



DIRECTIVE NUMBER: 9441.18(85)

TITLE: Determination of Primary SIC Code for a Facility

APPROVAL DATE: 5-21-85

EFFECTIVE DATE: 5-21-85

ORIGINATING OFFICE: Office of Solid Waste

☒ **FINAL**

☐ **DRAFT**

LEVEL OF DRAFT

☐ A — Signed by AA or DAA

☐ B — Signed by Office Director

☐ C — Review & Comment

REFERENCE (other documents):

OSWER OSWER OSWER
VE DIRECTIVE DIRECTIVE DI

Key Words: Exclusions, Pickle Liquor

Regulations:

Subject: Determination of Primary SIC Code for a Facility

Addressee: Michael J. Sanderson, Chief, RCRA Branch, Region VII

Originator: Matthew Strauss, Chief, Waste Identification Branch

Source Doc: #9441.18(85)

Date: 5-21-85

Summary:

The memo lists the types of operations and SIC codes for those operations that qualify for the lime-stabilized waste pickle liquor sludge (LSWPLS) exclusion for iron and steel industries. A facility that is primarily engaged in the manufacturing or processing of steel qualifies for the lime-stabilized waste pickle liquor sludge exclusion.

MAY 21 1985

MEMORANDUM

SUBJECT: Lime Stabilized Waste Pickle Liquor Sludge
from SIC Code No. 331 and 332

FROM: Matthew Straus, Chief
Waste Identification Branch (WH-562B)

TO: Michael J. Sanderson, Chief
RCRA Branch
Region VII

In your memorandum of March 5, 1985, you requested guidance on whether lime-stabilized waste pickle liquor sludge (LSWPLS) generated by Valmont Industries Inc., (Valley, Nebraska) qualifies for the exclusion for LSWPLS from iron and steel industries promulgated on June 5, 1984. (Valmont was classified under SIC Code 331 for the purpose of acquiring a NPDES permit.) Also, your request guidance regarding the types of facilities and processes included in SIC Code 331 and 332.

Before addressing the items raised in your memorandum, one point should be clarified. That is, the RCRA inspection report for Valmont Industries indicates that the facility treats pickle liquor with anhydrous ammonia to raise the pH to 6.5 or above. The waste is then pumped from the pickling tanks into lagoons. However, Wayne Kaiser, of your staff, has informed us of Valmont's intent to pump the neutralized waste from the lagoons to the wastewater treatment system for treatment with lime. It is at this point, that lime stabilized waste pickle liquor sludge is generated.

In determining the primary SIC code for a facility, the Agency considers the principal product or process. Thus, a facility that is primarily engaged in the manufacture or processing of steel (i.e., SIC code 331 or 332) qualifies for the "exclusion." The following types of operations are included in these SIC codes:

- 3312 - blast furnaces, steel works, and rolling mills
- 3313 - electrometallurgical products
- 3315 - steel wire drawing and steel nails and spikes

- 3316 - cold rolled steel sheet, strip, and bars
- 3317 - steel pipe and tubes
- 3321 - gray iron foundries
- 3322 - malleable iron foundries
- 3324 - steel investment foundries
- 3325 - steel foundries (not classified elsewhere).

In considering Valmont for a NPDES permit, State and Regional officials designated the facility as SIC code 331. According to the "Rationale For NPDES Permit For Valmont Industries, Inc.," the Regional Water Management Division categorized the three wastewater generating processes at Valmont Industries (acid pickling, galvanizing, and tube forming) as belonging to the iron and steel subcategory since these operations normally are associated with iron and steel mills.

This designation, however, is inconsistent with the way the Agency normally classifies the various industry segments. In particular, many industries other than iron and steel are engaged in acid pickling and may generate spent pickle liquor (see Notice of Availability of Data, January 4, 1984). The galvanizing operation at Valmont Industries is integrated into the various product lines and should not be considered under a separate SIC category. The tube forming operation is the only process at Valmont which falls under the iron and steel subcategory. Since the principal product is pivot irrigation systems, we believe the primary SIC code to be 3523 - Farm and Garden Machinery and Equipment.

In resolving this matter, the Agency is faced with three major options -- we could re-open the permit application for Valmont Industries and assign the correct SIC code, we could consider Valmont as non-iron and steel only for purposes of determining whether the exclusion for LSWPLS is applicable, or we could stand by the NPDES SIC code designation and consider Valmont covered under the exclusion for LSWPLS.

We realize that re-evaluating the permit application at this time would be resource intensive and impose additional costs to Valmont and the Agency. A decision to classify Valmont under different SIC codes for purposes of RCRA and CWA would be viewed as contradictory and unjustifiable. Since we believe it prudent to maintain consistency in assigning SIC codes for regulatory purposes, it is our recommendation that the Agency maintain its earlier SIC code designation for Valmont. As a practical matter, this means that Valmont Industries would continue to be designated as SIC code 331, and as such, would be covered under the exclusion for LSWPLS.

We believe that the situation regarding Valmont Industries represents an isolated incident. The Agency will continue to make decisions regarding applicability of the exclusion for LSWPLS based on the rationale set forth earlier in this memorandum.

If you have further questions or require additional information regarding this guidance, please call Jacqueline Sales, of my staff, at FTS 382-4807.

WH-562B/JSales/JS/CM 8-248/382-4770/5/3/85/Disk JS10:7