land but which discharged into coastal waters. Under this revised definition these facilities would be reclassified as either onshore or stripper wells which would be classified in the onshore subcategory. The Agency has submitted data indicating that approximately 1,200 wells, previously classified as coastal, would now be classified as onshore.

This will require the achievement of a limitation of zero discharge and industry data indicate that 112 of these wells would cease production in such case. Additionally, the data projects a loss of up to 7.6 million barrels of oil and 1.109 billion cubic feet of natural gas over the entire operating lives of the affected wells. The continuing production from this class of wells is estimated to be 270 million barrels of oil and 1.109 billion cubic feet of natural gas. These figures are based on the current regulated interstate price. These figures do not, of course, indicate that a presently indeterminate number of wells which would have been classified as onshore will now be classified as coastal. This would include facilities operating over lakes, including the Great Lakes, and certain West Coast bays, including Cook Inlet, Alaska.

The Agency believes that this reclassification is warranted under the criteria for technology-based limitations contained in section 304(b)(3). No evidence has been presented which suggests that the technological capacity of these facilities to meet a limitation of zero discharge is in any way different from other onshore wells. While space constraints or reinjection difficulties may operate with respect to coastal and offshore platforms, no such conditions apply to these wells operating on land. Additionally, evaluation of other relevant statutory criteria support this

---

1 Since the signature of these regulations by the Administrator, the President has initiated a phased deregulation of the price of domestic oil. This deregulation should drastically reduce the impact of this modification on oil production at affected wells. Although the impact of this regulation should now be minimal, it is too early to predict with certainty that effect until Congress has acted on a proposal to tax portions of the increased revenues generated by the deregulation.
modification. The Agency gave serious consideration to the cost of this regulation in relation to its effluent reduction benefits and associated non-water quality environmental impacts. In its assessment of effluent reduction benefits, the Agency determined the composition of existing discharges and identified a range of significant pollutants including, among others, such toxic pollutants as phenols. Determination of the total level of reduction of these pollutants is difficult for oil and gas facilities since the flows and concentrations of pollutants vary among wells and over the life of an individual well. However, available data indicate that the reclassification of certain wells into the onshore subcategory would result in the reduction of up to 227,000 pounds per year of phenols alone. These are reductions of discharges into environmentally sensitive and productive wetlands. While technology may not exist which would enable platform operators to reduce the concentrations of these pollutants, land-based facilities have the technological capacity to eliminate their discharge altogether. This is an obligation which other onshore facilities are presently meeting.

The only non-water quality environmental impacts resulting from this modification stem from the operation of reinjection equipment in those wells reclassified as onshore. These impacts which have been reviewed by the appropriate EPA divisions as part the decision making process, include the energy required to operate such equipment and associated air emissions. Depending upon whether natural gas or diesel fuel is used, emissions are projected to range from 1,387 to 52,500 pounds per year of hydrocarbons, 1,150 to 1,183 pounds per year of sulfur oxides, 69,695 to 283,167 pounds per year of particulates and 69,868 to 1,455,000 pounds per year of nitrogen oxides.

The definition promulgated in this notice is consistent with the definition recommended by the industry in its comments on the interim final regulations. The Offshore Operators Committee recommended that the definition be modified to read "...the waters of bays, sounds, inlets, and other water bodies landward of the territorial seas and affected by the ebb and flow of the tides where State Water Quality Criteria permit the discharge of produced water." The American Petroleum Institute recommended that the subcategory "should extend to all inland bays, inlets, estuaries, and coastal lakes which lie landward where discharges are allowed or certified by the States." Similar comments were received from many individual oil companies. The definition which has been adopted includes all areas covered by the recommendations of the industry and expands that definition to include water bodies not affected by the ebb and flow of the tide as well as wetland areas. As stated above, the Agency does not believe it necessary to limit the definition to those areas where water quality criteria permit discharge since water quality criteria requiring more stringent limitations (including no discharge) than those found in effluent guidelines must be enforced in any case.

Facilities constructed on man-made islands which are comparable to oil and gas platforms and located in areas defined as coastal will be classified in the coastal subcategory. However, such classification will be made on a permit-by-permit basis.

Agricultural and Wildlife Water Use Subcategory—Applicability and Description

The Agency is changing the name of subcategory E from the "Beneficial Use" subcategory to the "Agricultural and Wildlife Water Use" subcategory. This change in name is prompted by the confusion resulting from the initial labeling of the subcategory. The term "beneficial use" has a long history of use in Western United States water law which is unconnected with its meaning in these regulations, and the Agency believes that confusion stemming from this prior usage can be avoided by simply renaming the subcategory.

Additionally, the Agency is clarifying the scope of this subcategory by specifying that only facilities located west of the 98th meridian may qualify for inclusion. Subcategory E was initially established in response to comments from certain western states asking that the Agency allow the use of produced water for agricultural or wildlife purposes. Investigation showed that in arid portions of the western United States low salinity produced waters were often the only, or at least a significant, source of water used for those purposes. Although not required by the Clean Water Act, the Agency chose to accommodate this situation by the creation of Subpart E. It is intended as a relatively restrictive subcategorization based on the unique factors of prior usage in the region, arid conditions and the existence of low salinity, portable water. Thus, all sources subject to regulation under §§ 301 and 304 of the Act which use produced water for agricultural or wildlife watering purposes at all times during their operations may be included in the subcategory.

The 98th meridian was chosen for use in the definition of the subcategory because it approximates the boundary of relevant geographic and arid or semi-arid climatic conditions which warrant the creation of this subcategory. Because of the unique combination of factors, and in contrast to the situation existing in the coastal subcategory, the Agency does not foresee the geographical makeup of subcategory E being subject to frequent changes, and, therefore, believes that a geographical limit is not only justified, but is also in harmony with the intent of the Act.

Deck Drainage Limitations—Offshore and Coastal Subcategories

Deck drainage from coastal and offshore platforms generally consists of a composite of substances which collect on platform decks from a variety of sources including production and drilling equipment, deck washings and rain. Although specific numerical effluent limitations on the discharge of oil and grease were established for this parameter in the interim final regulations, inadequacies in the original data base require that those limitations be withdrawn. An effluent limitation of "no discharge of free oil" is being established for the discharge of deck drainage.

The interim final effluent limitations were based on data collected from facilities treating either produced water or a combination of produced water and deck drainage. Since many platforms treat deck drainage separately from produced water, and since exploratory rigs do not treat produced water at all, these limitations did not necessarily reflect the degree of reduction achievable by these sources. However, most sources in the coastal and offshore subcategories have been subject to, and have complied with, limitations established pursuant to the oil discharge provisions of section 311 of the Clean Water Act and its implementing regulations at 40 CFR Part 110. This limitation prohibits any discharge which would cause a film or sheen on the surface of the water or cause a sludge or emulsion to be deposited beneath the surface of the water or on the adjoining shore. The history achievement of this restriction by sources in these subcategories indicates that it is both technologically and economically achievable. Consequently, the limitation on deck drainage will be no "discharge of free oil" which corresponds to the
restriction under section 311. Of course, facilities may still be subject to spill prevention regulations at 40 CFR Part 112.

EPA has stipulated to inclusion of this limitation in litigation challenging the interim final rules in the offshore segment of the industry.

However, Region II of EPA has collected data from exploratory drilling rigs which suggest that concentration limitations on deck drainage are both technologically and economically achievable by sources in these subcategories. This data is being reviewed, and additional data may be obtained. Upon completion of this review, specific concentration limits representing BPT may be promulgated.

Agricultural and Wildlife Water Use Subcategory—Effluent Limitations

Effluent limitations applicable to this subcategory are being revised. The State of Wyoming and the EPA Region VIII office have provided evidence that the analytical procedures applied to some of the samples used to calculate the oil and grease limitation for this subcategory were not documented. As a result we have no way of knowing whether the EPA approved procedure was used. Because of this, the points were removed from the data base, and the revised limitation of 35 mg/l reflects this change.

Stripper Subcategory

This regulation clarifies the definition of the stripper subcategory to indicate that it is the average production per producing oil well on a field which is relevant in classifying a source in this subcategory. The interim final regulations defined stripper wells, as in part, as those wells “which produce less than 10 barrels per calendar day.” That definition left some uncertainty as to whether some wells on a particular lease would be classified in the stripper subcategory while others might be placed in the onshore subcategory. This definition has been revised to reflect the Agency’s intention that it is the average production per oil well at a field which serves as the basis for categorization. In keeping with this intention, the regulations specifically exclude water injection and gas wells from those wells used to compute the average production. Although no specific effluent limitations are being promulgated at this time for the stripper subcategory, proper classification of a source is still significant since it may exclude that source from other subcategories and authorize the permit writer to establish applicable effluent limitations under section 402(a)(1) of the Clean Water Act.

Monitoring Frequency

In the offshore and coastal subcategories the monthly average limitations on oil and grease from produced water are specified under a column headed “Average of daily values for thirty consecutive days,” and concern has been expressed that the appearance of these limitations implied a minimum monitoring schedule. To avoid this confusion the Agency is deleting the word “daily” from the column specifying monthly average limitations.

The sampling frequencies reflected in the effluent limitations guidelines established for the offshore and coastal subcategories are not intended to establish sampling frequencies for purposes of compliance monitoring. Compliance monitoring requirements should be established in a case-by-case basis in consideration of such factors as facility accessibility, the volume and nature of the discharge involved, and the cost of monitoring. Since the effluent limitations guidelines contained in these regulations were established by statistical analysis of data directly related to sampling frequency, it is essential that permit limitations other than the daily maximum for oil and grease of 72 mg/l, which is based upon four samples in any twenty-four hour period, be consistent with the sampling frequency used.

To illustrate the effect of sampling frequencies (other than weekly) on the monthly average limitation, the following graph from the Development Document is reproduced. (Attached as Appendix C). Thus, if sampling is required only on a monthly basis the monthly average limitations would be the same as the daily maximum (72 mg/l), if twice monthly sampling is required the monthly average limitation would be 57 mg/l, and if weekly sampling is required the monthly average limitation would be 48 mg/l as appears in the regulation. Section IX of the Development Document should be consulted for further clarification of the graph and the effect of monitoring frequency on monthly average limitations. It should be reemphasized that monitoring frequency does not affect the daily maximum limitation.

Appendix B—Summary of Public Participation

Following promulgation of both interim final regulations (Offshore Segment and Onshore Segment) the public was invited to comment on the regulations and the data used in support of the limitations contained in the regulations.

The following parties responded with comments: State of Colorado, Department of Natural Resources; David K. McGowan, Gulf Oil Company; The State of Louisiana; Gulf Energy and Minerals Co.—U.S.; Phillips Petroleum Company; Alaska Oil and Gas Association; Offshore Operators Committee; Atlantic Richfield Company; Marathon Oil Company, Getty Oil Company; Shell Oil Company; Texaco, Inc.; Mid-Continent Oil and Gas Association—Louisiana Division; Exxon Company—U.S.A.; Colorado Department of Health; Office of the Governor, State of Texas; American Petroleum Institute; Petroleum Association of Wyoming; Rocky Mountain Oil and Gas Association; Henry Walter, American Society of Mechanical Engineers; Continental Oil Company; Shell Oil Company; Texas Mid-Continent Oil and Gas Association; Mobil Oil Corporation; Columbia Gas System Service Company; Pennzoil Company; Sun Oil Company; Union Oil Company; U.S. Department of Health, Education, and Welfare; Chevron Oil Company; State of Alaska Engineers Council of Houston; U.S. Department of the Interior; Erie County Department of Health.

A copy of all public comments are available for inspection and copying at the EPA Public Information Reference Unit, Room 2222 [EPA Library], Waterside Mall, 401 M Street, S.W., Washington, D.C. A copy of the Development Document, preliminary draft contractors reports, the economic impact study, and certain supplementary materials supporting the study of the industry are also maintained at this location for public review and copying. The EPA information regulation, 40 CFR Part 2, provides that a reasonable fee may be charged for copying.

The more significant issues raised during the public comment periods and the treatment of those issues in the development of this final regulation are as follows:

1. Many commentators argued that the guidelines should be modified to authorize noncompliance with effluent limitations during periods of "upset" or "bypass". An upset is unintentional noncompliance occurring for reasons beyond the reasonable control of the permittee. An upset provision is necessary, it was argued, because such upsets will inevitably occur due to limitations in control technology. The Agency agrees that some form of upset provision should be provided in the NPDES permits and has recently proposed a generic upset provision for

A bypass is an act of intentional noncompliance with permit limitations when pollution control equipment is circumvented to prevent loss of life, injury or severe property damage. It was argued that a bypass provision should also authorize noncompliance during periods of corrective and preventative maintenance. In many cases, however, "shutting-in" of wells may constitute both a technologically and economically feasible alternative to noncompliance during periods of such maintenance. Where shutting-in of wells would produce a permanent and substantial loss of natural resources, a bypass would be warranted and proposed regulations expand the definitions of "severe property damage" to include this situation. 42 Fed. Reg. 37095-96 (August 21, 1978). Industry has also argued that shutting-in of wells does not constitute a feasible alternative to bypassing in a far broader class of cases. The Agency is currently reviewing data which has been submitted on this matter.

However, the Agency does not believe that issues of upset or bypass are appropriately addressed in national effluent limitations. These are permit matters which should be dealt with in the context of permit issuance. Consequently, upset and bypass provisions were included in the proposed regulations dealing with NPDES permits, 43 Fed. Reg. 37078 (August 12, 1978). These regulations will be issued shortly in final form.

(2) Many commenters stated that the coastal subcategory (Subcategory D) should not be defined geographically as was done in the interim final regulation. After considering the comments and arguments made during the comment period, the Agency agrees and the definition of the coastal subcategory. A further discussion of this change can be found in Appendix A, "Discussion of Revisions."

(3) Most commenters argued that the interim final limitations for deck drainage in the offshore and coastal subcategories should either be eliminated entirely or should be modified to require no numerical limitations. The reasons given for suggesting such a change included the difficulty of monitoring such discharges, the assumption that they were already controlled by regulations issued under section 311 of the Act, the assumption that such discharges are not harmful, and the charge that EPA's analysis in support of the limitations did not meet the requirements of sections 301 and 304 of the Act. While EPA does not agree with all of the comments made in support of the position that deck drainage limitations should be eliminated, inadequacies in the database supporting interim final limitations require that they be withdrawn at this time. A discussion of the changes and the Agency's reasons for making them are discussed in Appendix A, "Discussion of Revisions."

(4) Several commenters believed that the definition of the old beneficial use subcategory was too restrictive and was contrary to the water rights laws of many Western States. The Agency is renaming and modifying the definition of this subcategory and a discussion of these proposed changes can be found in Appendix A, "Discussion of Revisions."

(5) Many comments were received which stated that the definition of a "facility" which would be eligible for inclusion in the stripper subcategory (Subcategory F) was not clear. The definition has been clarified in a fashion consistent with most of the comments. A discussion of the Agency's response to this comment is contained in Appendix A, "Discussion of Revisions."

Additionally, commenters suggested that the definition of the stripper subcategory be modified to include marginal gas wells. However, no data were presented which indicate that the economic impact of exclusion of gas wells from this subcategory warrants remedial action. All data indicate that marginal gas wells are few in number and that they produce limited amounts of effluent. Treatment of this effluent is neither technologically infeasible nor economically unreasonable. No basis exists under the relevant criteria of the Act for separate treatment of these wells. Should additional data become available relevant to classification of these gas wells, the Agency will reevaluate its position.

(6) Oil and grease limitations for produced water in the offshore and coastal subcategories are expressed as two limitations—a daily maximum concentration and a monthly average limitation. Many commenters argued that the monthly average limitation is not necessary since it is based upon the same statistical analysis as is the daily maximum.

However, statistical analysis of data for individual facilities shows that many facilities are able to meet the daily maximum limitations while operating at a higher long term average concentration of oil and grease than that achieved by best practicable control technology currently available. The addition of a longer term average than a
Subpart A—Offshore Subcategory

§ 435.10 Applicability; description of the offshore subcategory.

The provisions of this subpart are applicable to those facilities engaged in the production, field exploration, drilling, well production, and well treatment in the oil and gas extraction industry which are located seaward of the inner boundary of the territorial seas as defined in 40 CFR § 123.1(gg).

§ 435.11 Specialized definitions.

For the purpose of this subpart:
(a) Except as provided below, the general definitions, abbreviations and methods of analysis set forth in 40 CFR 401 shall apply to this subpart.
(b) The term "M10" shall mean those offshore facilities continuously manned by ten (10) or more persons.
(c) The term "M9IM" shall mean those offshore facilities continuously manned by nine (9) or fewer persons or only intermittently manned by any number of persons.
(d) The term "no discharge of free oil" shall mean that a discharge does not cause a film or sheen upon or a discoloration on the surface of the water or adjoining shorelines or cause a sludge or emulsion to be deposited beneath the surface of the water or upon adjoining shorelines.

§ 435.12 Effluent limitations guidelines representing the degree of effluent reduction attainable by the application of the best practicable control technology currently available.

(a) In establishing the limitations set forth in this section, EPA took into account all information it was able to collect, develop and solicit with respect to factors (such as age and size of facility, raw materials, manufacturing processes, products produced, treatment technology available, energy requirements and costs) which can affect the industry subcategorization and effluent levels established. It is, however, possible that data which would affect these limitations have not been available and, as a result, these limitations should be adjusted for certain facilities in this industry. An individual discharger or other interested person may submit evidence to the Regional Administrator (or to the State, if the State has the authority to issue NPDES permits) that factors relating to the equipment or facilities involved, the process applied, or other such factors related to such discharger are fundamentally different from the factors considered in the establishment of the guidelines. On the basis of such evidence or other available information,
the Regional Administrator (or the State) will make a written finding that such factors are or are not fundamentally different for that facility compared to those specified in the Development Document. If such fundamentally different factors are found to exist, the Regional Administrator or the State shall establish for the discharger effluent limitations in the NPDES permit either more or less stringent than the limitations established herein, to the extent dictated by such fundamentally different factors. Such limitations must be approved by the Administrator of the Environmental Protection Agency. The Administrator may approve or disapprove such limitations, specify other limitations, or initiate proceedings to revise these regulations.

(b) The following limitations establish the quantity or quality of pollutants or pollutant properties, controlled by this section, which may be discharged by a point source subject to the provisions of this subpart after application of the best practicable control technology currently available:

### Effluent limitations—In milligrams per liter—Oil and grease

<table>
<thead>
<tr>
<th>Pollutant parameter</th>
<th>Maximum values for 30 consecutive days not to exceed</th>
<th>Residual chlorine for any 1 day not to exceed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Produced water</td>
<td>72</td>
<td>43</td>
</tr>
<tr>
<td>Deck drainage</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Drilling muds</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Drift cuttings</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Well treatment</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Sanitary M10</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>M203</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Domestic</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

1 No discharge of free oil.
2 Minimum of 6 ppm as chlorine.
3 There shall be no floating solids as a result of the discharge of these wastes.

### Subpart D—Coastal Subcategory

§ 435.42 Effluent limitations guidelines representing the degree of effluent reduction attainable by the application of the best practicable control technology currently available.

In establishing the limitations set forth in this section, EPA took into account all information it was able to collect, develop and solicit with respect to factors (such as age and size of facility, raw materials, production processes, product produced, treatment technology available, energy requirements and costs) which can affect the industry subcategorization and effluent levels established. It is, however, possible that the data which would affect these limitations have not been available and, as a result, these limitations should be adjusted for certain plants in this industry. An individual discharger or other interested person may submit evidence to the Regional Administrator (or to the State, if the State has the authority to issue NPDES permits) that factors relating to the equipment or facilities involved, the process applied, or other such factors related to such discharger are fundamentally different from the factors considered in the establishment of the guidelines. On the basis of such evidence or other available information, the Regional Administrator (or the State) will make a written finding that such factors are or are not fundamentally different for that facility compared to those specified in the Development Document. If such fundamentally different factors are found to exist, the Regional Administrator or the State shall establish for the discharger effluent limitations in the NPDES permit either more or less stringent than the limitations established herein, to the extent dictated by such fundamentally different factors. Such limitations must be approved by the Administrator of the Environmental Protection Agency. The Administrator may approve or disapprove such limitations, specify other limitations, or initiate proceedings to revise these regulations.

(a) The following limitations establish the quantity or quality of pollutants or pollutant properties, controlled by this section, which may be discharged by a point source subject to the provisions of this subpart after application of the best practicable control technology currently available: there shall be no discharge of waste water pollutants into navigable waters from any source associated with production, field exploration, drilling, well completion, or well treatment (i.e., produced water, drilling mud, drill cuttings, and produced sand).

§ 435.50 Applicability; description of the coastal subcategory.

The provisions of this subpart are applicable to facilities engaged in the production, field exploration, drilling, well completion and well treatment in areas defined as coastal. These facilities are in the oil and gas extraction industry.
costs) which can affect the industry subcategorization and efficient levels established. It is, however, possible that data which would affect these limitations have not been available and, as a result, these limitations should be adjusted for certain plants in this industry. An individual discharger or other interested person may submit evidence to the Regional Administrator (or to the State, if the State has the authority to issue NPDES permits) that factors relating to the equipment or facilities involved, the process applied, or other such factors related to such discharger are fundamentally different from the factors considered in the establishment of the guidelines. On the basis of such evidence or other available information, the Regional Administrator (or the State) will make a written finding that such factors are or are not fundamentally different for that facility compared to those specified in the Development Document. If such fundamentally different factors are found to exist, the Regional Administrator or the State shall establish for the discharger effluent limitations in the NPDES permit either more or less stringent than the limitations established herein, to the extent dictated by such fundamentally different factors. Such limitations must be approved by the Administrator of the Environmental Protection Agency. The Administrator may approve or disapprove such limitations, specify other limitations, or initiate proceedings to revise these regulations.

(a) The following limitations establish the quantity or quality of pollutants or pollutant properties, controlled by this section, which may be discharged by a point source subject to the provisions of this subpart after application of the best practicable control technology currently available:

**Effluent limitations—In milligrams per liter—Oil and grease**

<table>
<thead>
<tr>
<th>Pollutant parameter</th>
<th>Maximum values for 30 consecutive days</th>
<th>Residual chlorine maximum for any 1 day</th>
<th>NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Produced water</td>
<td>72</td>
<td>48</td>
<td>NA</td>
</tr>
<tr>
<td>Deck drainage</td>
<td>(9)</td>
<td>(9)</td>
<td>NA</td>
</tr>
<tr>
<td>Drilling muds</td>
<td>(9)</td>
<td>(9)</td>
<td>NA</td>
</tr>
<tr>
<td>Drill cuttings</td>
<td>(9)</td>
<td>(9)</td>
<td>NA</td>
</tr>
<tr>
<td>Well treatment</td>
<td>(9)</td>
<td>(9)</td>
<td>NA</td>
</tr>
<tr>
<td>Sanitary</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>M10</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>M98M</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Domestic</td>
<td>*</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

*No discharge of free oil.

**Subpart E—Agricultural and Wildlife Water Use.**

§ 435.50 Applicability; description of the beneficial use subcategory.

The provisions of this subpart are applicable to those onshore facilities located in the continental United States and west of the 8th meridian for which the produced water has a use in agriculture or wildlife propagation when discharged into navigable waters. These facilities are engaged in the production, drilling, well completion, and well treatment in the oil and gas extraction industry.

§ 435.51 Specialized definitions.

For the purpose of this subpart:

(a) Except as provided below, the general definitions, abbreviations, and methods of analysis set forth in 40 CFR 401 shall apply to this subpart.

(b) The term "onshore" shall mean all land areas landward of the territorial seas as defined in 40 CFR 125.1(f)(g).

The term "use in agricultural or wildlife propagation" means that the produced water is of good enough quality to be used for wildlife or livestock watering or other agricultural uses and that the produced water is actually put to such use during periods of discharge.

§ 435.52 Effluent limitations guidelines representing the degree of effluent reduction attainable by the application of the best practicable control technology currently available.

In establishing the limitations set forth in this section, EPA took into account all information it was able to collect, develop and solicit with respect to factors (such as age and size of facility, raw materials, production processes, product produced, treatment technology available, energy requirements and costs) which can affect the industry subcategorization and effluent levels established. It is however, possible that data which would affect these limitations have not been available and, as a result, these limitations should be adjusted for certain plants in this industry. An individual discharger or other interested person may submit evidence to the Regional Administrator (or to the State, if the State has the authority to issue NPDES permits) that factors relating to the equipment or facilities involved, the process applied, or other such factors related to such discharger are fundamentally different from the factors considered in the establishment of the guidelines. On the basis of such evidence or other available information, the Regional Administrator (or the State) will make a

**Subpart F—Stripper Subcategory**

§ 435.60 Applicability; description of the stripper subcategory.

The provisions of this subpart are applicable to those onshore facilities which produce 10 barrels per well per calendar day or less of crude oil and which are operating at the maximum feasible rate of production and in accordance with recognized conservation practices. These facilities are engaged in production, and well treatment in the oil and gas extraction industry.

§ 435.61 Specialized definitions.

For the purpose of this subpart:

(a) Except as provided below, the general definitions, abbreviations, and methods of analysis set forth in 40 CFR 401 shall apply to this subpart.

(b) The term "onshore" shall mean all land areas landward of the inner boundary of the territorial seas as defined in 40 CFR 125.1(f)(g).
(c) The term "well" shall mean crude oil producing wells and shall not include gas wells or wells injecting water for disposal or for enhanced recovery of oil or gas.

(d) The term "gas well" shall mean any well which produces natural gas in a ratio to the petroleum liquids produced greater than 15,000 cubic feet of gas per 1 barrel (42 gallons) of petroleum liquids.

§ 435.02 [Reserved]

[FR Doc. 79-11191 Filed 4-12-79; 8:45 am]
BILLING CODE 6560-01-M

DEPARTMENT OF LABOR

41 CFR Part 50–201

Manufacturer or Regular Dealer; Disqualified Small Business Concern Protest

AGENCY: Department of Labor.

ACTION: Final rule.

SUMMARY: The Small Business Administration Act, as amended, provides that the Small Business Administration shall review the Government procurement officer's finding in all cases where the procurement officer finds that a small business concern is ineligible to receive a contract subject to the Walsh-Healey Public Contracts Act because it does not qualify as a manufacturer or regular dealer. The Department of Labor regulations may be interpreted to mean that the Small Business Administration will review such adverse findings by a procurement officer only when the disqualified small business concern protests. The regulations are revised to clarify that the Small Business Administration will review all such findings involving a small business concern, whether or not the small business concern protests.

EFFECTIVE DATE: This regulation is effective on April 13, 1979.

FOR FURTHER INFORMATION CONTACT: Alvin Bromaw, Deputy Associate Solicitor, Division of General Legal Services, Office of the Solicitor, Room N264, New Department of Labor Building, 200 Constitution Avenue, NW., Washington, D.C. 20210, phone 202-523-8283.

SUPPLEMENTARY INFORMATION: Section 501 of Title V, Pub. L. 95–85, approved August 4, 1977, provides in part that if a Government procurement officer finds that an otherwise qualified small business concern may be ineligible because that concern is not a manufacturer or regular dealer within the provisions of 41 U.S.C. 35a, the procurement officer shall notify the Small Business Administration in writing of such finding. The Small Business Administration shall then review and act upon the finding.

The Department of Labor regulations in 41 CFR 50–201.101(b)(1)(i)(C)(2) provide that in the case of a small business concern the protest and all pertinent evidence will be forwarded to the Small Business Administration. This document amends the regulation to make clear that all findings of ineligibility based in 41 CFR Part 35(a) shall be forwarded to the Small Business Administration for review, whether or not the small business concern has protested.

As this clarifying amendment of our regulation is made to correctly reflect a statutory provision, neither notice of proposed rulemaking nor delay in the effective date is necessary. No Regulatory Analysis is required.

This document was prepared under the direction and control of Alvin Bromaw, Deputy Associate Solicitor, Division of General Legal Services, Office of the Solicitor, Room N264, New Department of Labor Building, 200 Constitution Ave., NW., Washington, D.C. 20210, phone 202-523-8283.

Accordingly § 50–201.101(b)(1)(i)(C)(2) of Part 50–201 is amended to read as follows:

§ 50–201.101 Manufacturer or regular dealer.

* * * * *

(2) In the case of a small business concern, all findings of ineligibility and all pertinent evidence will be forwarded to the Administrator of the Small Business Administration, whether or not the small business concern protests the determination, and the bidder or offeror shall be so notified. * * * *

Signed at Washington, D.C., on this 9th day of April 1979.

Xavier M. Vela,
Administrator, Wage and Hour Division.

47 CFR Part 73

FM Broadcast Stations In Anadarko, Okla. and Memphis, Tex.; Changes Made In Table of Assignments

AGENCY: Federal Communications Commission.

ACTION: Report and Order.

SUMMARY: Action taken herein assigns a Class C FM channel to Anadarko, Oklahoma, and substitutes one Class C for another at Memphis, Texas, in response to a petition filed by Anadarko Broadcasting Company. The proposed station could render significant first and second FM service to rural areas of Caddo County in addition to providing Anadarko with its first full-time aural broadcast service.