

**CONSTRUCTION GRANTS PROGRAM
INFORMATION**

**INDUSTRIAL COST
RECOVERY SYSTEMS**



NOVEMBER 1976

**UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
OFFICE OF WATER PROGRAM OPERATIONS
MUNICIPAL CONSTRUCTION DIVISION
WASHINGTON, D.C. 20460**

NOTE:

This document is not a replacement of the Act, the Regulations, the Guidelines, or official EPA policy statements. It contains supplemental information to explain these statutory and regulatory requirements and provides examples of industrial cost recovery requirements, interpretations, and procedures. Any clarifications and specific conditions applicable to a local area should be discussed with the appropriate EPA Regional Office.

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CONSTRUCTION GRANTS PROGRAM
INFORMATION –
INDUSTRIAL COST RECOVERY SYSTEMS

United States
Environmental Protection Agency
Office of Water Program Operations
Municipal Construction Division
Washington, D.C. 20460
November 1976

PREFACE

Section 204(b)(1)(B) of the Federal Water Pollution Control Act Amendments of 1972 (PL 92-500) requires that industrial users of the treatment works make payments for "that portion of the cost of construction of such treatment works (as determined by the Administrator) which is allocable to the treatment of such industrial wastes."


In carrying out the provisions of this section, EPA has published:

- in Title 40 of the Code of Federal Regulations, Part 35, *State and Local Assistance*, Subpart E, *Grants for Construction of Treatment Works*. (40 C.F.R. § 35.900 et seq.)

This document focuses attention on sections 35.903(k); 35.905-6, -7, and -8; 35.920-3(b)(3) and -3(c); 35.925-12(a) and -17; 35.928-1 and -2; 35.935-13(a)(c)(d)(e); 35.940; and 35.945(b).

- Federal Guidelines — Industrial Cost Recovery Systems, February 1976.

The purpose of this document is to supplement the "Federal Guidelines — Industrial Cost Recovery Systems," to provide additional details for assistance in implementation and review of the grantees' Industrial Cost Recovery (ICR) systems, and to outline a general implementation process which is in compliance with Federal requirements.


Deputy Assistant Administrator
for Water Program Operations
Washington, D.C.

ACKNOWLEDGMENT

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The initial drafts of this document were prepared, under contract, by Peat, Marwick, Mitchell & Co., Washington, D.C. This document was reviewed and edited by the staff of the Municipal Construction Division to validate its accuracy and ensure that it properly and effectively conveyed Agency policies and procedures after meetings with the contractor's project manager, Ben King Duffy. Further review and editing of this document was performed by representatives of each of the ten EPA Regions, the Office of General Counsel, the Office of Audit, the Grants Administration Division, and the Financial Management Division. John T. Pai, Chief Sanitary Engineer, Construction Operations Branch, served as Project Officer for the supervision of this contract.

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INTRODUCTION

This document of supplemental information is intended to describe the essential requirements of the "Federal Guidelines — Industrial Cost Recovery Systems" Industrial Cost Recovery (ICR) Guidelines and other related requirements in a format which will assist the grantees in the design, installation and implementation of their own systems.

Industry, municipal, county, and state officials will all be involved, either directly or indirectly. In addition, EPA regional authorities and headquarters are responsible to oversee the implementation of a system designed to recover that portion of the Federal grant attributable to the cost of construction of treatment works allocable to the treatment of industrial wastes. The ICR Guidelines contains examples of the Federal requirements for determining industrial contributions. This document contains illustrative materials for guidance during the design and review steps. Accordingly, it provides a progressive discussion of the logical sequence most grantees will follow.

Major requirements are referenced in the first section, following a schematic presentation of the relationship of the Industrial Cost Recovery (ICR) and User Charge systems. The second portion of this document describes the process of the technical classification of industry, and then the integration of the technical and financial data in order to arrive at appropriate values. The examples contained in the ICR Guidelines were used as the basis for input to the examples in this document, so that the grantees and others in the industry and the government can have an explicit set of examples to use as a reference in discussing their own unique situations.

In the third major portion of this document, the components of the "Funds Management" systems are introduced. The functions and components of the funds management process are discussed; however, no new policies or outlines of local financial procedures for the grantees are included.

The fourth section contains an ICR design checklist to aid grantees in completing the system requirements in the necessary timeframe.

It is recognized that available data, existing systems, and local policies will all influence the specific approaches worked out by the various grantees. For example, a small treatment facility operator with only one class of industry and one or two industrial users will not view his ICR situation in the same manner as will the management group of a major urban-industrial waste treatment system. Because of this diversity in actual situations, it is expected that the general guidance and information provided in this document will allow for local determination of the optimum approaches to be utilized in each grantee's system.

ICR SYSTEM REQUIREMENTS

INDUSTRIAL COST RECOVERY AND USER CHARGES

The requirements for establishing the volume and characteristics of industrial wastes, including the conduct of surveys and quantification of flows, are similar for both ICR and user charges. However, user charges apply to all recipients of waste treatment services of the grantee and are utilized to recover the operation and maintenance expenses of all the treatment works of the grantee, whereas ICR payments are required from industrial users only to recover that portion of the Federal grant attributable to the costs of construction of the treatment works allocable to the treatment of industrial wastes.

The chart on the facing page indicates that, in addition to fiscal mechanisms, the institutional and substantial legal mechanisms are also related for both ICR and User Charges. However, the ICR Capital Cost Recovery Program and the User Charge Operating and Maintenance Program have different specific objectives and scope of accounting applications but relate to one basic system. This manual focuses on the unique requirements of implementing and operating the ICR portion of the system. User charge criteria are outlined further under 40 C.F.R. 35.935-13 and Appendix B of the Regulations.

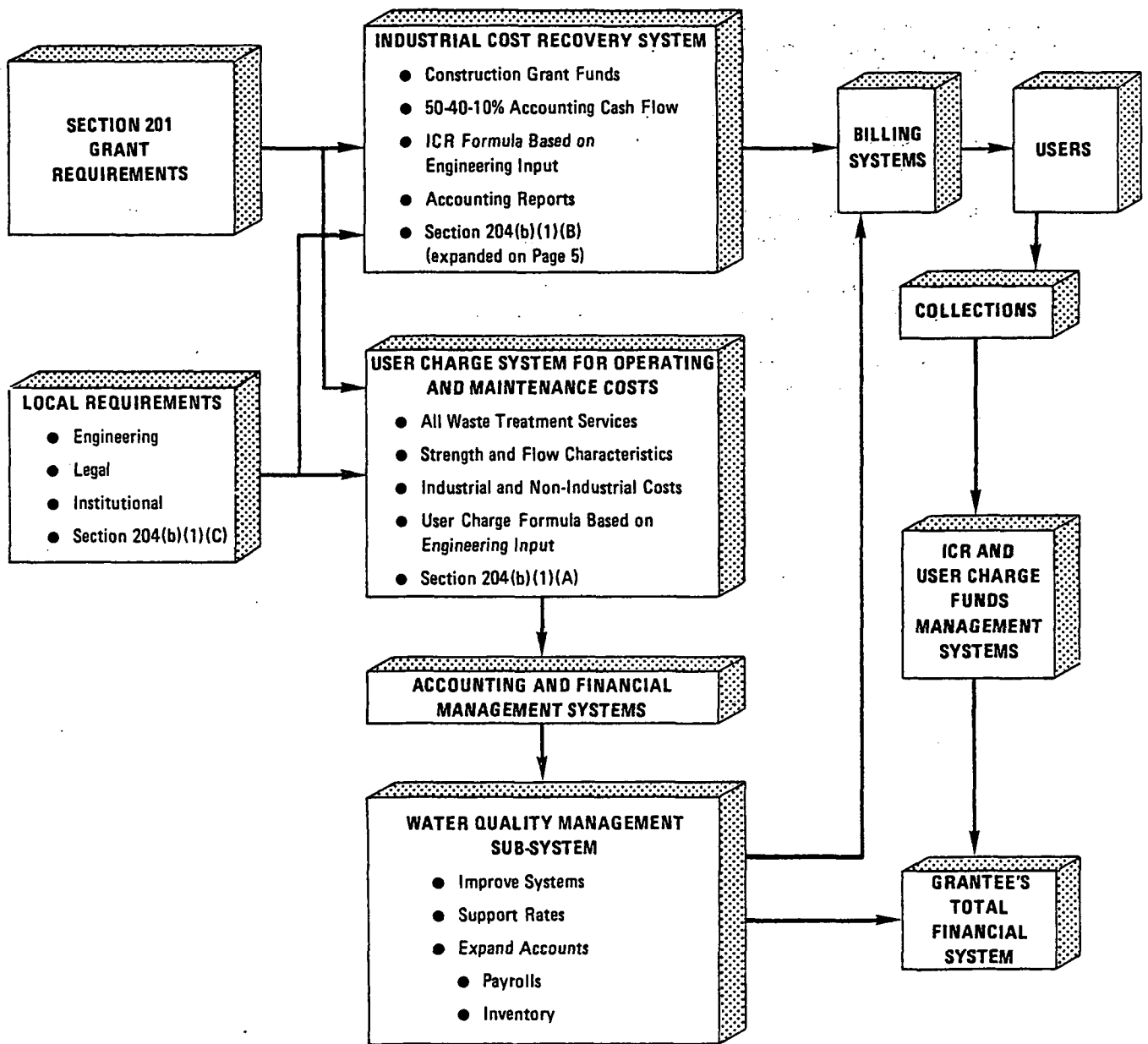


FIGURE 1: RELATIONSHIP BETWEEN ICR AND USER CHARGES

INDUSTRIAL COST RECOVERY SYSTEM

The close interface between engineering and accounting in an ICR system is illustrated in Figure 2 on the facing page which indicates the flow of engineering data which, when related to appropriate grant cost data, is translated into ICR annual costs.

This figure is an expansion of the ICR "box" in Figure 1 on page 3. It indicates the sequential activities which must occur in the design, implementation and operation of an ICR system.

The responsibilities of the grantee, EPA, and industrial users which occur prior to and during the development and implementation of an ICR system are outlined in the following pages.

The importance of industry's role in the ICR system is often minimized or ignored. The joint treatment of municipal and industrial wastewaters can prove beneficial to both the community and to the industrial establishments participating.

PROJECT IS FUNDED

ACCOUNTING

ENGINEERING

1. PRIOR TO PAYMENT
OF MORE THAN 80%
OF STEP 3 GRANT,

INDUSTRIAL USERS'
ANNUAL ICR COSTS
ARE DETERMINED.

2. CONSTRUCTION
PROJECT IS
COMPLETED.
FACILITY IS
OPERATING.

3. INDUSTRIAL USERS
BILLED AND
RECEIPTS RECORDED.

4. RECEIPTS ALLOCATED
AS SPECIFIED AND
INVESTED.

5. GRANTEE'S ANNUAL
ACCOUNTING
PERIOD FOR ICR
PURPOSES

6. DISBURSEMENT
MADE WITHIN
4 MONTHS

ACCUMULATE 75% FEDERAL
CONTRIBUTION + STATE/
LOCAL CONTRIBUTIONS
BY PROJECT

ASSIMILATE ALL PROJECT
COSTS INTO FIXED ASSET
ACCOUNTING SYSTEM (\$)

SEGREGATE FEDERAL
GRANT AMOUNTS FOR
ICR PURPOSE (\$)

DETERMINE ICR SYSTEM
UNIT COST RATES
\$/Q/D/Y, \$/BOD/D/Y, \$/SS/D/Y, ...

CALCULATE ANNUAL ICR
PAYMENTS
 $\$/Y = \$/Q/D/Y \times Q/D +$
 $\$/BOD/D/Y \times BOD/D +$
 $\$/SS/D/Y \times SS/D + \dots$

BILLING AND COLLECTION
ANNUAL/MONTHLY/
QUARTERLY

RECEIPTS ARE INVESTED
AS REQUIRED

INVESTMENT EARNINGS
RECORDED AND ALLOCATED

DISBURSEMENTS OF RECEIPTS
AND INVESTMENT EARNINGS
ARE DETERMINED

50% PAID
TO EPA
ANNUALLY

40% RETAINED
REINVESTED
RESTRICTED
USAGE

10% RETAINED
BROAD USAGE

DETERMINE INDUSTRIAL
USERS' REQUIREMENTS
(VOLUME AND LOADINGS)
- ANNUAL BASIS
Q/D, BOD/D, SS/D, ...

DETERMINE FEDERAL
GRANT COSTS FOR EACH
INDUSTRIAL USER
\$/Q/D, \$/BOD/D, \$/SS/D, ...

DETERMINE FACILITY
USEFUL LIFE (Y) FOR ICR
PURPOSE BASED UPON
LESSER OF 30 YEARS OR
USEFUL LIFE

DETERMINE INDUSTRIAL
USER ESTIMATED AND
ACTUAL DAILY FLOWS
AND LOADS
Q/D, BOD/D, SS/D, ...

FIGURE 2: INDUSTRIAL COST RECOVERY SYSTEM

ICR SYSTEM LEGAL REQUIREMENTS

The grantee has primary responsibilities in the design, implementation, and operation of ICR and User Charge systems. The Congressional intent in PL 92-500, the Act itself, EPA's implementing regulations, and the ICR Guidelines address these major responsibilities.

REPORT OF ICR INTENTIONS

The Congressional intent of ICR is contained in the United States House of Representatives' Committee on Public Works report of March 11, 1972:¹

In connection with industrial users of publicly owned systems, the Committee desired to establish within the user charge system an arrangement whereby industrial users would pay charges sufficient to bear their fair portion of all costs including the share of Federal contributions for capital construction attributable to that part of the cost of constructed facilities attributable to use by industrial sources. It is the Committee's view that it is inappropriate in a large Federal grant program providing a high percentage of construction funds to subsidize industrial users from funds provided by the taxpayers at large. Accordingly, the bill imposes an obligation on the part of publicly owned systems to incorporate into their user charge schedule a component to recover, without interest, that proportion of the total Federal grant to the community for construction purposes attributable to industrial users. The Committee recognizes that there will be some administrative difficulties involved in establishing classes of industrial users and has left to the local system the obligation to set up an effective and equitable system, subject to the approval of the Administrator, inasmuch as the establishment of such a system is a precondition to Federal grants.

PUBLIC LAW 92-500

Public Law 92-500, enacted October 18, 1972, under "Title II -- Grants for Construction of Treatment Works" requires in Section 204(b)(1)(B) that the grantee applicant "has made provision for the payment to such applicant by the industrial users of the treatment works of that portion of the cost of construction" attributable to the Federal grant (75 percent of total grant eligible costs).

IMPLEMENTING REGULATIONS

40 C.F.R. § 35.903(k);
35.905-6;
35.905-7;
35.905-8;
35.920-3(b)(3) and -3(c);
35.925-12(a);
35.925-17;
35.928;
35.928-1;
35.928-2;
35.935-13(a)(c)(d)(e);
35.940; and
35.945(b).

FEDERAL GUIDELINES -- INDUSTRIAL COST RECOVERY SYSTEMS, MCD-45

Available from:

General Services Administration (8FFS)
Centralized Mailing List Services
Building 41, Denver Federal Center
Denver, Colorado 80225

¹ Federal Water Pollution Control Act Amendments of 1972, Report of the Committee on Public Works, U.S. House of Representatives, 92d Congress, 2d Session, House Report No. 92-911, March 11, 1972, pp. 91-92.

**FEDERAL WATER POLLUTION CONTROL
ACT AMENDMENTS OF 1972**

**REPORT
OF THE
COMMITTEE ON PUBLIC WORKS
UNITED STATES HOUSE OF REPRESENTATIVES**



Public Law 92-500
92nd Congress, S. 2770
October 18, 1972

An Act

86 STAT. 816

To amend the Federal Water Pollution Control Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Water Pollution Control Act Amendments of 1972".

SEC. 2. The Federal Water Pollution Control Act is amended to read as follows:

Federal Water
Pollution Control
Act Amend-
ments of 1972.
70 Stat. 498;
84 Stat. 91.
33 USC 1151
note.

TITLE I—RESEARCH AND RELATED PROGRAMS

DECLARATION OF GOALS AND POLICY

"SEC. 101. (a) The objective of this Act is to restore and maintain the chemical, physical, and biological integrity of the Nation's waters.

FEDERAL REGULATIONS

**Subpart E—Grants for Construction of
Treatment Works—Federal Water Pollution
Control Act Amendments of 1972**

**§ 35.903 Summary of construction grant
program.**

(k) Pursuant to section 204(b) of the Act, the grantee must comply with applicable user charge and industrial cost recovery requirements; see §§ 35.925–11, 35.925–12, 35.928, 35.935–13, and Appendix B of this subpart.

FEDERAL GUIDELINES

**INDUSTRIAL COST
RECOVERY SYSTEMS**

**MUNICIPAL WASTEWATER TREATMENT WORKS
CONSTRUCTION GRANTS PROGRAM**

FIGURE 3: ICR LEGAL REQUIREMENTS

ROLES AND RESPONSIBILITIES

EPA








- Reviews grantee's intent to install ICR (prior to approving a Step 2 grant);
- Reviews grantee's planned schedule of implementation for complying with ICR (prior to approving a Step 2 or Step 3 grant);
- Reviews evidence submitted by the grantee that an Industrial Cost Recovery System is being developed (prior to the payment of more than 50% of the Step 3 grant);
- Approves the grantee's ICR system and plans (prior to the payment of more than 80% of the Step 3 grant); and
- Audits grantee's records for compliance.

GRANTEE

- Prior to Step 2, submits satisfactory evidence of intent to comply with ICR requirements;
- Requests letters of intent from *significant* users;
- Executes reserve capacity contracts with those industrial users who desire to reserve capacity;
- Shows satisfactory evidence of ICR system development prior to the payment of more than 50% of the Step 3 grant;
- Completes ICR system design and obtains EPA approval prior to the payment of more than 80% of the Step 3 grant;
- Implements and maintains the approved ICR system when Step 3 construction is completed or when service is provided to the first industrial user;
- Reevaluates and updates the allocations of capacity to industrial users in conjunction with an annual review of ICR; and
- Adjusts the ICR shares proportionately when an expansion, upgrading of treatment or change in waste loadings occurs.

INDUSTRY

- Significant (10%+) industrial users must submit letters of intent to the grantee (prior to approval of Step 2 grant);
- Users requiring or desiring reserve capacity must contract for their needs;
- Industrial users must report any substantial changes in their wastewater characteristics; and
- Industrial users must make initial payments to the grantee within the first 12 months after initiation of service and at least annually thereafter.

ROLES AND RESPONSIBILITIES	INDUSTRIAL COST RECOVERY MILESTONES
<p>(1) Grantee submits evidence of agreement to implement ICR.</p> <p>Significant users (10% +) submit letters of intent to grantee who submits to EPA.</p> <p>(2) Grantee submits evidence to EPA that he is developing ICR system.</p> <p>(3) Grantee submits completed ICR system design, including opinion of adequacy, to EPA and obtains approval.</p> <p>(4) Grantee implements approved system.</p> <p>(5) Grantee bills industry and receives initial annual payment.</p> <p>(6) Grantee makes initial annual payment to EPA.</p> <p>(7) Grantee re-evaluates and updates ICR charges periodically.</p>	<p> Prior to Steps 2 or 3, depending on grant.</p> <p> Prior to EPA paying more than 50 percent of Step 3 grant.</p> <p> Prior to EPA paying more than 80 percent of Step 3 grant.</p> <p> Operational waste treatment works begins service.</p> <p> Within one calendar year after initiation of service.</p> <p> Within four months after end of grantee's fiscal year.</p> <p> In conjunction with annual review of ICR.</p>

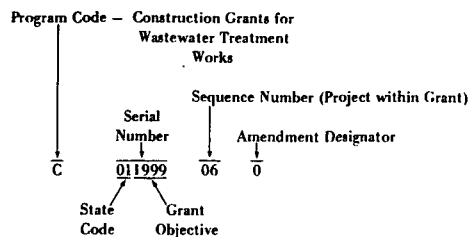
**FIGURE 4: PRIMARY ROLES AND RESPONSIBILITIES
IN DEVELOPING AND IMPLEMENTING ICR**

GRANTS – PROJECTS – AMENDMENTS

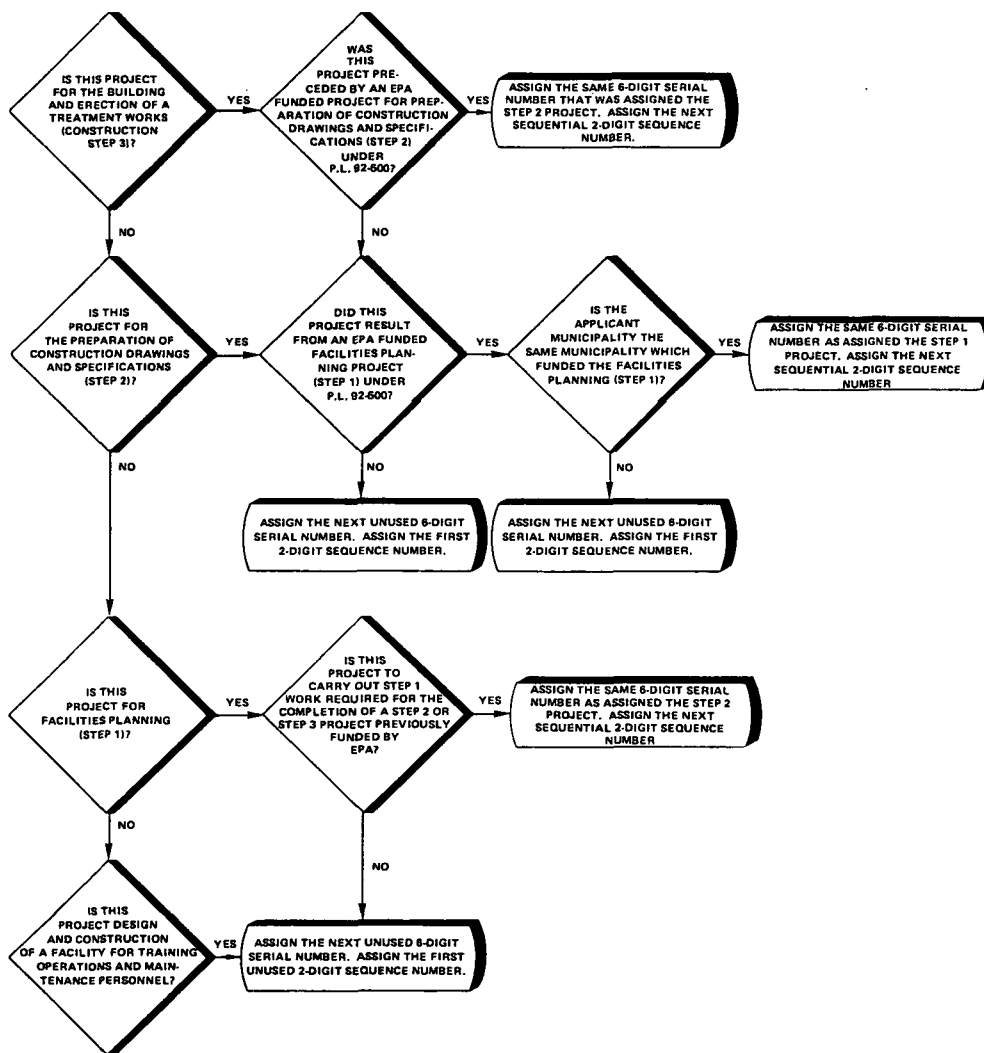
In order to establish a nationally uniform basis for determining what a Federal grant is under PL 92-500, it is necessary that grant designations and grant eligible costs be consistently defined by all regional administrators, states, and grantees.

Although treatment works' grants under PL 92-500 normally follow a three-step grant process, circumstances may vary with each grantee and among the various grants. However, the *Wastewater Treatment (WWT) Construction Grant Identification* document published by the Grants Administration Division of EPA applies to all grants. Figure 5 summarizes the grant assignment procedure, and the entire WWT document is reproduced in Appendix A. Any questions concerning the definition of total construction amounts to be incorporated into ICR calculations should be referred to the appropriate Regional Administrator.

Each new grant requires a separate consideration of industrial cost recovery, since each payment period relates to the year following the start-up of operations for which that grant was awarded. Billing and collection of each ICR share must occur on or prior to the calendar anniversary related to the specific grant for the first year. However, the grantee may adjust and accumulate payments from users under different grants and repay the Federal portion under its annual fiscal cycle or other appropriate annual period.



ASSIGNMENT OF EPA GRANT IDENTIFICATION NUMBERS BY THE STATES¹



¹ Adapted from U.S. Environmental Protection Agency, Grants Administration Division, Grants Information Guide, October 1976, page 4.

NOTE: See Page A-4 for pertinent notes and definitions.

FIGURE 5: ASSIGNMENT OF EPA GRANT IDENTIFICATION NUMBERS BY THE STATES

DEVELOPING THE ICR SYSTEM

ICR payments are to be made:

- only on that part of a treatment works (as defined in Section 212 of the Act and 40 C.F.R. § 35.905-4, -23) for which a Federal grant is made; and
- only by those industrial users served by the treatment works constructed under the grant.

The steps illustrated in Figure 6 are involved in designing the ICR system:

- identify the industrial users in accordance with EPA's regulations and the ICR Guidelines (*see page 14*);
- survey the industrial users to determine volume and loading (waste flow characteristics) and develop the industrial data base (*see page 16*);
- identify and describe the design requirements and costs of construction required to provide waste treatment service to industrial users (*see pages 16 and 18*);
- if required, classify industrial users into appropriate groups (significant, major, minor — *see page 18*) and identify waste characteristics by design parameter (*see page 18*);
- quantify total industrial waste volume and loading (including reserved capacity) in proportion to the total capacity of the treatment works (*see page 18*);
- determine costs of construction of the treatment works for ICR purposes (*see page 20*);
- calculate applicable capacity for ICR purposes, applicable grant eligible amounts for ICR purposes, and ICR unit costs (*see page 20*);
- calculate ICR unit cost rates based upon the ICR recovery period (*see page 22*);
- compute ICR payments for each industrial user (*see page 23*);
- develop a billing procedure (*see page 26*);
- establish funds management covering cash control, investment and disbursement (*see pages 28 to 31*); and
- document and provide EPA with details of the ICR system and plans in accordance with the ICR Guidelines (*see pages 34 to 39*).

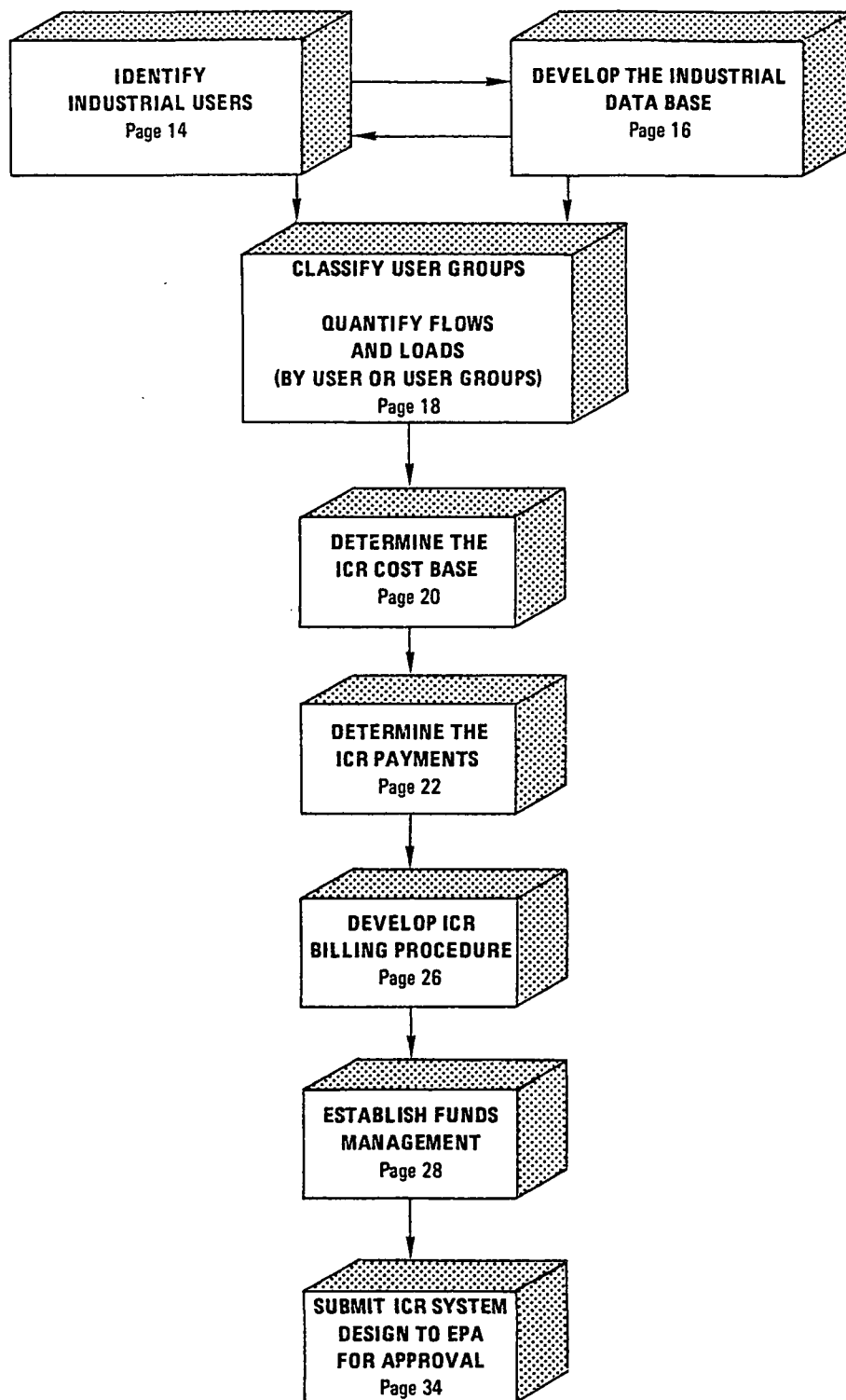


FIGURE 6: DEVELOPING THE ICR SYSTEM
(Page numbers indicate detailed discussions)

IDENTIFYING INDUSTRIAL USERS

An industrial user is defined in 40 C.F.R. § 35.905-8 as any nongovernmental user of publicly owned treatment works identified in the following divisions of the Standard Industrial Classification Manual (SIC), 1972:

- *Division A* — Agriculture, Forestry, and Fishing
- *Division B* — Mining
- *Division D* — Manufacturing
- *Division E* — Transportation, Communications, Electric, Gas, and Sanitary Services
- *Division I* — Services

Figure 7 illustrates the subdivision of the SIC system to the four-digit level. Appendix B contains a list of short SIC titles and four-digit industry classification numbers for these divisions.

The grantee has the option to exclude from ICR payments an industrial user in any of the above divisions provided the following conditions are met:

- the industrial user discharges only non-process segregated domestic wastes or wastes from sanitary conveniences; and
- the industrial user is not a significant user as defined in 40 C.F.R. § 35.925-12 (10 percent + loading).

In the event the grantee exercises this option, he must exclude every industrial user meeting the above requirements and he must also deduct the estimated sanitary wastes from all other industrial users who discharge both process and sanitary wastes prior to computing their ICR payments.

Diversified companies or establishments need to be defined in terms of specific products or services and resulting wastewaters generated within each SIC Division.

Division D

Manufacturing

The Division as a Whole

The manufacturing division includes establishments engaged in the mechanical or chemical transformation of materials or substances into new products. These establishments are usually described as plants, factories, or mills and characteristically use power driven machines and materials handling equipment. Establishments engaged in assembling component parts of manufactured products are also considered manufacturing if the new product is neither a structure nor other fixed improvement. Also included is the blending of materials such as lubricating oils, plastics, resins, or liquors.

MANUFACTURING

Major Group 30.—RUBBER AND MISCELLANEOUS PLASTICS PRODUCTS

The Major Group as a Whole

This major group includes establishments manufacturing from natural, synthetic, or reclaimed rubber, gutta percha, balata, or gutta siak, rubber products such as tires, rubber footwear, mechanical rubber goods, heels and soles, flooring, and rubber sundries. This group also includes establishments primarily manufacturing tires, but establishments primarily recapping and retreading automobile tires are classified in Industry 7534. This group also includes establishments engaged in molding primary plastics for the trade, and manufacturing miscellaneous finished plastics products. The manufacture of elastic webbing is classified in Major Group 22; products made of elastic webbing and garments made from rubberized fabrics in Major Group 23; and synthetic rubber in Industry 2822.

Group No.	Industry No.
--------------	-----------------

301	TIRES AND INNER TUBES
-----	------------------------------

3011	Tires and Inner Tubes
------	------------------------------

Establishments primarily engaged in manufacturing pneumatic casings, inner tubes, and solid and cushion tires for all types of vehicles, airplanes, farm equipment, and children's vehicles; tiring; and camelback, and tire repair and retreading materials. Establishments primarily engaged in retreading tires are classified in Industry 7534.

Camelback for tire retreading
Inner tubes: airplane, automobile, bicycle, motorcycle, and tractor
Pneumatic casings (rubber tires)
Tire sundries and tire repair materials, rubber

Tires, cushion or solid rubber
Tiring, continuous lengths: rubber, with or without metal core

302	RUBBER AND PLASTICS FOOTWEAR
-----	-------------------------------------

3021	Rubber and Plastics Footwear
------	-------------------------------------

Establishments primarily engaged in manufacturing all rubber and plastics footwear, waterproof fabric upper footwear, and other fabric upper footwear having rubber or plastic soles vulcanized to the uppers. Establishments primarily engaged in manufacturing rubber, composition, and fiber heels, soles, soling strips, and related shoe making and repairing materials are classified in Industry 3069; plastic soles and soling strips in Industry 3079.

Arctics, rubber or rubber soled fabric
Boots, plastics
Boots, rubber or rubber soled fabric
Canvas shoes, rubber soled
Footholds, rubber
Footwear, rubber or rubber soled fabric
Gaiters, rubber or rubber soled fabric
Galoshes, plastics
Galoshes, rubber or rubber soled fabric
Overshoes, plastics

Overshoes, rubber or rubber soled fabric
Pacs: rubber or rubber soled fabric
Sandals, rubber
Shoes, plastics soles molded to fabric uppers
Shoes, rubber or rubber soled fabric uppers
Shower sandals or slippers, rubber

Source: Standard Industrial Classification Manual: 1972, Executive Office of the President, Office of Management and Budget, pp. 57, 129. For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, Stock No. 4101-0066.

FIGURE 7: EXAMPLE OF SIC CLASSIFICATIONS

DEVELOPING THE INDUSTRIAL DATA BASE

The grantee or his consulting engineer must confirm the existence of industrial dischargers and define their SIC codes. He then must determine or confirm existing and projected wastewater loads and characteristics for each industrial user. This data base will later permit classification of industrial users into appropriate groups for the determination of ICR payments. The data base will also provide analytical input to aid in the determination of:

- a continuing comparison of wastewater compatibility with existing and projected treatment works and the degree of pretreatment required (initially included as a facility plan consideration);
- the desirability of exercising the exclusion option from ICR payments for "dry" industries contributing segregated domestic wastewaters only; and
- consideration of the significance of the volume of nonprocess sanitary or segregated domestic wastewater received from "wet" industries to aid the grantee in determining if he wishes to apply the credit to users' total loads by subtracting this fraction before computing ICR since the exclusion consideration must be applied equitably to both "wet" and "dry" industries.

Figure 8 illustrates four survey approaches which may be utilized to aid classification. Refinements, sometimes initially unavailable because of record inadequacy and limits in the confidence of projections, can be incorporated during each year's annual review. Appropriate adjustments in ICR allocations can then be applied. The best available information should be utilized in projecting design flows and loadings (waste flow characteristics).

The grantee must reevaluate and update, no less frequently than annually, flows and loadings of all industrial users for ICR purposes.

(1) SAMPLE ANALYSIS

Bouncy Baby Shoe Co. SIC 3021 – 1940 Broad Street					
		DATES			
		8/1/75	9/10/75	11/6/75	Design
Flow – Average	gpd	68,000	72,000	70,000	70,000
Nitrogen	mg/1	–	–	–	–
Total Phosphorus	mg/1	–	–	–	–
BOD	mg/1	350	340	360	350
Suspended Solids	mg/1	580	600	590	590
COD	mg/1	–	–	–	–
Dissolved Oxygen	mg/1	–	–	–	–
Note – Pretreated Effluent					

(2) NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM¹

GENERAL INSTRUCTIONS, SHORT FORMS, STANDARD FORMS, AND A DISCHARGE MONITORING REPORT FOR APPLICATIONS FOR PERMIT DISCHARGES UNDER THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM																	
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM APPLICATION FOR PERMIT TO DISCHARGE – SHORT FORM C To be filed only by persons engaged in manufacturing and mining	<div>FOR AGENCY USE</div> <table border="1"><tr><td colspan="4">APPLICATION NUMBER</td></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td colspan="4">DATE RECEIVED</td></tr><tr><td>YEAR</td><td>MO.</td><td colspan="2">DAY</td></tr></table>	APPLICATION NUMBER								DATE RECEIVED				YEAR	MO.	DAY	
APPLICATION NUMBER																	
DATE RECEIVED																	
YEAR	MO.	DAY															
<div>FORM APPROVED OMB No. 158–R0100</div> <table border="1"><tr><td colspan="4">FOR AGENCY USE</td></tr><tr><td></td><td></td><td></td><td></td></tr></table> <p>STANDARD FORM A–MUNICIPAL</p> <p>SECTION IV. INDUSTRIAL WASTE CONTRIBUTION TO MUNICIPAL SYSTEM</p>		FOR AGENCY USE															
FOR AGENCY USE																	

(3) TREATMENT PLANT RECORDS

1972 Bouncy Baby Shoe Co.			
1971 Bouncy Baby Shoe Co.			
Daily Averages/Month for Design Purposes			
	Flow	BOD	SS
January	65,000	300	570
February	68,000	320	560
March			

(4) COMPANY OR PLANT DATA OR ESTIMATE OF REQUIREMENT

The Bouncy Baby Shoe Company

For 1978, it is estimated that our waste discharge should not exceed 70,000 gpd and

¹Can be obtained from U.S. Environmental Protection Agency
Regional Office (See Appendix D).

FIGURE 8: ILLUSTRATIVE SURVEY APPROACHES FOR DESIGN REQUIREMENTS

CLASSIFYING USER GROUPS

QUANTIFYING FLOWS AND LOADINGS

The classification of industrial establishments by waste generation characteristics is necessary for the grantee to determine:

- the extent, frequency, and types of monitoring required to refine the data base in order to assure proportionality of ICR and user charges, to enforce pretreatment commitments, and to detect violators;
- the feasibility of establishing a group of establishments whose low volume and strength discharges appear to be too small to justify more than infrequent monitoring and which can be mathematically averaged and assessed equal segments of the ICR group total.

Following the definition and identification of industrial users, together with their wastewater discharges, the classification by appropriate groups then permits quantifying flows and contaminant loadings to determine the volume and loading of wastes introduced by industrial users in proportion to the total design treatment plant volume and loading (both present and reserved) of the total wastewater treatment plant load as illustrated in Figure 9.

It should be noted that the design committed ICR flows and loadings can, and probably will, be different from the aggregate of actual annual operating flows and loadings which form the basis for that year's user charges as well as the following year's allocations for ICR.

THE LOST RIVER SANITARY DISTRICT
1.9 MGD DESIGN CAPACITY NEW SECONDARY PLANT

	No. of Accounts	SIC Code	No. of Employees	Type of Waste	DESIGN/COMMITTED		
					Flow GPD	BOD No. PD	S. S. No. PD
INDUSTRIAL¹							
A. Significant (+10%)							
Sometime Oil Co.	1	2911	150	Process	100,000	600	500
(Unused Reserve)		2911	50	Process	100,000	600	500
Subtotal	1		200		200,000	1,200	1,000
B. Major (5-10%)							
Average Ice Cream, Ltd.	1	2024	200	Process	150,000	600	1,000
C. Minor (1-5%)							
Bouncy Baby Shoe Co.	1	3021	300	Pretreat	70,000	350	590
D. Minor Group (-1%)							
Daily Egg Co.	1	0252	50	Process	4,000	30	50
Hot Fire Clay Co.	1	1453	Varies	Process	3,500	28	45
Reliable Gas Co.	1	4925	25	Process	5,500	32	40
Long Wire, Inc.	1	3315	20	Process	2,000	30	45
Subtotal	4		Variable		15,000	120	180
E. Dry-Sanitary Only³							
Accountable Data, Inc. (Can be excluded-ICR)	1	7374	500	Sanitary	15,000	30	30
Total Industrial	8				450,000	2,300	2,800
COMMERCIAL²							
Miscellaneous	10	—	—	Sanitary	50,000	150	200
RESIDENTIAL²	3,000	—	—	Sanitary	1,000,000	1,700	2,000
Total Designated Capacity					1,500,000	4,150	5,000
Unreserved Excess Capacity					400,000	850	1,000
Total Design Capacity					1,900,000	5,000	6,000
Nonexcessive I/I Allowance					(100,000)	0	0
Design Capacity for ICR					1,800,000	5,000	6,000

NOTES:

¹ "Federal Guidelines—Industrial Cost Recovery Systems," February, 1976, Environmental Protection Agency. Page 10, Table 3.

² Ibid. Page 9, Table 2.

³ Ibid. Page 5, para. 8, B(1) and Page 13, para. 9, A. If "dry" industries are excluded, appropriate credits for domestic waste should be applied to "wet" industries

FIGURE 9: CLASSIFYING AND QUANTIFYING USERS

DETERMINING THE ICR COST BASE

The user classification and quantification summary (see Figure 9) provides total flows and strengths illustrative of the situation at the time of ICR development. The grantee must then determine the flows and strengths subject to ICR by subtracting exclusions and exemptions. These totals can then be translated into capital costs per unit of treatment from grant cost data, as illustrated in Figure 10.

The industrial cost recovery share of grant assistance is limited (1) to that portion representative of industry's use or (2) to reserve capacity firmly committed to it [40 C.F.R. §35.928-1(g)].

Exemptions from ICR systems include grant projects or portions of projects for:

- correction or treatment of excessive I/I;
- corrections of combined sewer overflows;
- collection or treatment of stormwater; and
- those grantees who will not initially provide service to industry.

Typical exclusions from design flows and strengths for capital cost calculation purposes include:

- at the grantee's option, the deduction of segregated domestic wastewater or wastewater from sanitary conveniences from total flows; and
- in the case of expansion only, those establishments not requiring any of the expanded capacity if they have reserved a portion of an existing treatment works by a written contract or agreement effective March 1, 1973 or earlier.

Industrial users are not charged for unreserved excess capacity. In calculating design flows, grantees are permitted to deduct from total design capacity those flows directly attributable to "nonexcessive" infiltration and inflow (I/I) to arrive at design capacity for ICR purposes.

THE LOST RIVER SANITARY DISTRICT

1.9 MGD DESIGN CAPACITY NEW SECONDARY PLANT

CALCULATION OF APPLICABLE CAPACITY	Flow-G/D	BOD Lbs./D	S.S. Lbs./D
Total Design Capacity	1,900,000	5,000	6,000
Less Deductions:			
Nonexcessive I/I	<u>(100,000)</u>	<u>0</u>	<u>0</u>
Total Capacity for ICR Purposes	1,800,000	5,000	6,000

CALCULATION OF APPLICABLE COSTS ¹	Flow Related	BOD Related	S.S. Related	TOTAL COSTS
Step 1 Costs	\$ 33,000	\$ 12,000	\$ 5,000	\$ 50,000
Step 2 Costs	99,000	36,000	15,000	150,000
Step 3 Costs	<u>1,217,000</u>	<u>453,000</u>	<u>185,000</u>	<u>1,855,000</u>
Total Grant Eligible Costs	\$1,349,000	\$501,000	\$205,000	\$2,055,000
Less Step 2 Nonexcessive I/I Costs	(5,200)	0	0	(5,200)
Less Step 3 Nonexcessive I/I Costs	(64,000)	0	0	(64,000)
Less Step 3 Sewer Rehabilitation Costs	<u>(10,000)</u>	<u>0</u>	<u>0</u>	<u>(10,000)</u>
Total of All Costs for ICR Purposes	\$1,269,800	\$501,000	\$205,000	\$1,975,800
75% Federal Grant Portion Equals				
Total Grant Amounts for ICR Purposes	\$952,350	\$375,750	\$153,750	\$1,481,850
Total Grant Amounts for ICR Purposes	\$952,350	\$375,750	\$153,750	
Divided by Total Capacity for ICR Purposes	1,800,000	5,000	6,000	
Equals ICR Unit Costs of Construction for the Useful Life of the Treatment Works ²	\$529.08/ 1,000 G/D	\$75.15/ lbs./D	\$25.62/ lbs./D	

¹"Federal Guidelines – Industrial Cost Recovery Systems," February 1976, Environmental Protection Agency. Page 8, Table 1. Ibid. Page 7, "Grantees may allocate costs associated with flow, BOD, suspended solids, etc., to the treatment facility as a whole, without resorting to the component-by-component analysis shown in Table 1."

² Ibid. Page 9, Table 2.

FIGURE 10: EXAMPLE OF CALCULATIONS REQUIRED TO DETERMINE ICR UNIT COSTS

DETERMINING ICR PAYMENTS

Federal grant amounts subject to ICR are to be recovered from the industrial users over a period of time equal to 30 years or the useful life of the treatment works. The lesser time period is to be utilized [40 C.F.R. §35.928-1(b)].

Assuming that the ICR period has been established as 30 years, to determine capital costs per year, total capital cost rates from p. 21, bottom line, become:

$$\text{Flow} = \frac{\$529.08}{30} = \$17.636/1,000 \text{ G/D/Year}$$

$$\text{BOD} = \frac{\$75.15}{30} = \$2.505/\text{Lbs./D/Year}$$

$$\text{S.S.} = \frac{\$25.62}{30} = \$0.854/\text{Lbs./D/Year}$$

FIGURE 11: DETERMINATION OF ANNUAL ICR UNIT COST RATES

Multiplying the ICR annual unit cost rates by the industrial users' annual measured or estimated flows and contaminant loadings results in annual ICR payment determinations shown in the example in Figure 12 which also illustrates the distribution of payment requirements by users within groups based upon factors such as strength, volume, and delivery flow rate characteristics [40 C.F.R. §35.928-1(d)].

Figure 12 also indicates that the total ICR billings over the 30-year period would recover slightly more than \$482,000, and that total ICR payments would be less than the total costs subject to ICR by the amounts not billed to residential and institutional users and those commercial establishments not included in Division I. It should be noted that, since each year's ICR billings will be a function of usage, there will probably be variations in the annual amounts.

THE LOST RIVER SANITARY DISTRICT

1.9 MGD NEW SECONDARY PLANT – 1977 START UP

USER	Design Daily Flow and Loadings	\$17.636 1,000 G/D/Year Flow	\$2.505 Lbs./D/Year BOD	\$0.854 Lbs./D/Year S.S.	TOTAL
A. Significant (10%+) Sometime Oil	200,000 g flow 1,200 lbs. BOD 1,000 lbs. S.S.	\$3,527.20	\$3,006.00	\$854.00	\$ 7,387.20
B. Major (5-10%) Average Ice Cream	150,000 g flow 600 lbs. BOD 1,000 lbs. S.S.	2,645.40	1,503.00	854.00	\$ 5,002.40
C. Minor (1-5%) Bouncy Baby Shoe	70,000 g flow 350 lbs. BOD 590 lbs. S.S.	1,234.52	876.75	503.86	\$ 2,615.13
D. Minor Group (-1%) Daily Egg Hot Fireclay Reliable Gas Long Wire	Design Average per User 3,750 g flow 30 lbs. BOD 45 lbs. S.S.	66.13	75.15	38.43 4 X \$179.71 =	\$ 718.84
E. Dry-Sanitary Only ¹ Accountable Data, Inc.	15,000 g flow 30 lbs. BOD 30 lbs. S.S.	264.54	75.15	25.62	\$ 365.31
Total ICR Per Year Payable for the First Year ²					\$ 16,088.88
Total ICR (1977-2007): at a constant rate would be 30 years X \$16,088.88 =					\$482,666.40

¹Grantee has chosen not to exempt sanitary wastes.

²ICR is to be reevaluated and updated each year based upon monitoring of industrial users.

FIGURE 12: CALCULATION OF ANNUAL AND TOTAL ICR PAYMENTS REQUIREMENTS

DETERMINING ICR PAYMENTS (Continued)

In addition to ICR determinations for proportional sharing of capital costs within one grant, subsequent grants will require that the grantee again allocate costs in accordance with demand and anticipated usage by each establishment.

If there is an expansion or upgrading of the treatment works, each existing industrial user's share may be adjusted accordingly [40 C.F.R. §35.928-1(f)]. One exception exists which is covered in the Industrial Cost Recovery Guidelines, pages 5-6, Section 8(B)(2). This case covers agreements for reserved capacity existing as of March 1, 1973 with industrial users who have paid a reasonable portion of capital costs associated with that expansion capacity.

Figure 13 covers the "reserved capacity" case under which the industrial user has been making payments for actual flows and loadings and unused reserved flows and loadings since 1977 (Figures 9 and 12).

ICR IS ADDITIVE OVER TIME FOR EXPANSIONS AND UPGRADING

Sometime Oil Co.'s projected program is that the firm will require 100,000 G/D flow and associated loading in the new 1977 secondary plant and has signed an agreement to reserve equal capacity to permit doubling of its requirements in 1980. The company will require no additional capacity from the 1982 expansion. The treatment works is to be upgraded to AWT in 1985. Sometime Oil's share will be in proportion to its reserved usage in terms of the cost of upgrading, projected over an assumed 30 years. The AWT upgrading costs are assumed to be allocated 66 percent to flow; 24 percent to BOD; and 10 percent to suspended solids. The flow and loadings are assumed to be 4 MGD, 12,000 lbs./D of BOD, and 14,000 lbs./D of S.S. Sometime Oil Co.'s used and unused reserve capacities are 200,000 G/D, 1,200 lbs./D of BOD, and 1,000 lbs./D of S.S.

SOMETIME OIL COMPANY							
Upgrade Calculations for AWT							
					<u>Total</u>		<u>Per Year</u>
Flow	=	$\frac{200,000 \text{ G/D}}{4,000,000 \text{ G/D}}$	X	\$2,250,000	X .66	= \$74,250.00 ÷ 30	= \$2,475.00
BOD	=	$\frac{1,200 \text{ lbs/D}}{12,000 \text{ lbs/D}}$	X	\$2,250,000	X .24	= \$54,000.00 ÷ 30	= \$1,800.00
S.S.	=	$\frac{1,000 \text{ lbs/D}}{14,000 \text{ lbs/D}}$	X	\$2,250,000	X .10	= $\frac{\$16,071.41}{\$144,321.41} \div 30$	= $\frac{\$535.71}{\$4,810.71}$

<u>Date</u>	<u>Grant Sequence</u>	<u>Size</u>	<u>Type</u>	<u>Total Cost for ICR Purposes</u>	<u>Total Grant for ICR Purposes</u>	<u>Total Share</u>	<u>Share Per Year</u>
1977	New	1.9	MGD Secondary	\$1,975,800	\$1,481,850	\$221,616.00	\$7,387.20
1982	Expansion	2.1	MGD Secondary	\$2,500,000	\$1,875,000	0.00	0.00 ¹
1985	Upgrade	4.0	MGD AWT	\$3,000,000	\$2,250,000	\$144,321.40	\$4,810.71

ICR Is Additive

Sometime Oil's annual payments between 1977-1985 will be \$ 7,387.20/year.
between 1985-2007 will be \$12,197.91/year.
between 2007-2015 will be \$ 4,810.71/year.

¹ If Sometime Oil Co. had not reserved capacity in 1977, this industrial user's additional payments, over 1977 design flow and loading between 1982 and 1985, would be:

						<u>Total Share</u>		<u>Share/Year</u>
Flow	=	$\frac{100,000}{2,100,000}$	X	\$1,875,000	X .66	= \$58,928.51	÷ 30	= \$1,964.28
BOD	=	$\frac{600}{5,000}$	X	\$1,875,000	X .24	= \$54,000.00	÷ 30	= \$1,800.00
S.S.	=	$\frac{500}{6,000}$	X	\$1,875,000	X .10	= $\frac{\$15,624.99}{\$128,553.50}$	÷ 30	= $\frac{\$520.83}{\$4,285.11}$

In addition, the user would risk not being able to expand in 1980.

FIGURE 13: EXPANSION/UPGRADING PAYMENTS CALCULATIONS

BILLING

The grantee must assure that billings shall be made to and payments received from industrial users at least annually. The initial payment must be made by the date which coincides with the anniversary of the initiation of usage of the treatment works or of the completion of an improvement such as an expansion or upgrading [40 C.F.R. 35.928-1(c)].

Billing can be on an annual basis or can be more frequent. When grantees prepare ICR billings related to more than one grant project, they can submit commingled billings to each industrial user. Such billings should:

- indicate the amount owed relative to each grant; and
- indicate the total amount owed.

Since one of the objectives of PL 92-500 [Section 204(b)(2)(B)] is to generate increased awareness of the cost of treating sewage possessing strengths higher than normal residential flows, each ICR billing should also indicate, by grant, the breakdown of charges by design parameter (flow, BOD, SS, et al.). Billing calculations are simply a multiplication of actual use or total reserved capacity (used and unused), times the calculated ICR rates for each component. Figure 12 on page 23 illustrates the calculations for the industrial community.¹

The example in Figure 14 illustrates a format of an annual ICR billing. An industrial user is billed both for used and unused reserve capacity of Flow, BOD, and Suspended Solids. The respective unit cost rates shown in this example are those derived in Figure 11 on page 22.

Each individual user's ICR billings may vary from year to year if usage increases. Total annual ICR payments to the grantee may increase in accordance with total industrial usage.¹

To aid bringing ICR payment receipts into cycle with the grantee's fiscal year, initial or later billing for a partial year is permitted. Sequential billings and receipts can then conform to the grantee's accounting period throughout the life of the ICR period (i.e., 29 years) with an adjusted partial billing in the final year.²

¹ Federal Guidelines — Industrial Cost Recovery Systems, February 1976, Environmental Protection Agency. Page 4, para 6(A) and para 7.

² Ibid. Page 15, para 16(A).

**THE LOST RIVER SANITARY DISTRICT
14 GRANT AVENUE
ONETIME, OHIO 32323**

February 1, 1978

Sometime Oil Co.
1433 Expansion Way
Onetime, Ohio 32324

TO THE LOST RIVER SANITARY DISTRICT DR.

Reference Grant No. C-39-1999

Industrial Cost Recovery payment for period March 1, 1977, through February 28, 1978.
Please arrange to have your payment in our office no later than February 28, 1978.

Flow: 100,000 g used reserve
 100,000 g unused reserve
 200,000 g @ \$17.636/1,000 g/d/year

\$3,527 20

BOD: 600 lbs used reserve
 600 lbs unused reserve
 1,200 lbs @ \$2.505/lb/d/year

3,006 00

Suspended
Solids: 500 lbs used reserve
 500 lbs unused reserve
 1,000 lbs @ \$0.854/lb/d/year

854 00

TOTAL DUE:

\$7,387 20

Initial date of plant operation and service, March 1, 1977.

FIGURE 14: SAMPLE BILLING FORMAT

FUNDS MANAGEMENT
CASH CONTROL

Cash received by grantees as payments for amounts billed to industrial users for industrial cost recovery must be promptly invested.

Since the grantee will record every Industrial Cost Recovery billing as an "accounts receivable – Industrial Cost Recovery," the grantee's normal accounting for payments on accounts receivable will provide control of the recording of individual receipts.

However, in order to ensure prompt investment of ICR receipts, a supplementary record of cash received and invested must be maintained. This record should consider both cash received as payments on accounts receivable as well as cash received from investment income and from maturity of previous investments.

Figure 15 is an example of an appropriate system for controlling Industrial Cost Recovery cash and its investment. This format accomplishes the following requirements:

- Daily receipts are added to any beginning balance to determine total cash available for investment.
- Total daily receipts are considered, rather than individual receipts from specific industrial users. The grantee's accounts receivable system will control individual receipts.
- Investment principal and income receipts are both included.
- The record is *daily*, in order to facilitate prompt investment of available cash.
- Amounts invested are recorded, in order to determine an ending cash balance, which is in turn the beginning cash balance for the following day.

The illustration assumes:

- a beginning cash balance of \$600;
- that the February 24 cash receipts consisted solely of payment of the bill sent to Sometime Oil Company on February 1, 1978 (page 27), and that February 25 receipts consisted of the remainder of payments of ICR billings for the first year (see page 23); and
- that \$16,000 U.S. Treasury Notes were purchased at a price of \$16,000.00 on February 25, 1978.

Subsequent entries in Figure 15 relate to the continuation of this example involving reinvestment as shown in Figure 16. The ending balance is carried to Figure 17 as total income and is there apportioned to derive the amount due to EPA and the amounts to be retained.

Investment guidelines are discussed in detail on page 30. As a general rule, no ICR balances in excess of a stated minimum (e.g., \$1,000) should remain uninvested longer than a stated period of time (e.g., five business days). Prompt investment of available monies, so as to maximize investment income, is of paramount importance.

INDUSTRIAL COST RECOVERY CASH CONTROL RECORD

Grant No.: C-39-1999

DATE	CASH RECEIVED					
	Beginning Cash Balance (1)	From Payments On Accounts Receivable (2)	From Investment Principal Or Income (3)	Total Cash Available (1 + 2 + 3)	Cash Invested	Ending Balance
February 24, 1978	\$ 600.00	\$7,387.20	\$ 0.00	\$ 7,987.20		\$ 7,987.20
February 25, 1978	\$ 7,987.20	\$8,701.68	\$ 0.00	\$16,688.88	\$16,000.00	\$ 688.88
October 1, 1978	\$ 688.88		\$16,560.00	\$17,248.88		\$17,248.88
October 3, 1978	\$17,248.88			\$17,248.88	\$17,000.00	\$ 248.88
January 31, 1979	\$ 248.88		\$17,368.00	\$17,616.88		\$17,616.88

FIGURE 15: EXAMPLE OF CASH RECORD

INVESTMENT

40 C.F.R. § 35.928-2 provides that 90 percent of the amounts recovered from industry must be temporarily invested prior to either repayment to EPA or expenditure for other authorized purposes. The regulations specifically state that the only permissible investments are:

- obligations of the U.S. Government;
- obligations guaranteed as to principal and interest by the U.S. Government or by an agency of the U.S. Government; and
- accounts fully collateralized by such obligations specified above.

Obligations of the U.S. Government

Direct obligations of the U.S. Government include:

- Treasury bills, which generally mature in less than one year;
- Treasury notes, which generally mature in one to five years; and
- Treasury bonds, which generally mature in more than five years.

Such obligations can be purchased for very short periods of time (i.e., a few days), and grantees are encouraged to invest cash that will be idle even for such short periods.

Obligations Guaranteed as to Principal and Interest by U.S. Government Agencies

There are two classes of investments that fall into this category. The first is that of savings accounts which are guaranteed by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. These accounts are only insured up to \$40,000. The second consists of those securities issued by instrumentalities of the United States, including the Intermediate Credit Banks, Federal Home Loan Banks, Federal Land Banks, and the Banks for Cooperatives.

Collateralized Accounts

Banks invest in the types of securities described above as a normal part of their business. They are frequently willing to use such investment securities as collateral for both the principal and interest of certificates of deposit issued by them. Grantees may invest amounts recovered from industry in bank certificates of deposit only to the extent that such collateral is provided.

To facilitate the control of actual investments of ICR receipts, the grantee should maintain a supplementary ICR investment record. Some grantees may now utilize an investment record system which may be adapted to ICR requirements. If not, a supplementary investment record should be adapted which will accommodate the following investment details:

- date of purchase;
- cost;
- description of the investment vehicle (U.S. Treasury Notes maturing September 30, 1978); and
- amount available for reinvestment at maturity.

Figure 16 (see below) is an example of a format for an investment record which will accomplish the foregoing requirements. This example has recorded the purchase of Treasury Notes referred to previously.

It is important to note that, when cash is available for investment, the Cash Record notes the amount available and the amount invested, while the Investment Record notes the details of the investment.

Correspondingly, when an investment has matured and funds are available for reinvestment, the Investment Record notes in its final two columns (date and amount) that an investment has matured, while the Cash Record incorporates the available funds in its determination of funds available for new investment.

To facilitate calculation of amounts to be disbursed to EPA (see page 33), it is recommended that all investments be scheduled to mature on, or immediately prior to, the end of the grantee's fiscal year, to simplify the calculation of the exact amount of investment income received during the fiscal year.

INDUSTRIAL COST RECOVERY INVESTMENT RECORD				
Grant No.: C-39-1999				
Date of Purchase	Cost	Description of Investment Vehicle	Date Available for Reinvestment	Amount Available for Reinvestment or Disbursement
2-25-78	\$16,000.00	\$16,000 U.S. Treasury 6% Notes Due 9-30-78	10-1-78	\$16,560.00
10-3-78	\$17,000.00	\$17,000 U.S. Treasury 6½% Notes Due 1-31-79	2-1-79	\$17,368.00

FIGURE 16: EXAMPLE OF ICR INVESTMENT RECORD

DISBURSEMENT

Ten percent of the original ICR payments can be invested or spent by the grantee, subject to two limitations. They may not be used for industrial pretreatment facilities or as rebates to industrial users.

Fifty percent of the original amount, together with 50 percent of the accumulated interest, is to be paid by check to the U.S. Environmental Protection Agency and forwarded to the Financial Management Office of the Regional Administrator. The closing date for making such payments has been established as no later than four months after the end of the grantee's annual accounting period.

The remaining 40 percent of the original amount is to continue to be invested in appropriate accounts (together with the optional 10 percent if desired) until its use is required by the grantee for expansion or reconstruction of the treatment works. Eligible costs are defined in 40 C.F.R. § 35.940. The written approval of the Regional Administrator is required prior to commitment of any of this 40 percent [40 C.F.R. § 35.928-2(b)]. Approval is not considered a grant, since these funds are considered to belong to the grantee.

Immediately following the close of the grantee's fiscal year, the grantee should determine, by grant:

- total ICR payments received during the year; and
- total investment income attributable to the year's ICR receipts (as noted on page 33). This calculation will be facilitated if all investments are scheduled to mature on, or immediately prior to, the close of the fiscal year.)

Of the total ICR payments received plus investment income earned, by grant:

- 50% must be scheduled for remittance to EPA no later than four (4) months after the close of the grantee's fiscal year (together with 50% of any investment income earned during the period between the fiscal year end and the remittance date). The check illustration, Figure 17, presents the format required to properly remit funds to EPA.
- 40% must be identified as a separate fund, appropriately invested, and retained until its use is approved.
- 10% may be used at the grantee's discretion, subject to the two limitations noted on page 32.

The grantee's accounts receivable system should be structured so as to quickly summarize the year's total ICR payments received.

In determining the year's investment income, it is recommended that all investment income during the year attributable to the year's ICR payments received, be credited to a specific revenue account. This revenue account should not reflect investment income from any other source.

<u>RECEIPTS AND DISBURSEMENTS SUMMARY</u>			
INCOME		DISBURSEMENTS	
Cash Balance	\$ 600.00	50% Due EPA	\$ 8,808.44
ICR Payment	16,088.88	40% Retained, reinvested	7,046.75
Interest Income	928.00	10% Retained, flexible usage	1,761.69
Total	<u>\$17,616.88</u>	Total	<u>\$17,616.88</u>

<u>CHECK</u>	
<p>The Lost River Sanitary District 14 Grant Avenue Onetime, Ohio 32323</p>	
<p>Date <u>February 20, 1979</u></p>	
<p>Pay to <u>U.S. Environmental Protection Agency</u></p>	<p><u>\$ 8,808.44</u></p>
<p><u>Eight Thousand Eight Hundred Eight and 44/100</u></p>	<p><u>Dollars</u></p>
<p>Signed _____</p>	
<p>Submission of ICR Receipts Grant C-39-1999</p>	<p>Employer Identification Number _____</p>

NOTE: Make check out to U.S. E.P.A. and address to appropriate Regional Financial Management Office of EPA (see Appendix D). EPA, in turn, will deposit collections to a specific Treasury Department receipt symbol.

FIGURE 17: DISBURSEMENT SUMMARY AND CHECK/FORMAT

ICR DESIGN CHECKLIST

A checklist has been developed for periodic review of the progress in planning and designing the major components of an ICR system. It is anticipated that this checklist will aid the grantee and his consultants in assessing progress against major milestones, in highlighting any specific components which may be causing difficulties, and in reviewing the grantee's compliance with Steps 2 and 3 requirements.

The checklist identifies major systems' activities in a typical sequence. It is expected that each grantee's ICR effort will vary to some degree. A completed ICR system checklist accompanied by a brief narrative report can be of assistance to the grantee in measuring his own progress toward satisfying and completing each activity required for approval at, or prior to, the review points established by EPA. An example of such a checklist is shown in Figure 18. It lists the activities that must be completed prior to the 50% and 80% grant payment. Activity A must have been completed prior to approval of the grant Step 2 or 3 application. Activity B must be completed prior to payment of the 50% grant. Activity C, including all items, must be completed prior to payment of the 80% grant.

The format of the checklist allows the grantee and his consultants to monitor the progress of each activity through the preliminary, intermediate, and final stages leading to completion. The four stages are broad divisions of the work program. The preliminary stage is indicated as, for example, from 0-30% completion; the intermediate stage from 30-60%; the final stage from 60-90%; and the completed stage as 100%. This four-stage progression to completion allows the grantee to more closely define and control the progress of each activity of the ICR system design. Each grantee may establish different stages of completion for monitoring progress of each activity (i.e., 25-50-75-100%).

Although the checklist allows the grantee to monitor the progress of each activity against major milestones, it does not provide a basis for evaluating the satisfactory progress of the ICR system at different points in the construction program. Two illustrative examples follow, Figure 19, 40% Grant Payment, and Figure 20, 60% Grant Payment to aid comparison of progress and to show the usage of the checklist.

EPA GRANT NO. C-39-1999-06
 NAME OF GRANTEE Lost River Sanitary District
 GRANTEE'S ADDRESS 14 Grant Avenue
Onetime, Ohio 32323
 NAME OF FACILITY Bubble Bridge
 BRIEF DESCRIPTION New Secondary
1.9 MGD

NORMAL REVIEW POINT	ACTIVITY INVESTIGATED	ACTIVITY STATUS							REMARKS
		Date Initiated	Planned Completion Date	Preliminary	Intermediate	Final	Completed	Actual Completion Date	
A. Prior to Approval of Step 2 or 3 Grant Application	A.1 – Has the grantee submitted evidence of agreement to implement ICR?								
	A.2 – Have significant industrial users submitted letters of intent to the grantee stating period of use?								
B. Prior to Grantee Request for Payment of More Than 50% of Step 3 Grant	B.1 – Has the grantee identified staff, consultants and legal counsel responsible for the development of the ICR system?								
	B.2 – Has the grantee developed a detailed schedule for completion of all significant portions of the ICR system?								
C. Prior to Requesting Payment of More Than 80% of Step 3 Grant	C.1 – Has the grantee completed Appendix A including: ● (a) definition and identification of industrial users? ● (b) development of industrial data base? ● (c) classification and quantification of user groups? ● (d) determination of the ICR cost base? ● (e) allocation of proportionate capital costs? ● (f) descriptions of proposed billing procedures? ● (g) establishment of the legal basis for the ICR system? ● (h) description of funds management, investment, and disbursement systems? ● (i) description of appeals procedure? ● (j) methodologies for ICR system review and revision?								
	C.2 – Has the grantee completed Appendix B "Opinion of Legal Counsel" of the ICR Guidelines?								
	C.3 – Has the grantee passed a resolution or executed a written agreement covering implementation of the ICR system?								
	C.4 – Has the grantee submitted the ICR system to the EPA and received approval?								

X = Planned
 ✓ = Actual Status

FIGURE 18: ICR DESIGN CHECKLIST

40% GRANT PAYMENT ICR CHECKLIST

This exhibit, Figure 19, illustrates a suggested status for an ICR system when the construction program has reached the 40% point. Activities A.1 and A.2 should have been completed earlier. Activities B.1 and B.2 should be in the final stage. Activity C.1 can be initiated as soon as the staff is identified and a completion schedule has been developed. To evaluate the progress of this system, the grantee should:

- assign a start date and a projected completion date for each activity;
- indicate with a "✓" the actual status of each activity in the grantee's ICR system design;
- compare the progress indicated by the "✓" with the planned progress indicated by the "Xs"; and
- use the remarks column to note the activities which are lagging and direct the efforts of the ICR staff to concentrate on these activities to avoid delay in obtaining approval to permit obtaining the 50% payment on time.

The grantee and others can use this ICR status checklist to evaluate the progress of the design, pinpoint slow moving activities, and plan staff assignments accordingly.

A GRANT NO.	<u>C-39-1999-06</u>
NAME OF GRANTEE	<u>Lost River Sanitary District</u>
GRANTEE'S ADDRESS	<u>14 Grant Avenue</u>
	<u>Onetime, Ohio 32323</u>
NAME OF FACILITY	<u>Bubble Bridge</u>
BRIEF DESCRIPTION	<u>New Secondary</u>
	<u>1.9 MGD</u>

NORMAL REVIEW POINT	ACTIVITY INVESTIGATED	ACTIVITY STATUS							REMARKS
		Date Initiated	Planned Completion Date	Preliminary	Intermediate	Final	Completed	Actual Completion Date	
A. Prior to Approval of Step 2 or 3 Grant Application	A.1 – Has the grantee submitted evidence of agreement to implement ICR?	1-74	1-75				XV	12-74	Sent to EPA
	A.2 – Have significant industrial users submitted letters of intent to the grantee stating period of use?	1-74	1-75				XV	12-74	Letters on File
B. Prior to Grantee Request for Payment of More Than 50% of Step 3 Grant	B.1 – Has the grantee identified staff, consultants and legal counsel responsible for the development of the ICR system?	2-75	2-76				XV		On Schedule
	B.2 – Has the grantee developed a detailed schedule for completion of all significant portions of the ICR system?	2-75	2-76				XV		On Schedule
C. Prior to Requesting Payment of More Than 80% of Step 3 Grant	C.1 – Has the grantee completed Appendix A including: <ul style="list-style-type: none"> ● (a) definition and identification of industrial users? ● (b) development of industrial data base? ● (c) classification and quantification of user groups? ● (d) determination of the ICR cost base? ● (e) allocation of proportionate capital costs? ● (f) descriptions of proposed billing procedures? ● (g) establishment of the legal basis for the ICR system? ● (h) description of funds management, investment, and disbursement systems? ● (i) description of appeals procedure? ● (j) methodologies for ICR system review and revision? 								
	C.2 – Has the grantee completed Appendix B "Opinion of Legal Counsel" of the ICR Guidelines?								
	C.3 – Has the grantee passed a resolution or executed a written agreement covering implementation of the ICR system?								
	C.4 – Has the grantee submitted the ICR system to the EPA and received approval?								

¹These tasks can be initiated as soon as the schedule and staff are identified under the Step 3 grant activities B.1 and B.2 above. In many cases, Tasks C.1 (a), (b), and (c) will have been partially or completely accomplished during the Step 1 grant, Facilities Planning.

X = Planned
 ✓ = Actual Status

FIGURE 19: 40% GRANT PAYMENT ICR CHECKLIST EXAMPLE

60% GRANT PAYMENT ICR CHECKLIST

To avoid delay of payment beyond 80% of the grant, the grantee should anticipate requirements and target completion of the ICR system design when the program reaches the 60% grant payment stage to permit EPA review and approval by the 70% completion point. This time allowance anticipates incorporating some late changes in the system, plus a second EPA review, and final approval prior to the 80% point.

The exhibit contains a suggested "Xs" status for an ICR system design at the 60% point. It is important to note that activities C.1 (a-j) should be completed and activities C.2 and C.3 should be in the final stage of completion to allow sufficient time for submittal of the ICR system design to EPA.

The exhibit also contains an example of a grantee's current status (represented by "✓"). The example indicates that the grantee's ICR design is not progressing satisfactorily and activities C.1 (g) and C.1 (h) need immediate attention. The grantee can use the suggested status checklist to evaluate the progress of his ICR system and to plan the work assignments of the ICR staff.

EPA GRANT NO. C-39-1999-06

NAME OF GRANTEE Lost River Sanitary District

GRANTEE'S ADDRESS 14 Grant Avenue

Onetime, Ohio 32323

NAME OF FACILITY Bubble Bridge

BRIEF DESCRIPTION New Secondary

1.9 MGD

NORMAL REVIEW POINT	ACTIVITY INVESTIGATED	ACTIVITY STATUS							REMARKS
		Date Initiated	Planned Completion Date	Preliminary	Intermediate	Final	Completed	Actual Completion Date	
A. Prior to Approval of Step 2 or 3 Grant Application	A.1 — Has the grantee submitted evidence of agreement to implement ICR?	1-74	1-75				X✓	12-74	Sent to EPA
	A.2 — Have significant industrial users submitted letters of intent to the grantee stating period of use?	1-74	1-75				X✓	12-74	Letters on File
B. Prior to Grantee Request for Payment of More Than 50% of Step 3 Grant	B.1 — Has the grantee identified staff, consultants and legal counsel responsible for the development of the ICR system?	2-75	2-76				X✓	1-76	Staff On Board
	B.2 — Has the grantee developed a detailed schedule for completion of all significant portions of the ICR system?	2-75	2-76				X✓	1-76	Schedule Complete
C. Prior to Requesting Payment of More Than 80% of Step 3 Grant	C.1 — Has the grantee completed Appendix A including:								
	● (a) definition and identification of industrial users?	2-76	3-76				X✓	3-76	Summary on File
	● (b) development of industrial data base?	2-76	3-76				X✓	4-76	OK
	● (c) classification and quantification of user groups?	4-76	5-76				X✓	5-76	OK
	● (d) determination of the ICR cost base?	5-76	6-76		✓		X		Lagging
	● (e) allocation of proportionate capital costs?	6-76	8-76		✓		X		Behind Schedule
	● (f) descriptions of proposed billing procedures?	4-76	8-76		✓		X		Behind Schedule
	● (g) establishment of the legal basis for the ICR system?	2-76	8-76	✓			X		Needs Action
	● (h) description of funds management, investment, and disbursement systems?	2-76	8-76	✓			X		Needs Rush Action
	● (i) description of appeals procedure?	2-76	8-76	✓			X		Needs Action
	● (j) methodologies for ICR system review and revision?	2-76	8-76		✓		X		Behind Schedule
	C.2 — Has the grantee completed Appendix B "Opinion of Legal Counsel" of the ICR Guidelines?	8-76	9-76		✓	X			Waiting Appendix A
	C.3 — Has the grantee passed a resolution or executed a written agreement covering implementation of the ICR system?	6-76	10-76		✓	X			City Council Problem
	C.4 — Has the grantee submitted the ICR system to the EPA and received approval?		11-76						

X = Planned

✓ = Actual Status

FIGURE 20: 60% GRANT PAYMENT ICR CHECKLIST EXAMPLE

APPENDIX A



U.S. ENVIRONMENTAL PROTECTION AGENCY Washington, D.C. 20460

GRANTS ADMINISTRATION DIVISION GRANTS INFORMATION GUIDE

WWT CONSTRUCTION GRANT IDENTIFICATION

The construction of treatment works under Public Law 92-500 normally follows a three-step grant process:

- Step 1 – Facilities Planning;
- Step 2 – Preparation of construction drawings and specifications; and
- Step 3 – Building and erection of the treatment works.

An EPA grant includes all the EPA supported projects of a single municipality required to plan, design and build a treatment works (see definition on page 4). It follows that the typical EPA funded WWT Construction grant will, upon completion, usually consist of one project for each Step. A grant can include only one Step 1 project and one grantee municipality. However, under some circumstances, a grant may consist of a Step 1 project followed by more than one Step 2 and/or Step 3 projects.

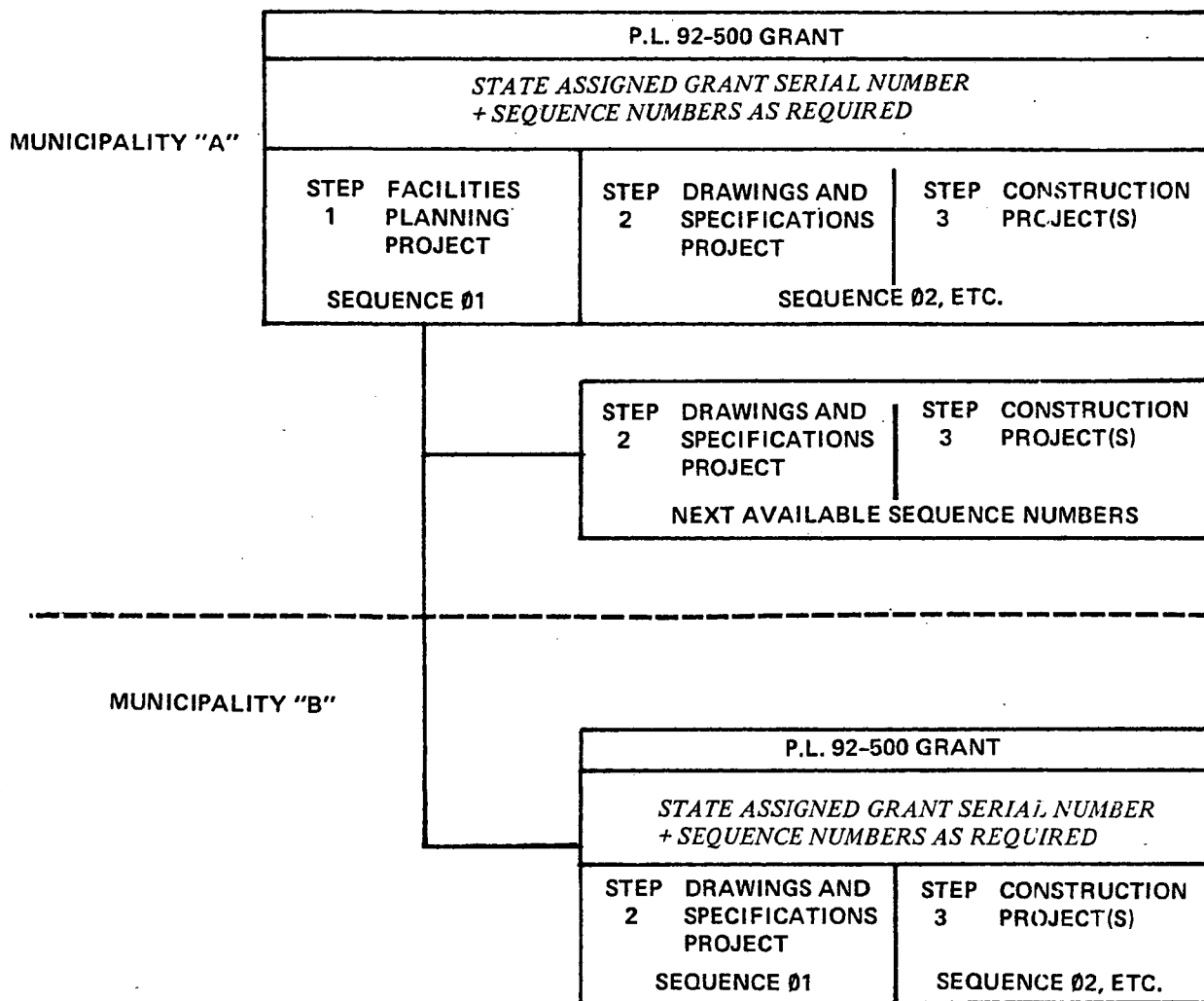
P. L. 92-500 GRANT		
STATE ASSIGNED GRANT SERIAL NUMBER + SEQUENCE NUMBERS AS REQUIRED		
STEP 1 FACILITIES PLANNING PROJECT SEQUENCE 01	STEP 2 DRAWINGS AND SPECIFICATIONS PROJECT(S) SEQUENCE 02, ETC.	STEP 3 CONSTRUCTION PROJECT(S)

Under other circumstances, EPA financial assistance may not be requested until a municipality has reached the Step 2 or Step 3 stage and the grant might then involve only one or two projects.

APPLICANT-FUNDED FACILITIES PLAN	P. L. 92-500 GRANT	
	STATE ASSIGNED GRANT SERIAL NUMBER + SEQUENCE NUMBERS AS REQUIRED	
	STEP 2 DRAWINGS AND SPECIFICATIONS PROJECT(S) SEQUENCE 01, ETC.	STEP 3 CONSTRUCTION PROJECT(S)

APPENDIX A (Continued)

In still other circumstances, a Step 1 Facilities Planning grant to one municipality may result in Step 2 and/or Step 3 grants to other municipalities within the area covered by the Facilities Plan.



Whatever the circumstances, each grant consists of and includes all the EPA funded projects for a grantee municipality to complete the specific job without regard to the time phasing of the projects.

The State assigns an EPA Grant Identification Number to each proposed grant and its component projects to identify the scope of work which the municipality is expected to carry out. The scope of work will be officially spelled out in the Grant Agreement signed by the municipality and EPA when the first project is funded and by Grant Amendments issued to fund any subsequent related projects (See CFR Title 40, Chapter 1, Part 35, Introduction).

APPENDIX A (Continued)

The EPA Grant Identification Number consists of:

Program Code – The letter “C” identifies the WWT Construction Grant Program.

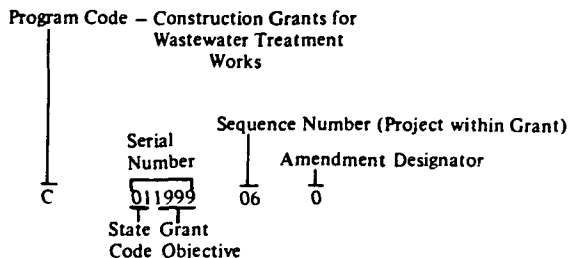
Serial Number – Six digit numbers from 010000 – 789999 are reserved for Construction Grants for Wastewater Treatment Works - the first 2 digits serve to identify the State; the last 4 digits identify the need and/or grant objective which the proposed grant will satisfy.

In accordance with Section 35.903(e) of the Final Construction Grant Regulations (Federal Register, Vol. 39, No. 29, February 11, 1974, p. 5254), this 6-digit Serial Number identifies the basic grant application and award, and any awards to the same grantee municipality for subsequent related projects. This 6-digit Serial Number will, therefore, be carried forward to all related projects of the municipality meeting the same grant objective, regardless of the fiscal year in which the project may be submitted to EPA. The grant objective is defined by the approved Facilities Plan.

The 6-digit Serial Number is assigned by the State not later than the time the first component project within the grant is included in the State's Project Priority List.

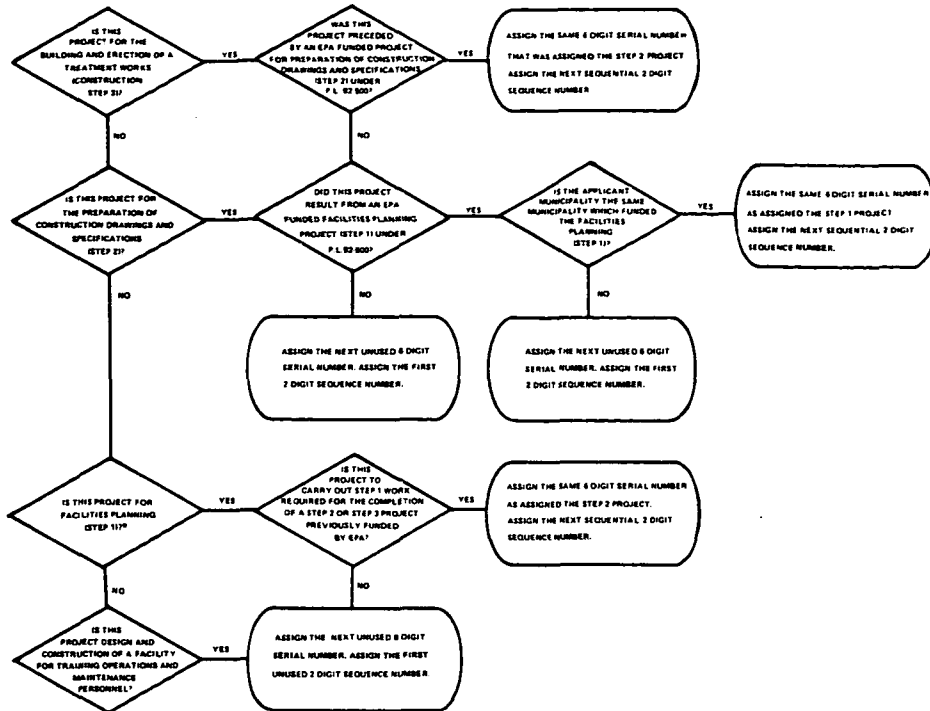
Sequence Number – A two-digit number (01, 02, etc.) assigned sequentially by the State to identify the first and each succeeding project planned as a part of the grant to the municipality to meet the identified grant objective, i.e. the work spelled out in the approved Facilities Plan. These are assigned sequentially, beginning with “01”, without reference to the fiscal year in which the project may be included in the State Project Priority List or in which the application for funding is submitted. Sequence Numbers are normally assigned not later than the time the project is included in the State's Project Priority List. Note that the Sequence Number does not indicate the Project Step.

Amendment Designator – A one-digit number assigned sequentially by the appropriate EPA regional office to identify each administrative revision executed on a funded project within a WWT Construction Grant. A zero will be entered for the original project application; amendments thereto will be numbered sequentially “1” – “9”, followed by “A” – “Z”.



APPENDIX A (Continued)

ASSIGNMENT OF EPA GRANT IDENTIFICATION NUMBERS TO WWT CONSTRUCTION PROJECTS BY THE STATES



IF AN ADDITIONAL STEP 1 WORK IS REQUIRED TO CORRECT OR UPDATE AN APPROVED FACILITY PLAN, OR OTHERWISE MEET STEP 1 REQUIREMENTS SUCH AS INFILTRATION/INFLOW ANALYSIS, FUNDING OF SUCH WORK WILL NORMALLY BE BY AMENDMENT OF THE STEP 1 PROJECT THAT PRODUCED THE FACILITY PLAN.

NOTE: PROJECTS ONCE INCLUDED ON A STATE PROJECT PRIORITY LIST AND SUBSEQUENTLY WITHDRAWN, EITHER BEFORE OR AFTER EPA FUNDING, RETAIN THEIR GRANT SERIAL NUMBER AND SEQUENCE NUMBER. ANY SUBSEQUENT PROJECTS FOR THE SAME GRANT OBJECTIVE SHOULD BE ASSIGNED THE NEXT SEQUENCE NUMBER AVAILABLE.

SEQUENCE NUMBERS WILL NORMALLY BE ASSIGNED IN SEQUENTIAL ORDER. HOWEVER, WHEN A MUNICIPALITY'S FACILITY PLAN WILL GENERATE A NUMBER OF STEP 2 PROJECTS WHICH IN TURN MAY EACH GENERATE A NUMBER OF STEP 3 PROJECTS, THE STATE AND MUNICIPALITY MAY PRE-ASSIGN SEQUENCE NUMBERS 01-99 IN MEANINGFUL BLOCKS WITHOUT ADHERENCE TO SEQUENTIAL ORDER. FOR EXAMPLE ONE METHODOLOGY IS:

- (1) ASSIGN THE STEP ONE PROJECT SEQUENCE 01.
- (2) ASSIGN THE STEP TWO PROJECTS SEQUENCE NUMBERS DIVISIBLE BY 10 (10, 20, ..., 90).
- (3) ASSIGN STEP THREE PROJECTS SEQUENCE NUMBERS (11-19, 21-29, ..., 91-99) SEQUENTIALLY FOLLOWING THE SEQUENCE NUMBER OF THE RESPECTIVE STEP TWO PROJECT. THIS SPECIFIC METHODOLOGY ACCOMMODATES A MAXIMUM OF 9 STEP THREE PROJECTS RESULTING FROM ANY STEP TWO PROJECT.

DEFINITION OF TERMS

PROJECT

§ 26.905-16 PROJECT.

THE SCOPE OF WORK FOR WHICH FEDERAL ASSISTANCE IS AWARDED BY A GRANT OR GRANT AMENDMENT PURSUANT TO THIS SUBPART 1 FOR THE PURPOSES OF THIS SUBPART. THE SCOPE OF WORK IS DEFINED AS STEP 1, STEP 2, OR STEP 3 OF TREATMENT WORKS CONSTRUCTION OR SEGMENTS THEREOF (SEE § 26.905-24 AND § 26.930-41).

TREATMENT WORKS

§ 26.905-22 TREATMENT WORKS.

ANY DEVICES AND SYSTEMS USED IN THE STORAGE, TREATMENT, RECYCLING, AND RECLAMATION OF MUNICIPAL SEWAGE OR INDUSTRIAL WASTES OF A LIQUID NATURE TO IMPLEMENT SECTION 901 OF THE ACT, OR NECESSARY TO RECYCLE OR REUSE WATER AT THE MOST ECONOMIC COST OVER THE USEFUL LIFE OF THE WORKS, INCLUDING INTERCEPTING SEWERS, OUTFALL SEWERS, SEWAGE COLLECTION SYSTEMS, PUMPING, POWER, AND OTHER EQUIPMENT AND THEIR APPURTENANCES; EXTENSIONS, IMPROVEMENT, REMODELING, ADDITIONS, AND ALTERATIONS THEREOF; ELEMENTS ESSENTIAL TO PROVIDE A RELIABLE RECYCLED SUPPLY SUCH AS STAND-BY TREATMENT UNITS AND CLEAN WELL FACILITIES; AND ANY WORKS, INCLUDING SITE ACQUISITION OF THE LAND THAT WILL BE AN INTEGRAL PART OF THE TREATMENT PROCESS OR IS USED FOR ULTIMATE DISPOSAL OR RESIDUES RESULTING FROM SUCH TREATMENT; OR ANY OTHER METHOD OR SYSTEM FOR PREVENTING, ABATING, REDUCING, STORING, TREATING, SEPARATING, OR DISPOSING OF MUNICIPAL WASTE, INCLUDING STORM WATER RUN-OFF, OR INDUSTRIAL WASTE, INCLUDING WASTE IN COMBINED STORM WATER AND SANITARY SEWER SYSTEMS.

SERIAL NUMBER

8 NUMERIC DIGITS IN WHICH THE FIRST TWO SERVE TO IDENTIFY THE STATE AND THE LAST FOUR TO IDENTIFY THE NEED AND/OR GRANT OBJECTIVE.

SEQUENCE NUMBER

2 NUMERIC DIGITS WHICH IDENTIFY SEQUENTIALLY THE SPECIFIC PROJECTS—THE ORIGINAL HEREIN AND SUBSEQUENT RELATED PROJECTS (CONTINUATIONS)—WITHIN A PARTICULAR GRANT.

APPENDIX B

SHORT SIC TITLES¹

A. AGRICULTURE, FORESTRY, AND FISHING

<i>Code</i>	<i>Short Title</i>	<i>Code</i>	<i>Short Title</i>
01	AGRICULTURAL PRODUCTION—CROPS	0272	Horses and other equines
011	Cash Grains	0279	Animal specialties, nec
0111	Wheat	029	General Farms, Primarily Livestock
0112	Rice	0291	General farms, primarily livestock
0115	Corn	07	AGRICULTURAL SERVICES
0116	Soybeans	071	Soil Preparation Services
0119	Cash grains, nec	0711	Soil preparation services
013	Field Crops, Except Cash Grains	072	Crop Services
0131	Cotton	0721	Crop planting and protection
0132	Tobacco	0722	Crop harvesting
0133	Sugar crops	0723	Crop preparation services for market
0134	Irish potatoes	0724	Cotton ginning
0139	Field crops, except cash grains, nec	0729	General crop services
016	Vegetables and Melons	074	Veterinary Services
0161	Vegetables and melons	0741	Veterinary services, farm livestock
017	Fruits and Tree Nuts	0742	Veterinary services, specialties
0171	Berry crops	075	Animal Services, Except Veterinary
0172	Grapes	0751	Livestock services, exc. specialties
0173	Tree nuts	0752	Animal specialty services
0174	Citrus fruits	076	Farm Labor and Management Services
0175	Deciduous tree fruits	0761	Farm labor contractors
0179	Fruits and tree nuts, nec	0762	Farm management services
018	Horticultural Specialties	078	Landscape and Horticultural Services
0181	Ornamental nursery products	0781	Landscape counseling and planning
0182	Food crops grown under cover	0782	Lawn and garden services
0189	Horticultural specialties, nec	0783	Ornamental shrub and tree services
019	General Farms, Primarily Crop	08	FORESTRY
0191	General farms, primarily crop	081	Timber Tracts
02	AGRICULTURAL PRODUCTION—LIVESTOCK	0811	Timber tracts
021	Livestock, exc. Dairy, Poultry, etc.	082	Forest Nurseries and Seed Gathering
0211	Beef cattle feedlots	0821	Forest nurseries and seed gathering
0212	Beef cattle, except feedlots	084	Gathering of Misc. Forest Products
0213	Hogs	0843	Extraction of pine gum
0214	Sheep and goats	0849	Gathering of forest products, nec
0219	General livestock, nec	085	Forestry Services
024	Dairy Farms	0851	Forestry services
0241	Dairy farms	09	FISHING, HUNTING, AND TRAPPING
025	Poultry and Eggs	091	Commercial Fishing
0251	Broiler, fryer, and roaster chickens	0912	Finfish
0252	Chicken eggs	0913	Shellfish
0253	Turkeys and turkey eggs	0919	Miscellaneous marine products
0254	Poultry hatcheries	092	Fish Hatcheries and Preserves
0259	Poultry and eggs, nec	0921	Fish hatcheries and preserves
027	Animal Specialties	097	Hunting, Trapping, Game Propagation
0271	Fur-bearing animals and rabbits	0971	Hunting, trapping, game propagation

B. MINING

10	METAL MINING	1044	Silver ores
101	Iron Ores	105	Bauxite and Other Aluminum Ores
1011	Iron ores	1051	Bauxite and other aluminum ores
102	Copper Ores	106	Ferroalloy Ores, Except Vanadium
1021	Copper ores	1061	Ferroalloy ores, except vanadium
103	Lead and Zinc Ores	108	Metal Mining Services
1031	Lead and zinc ores	1081	Metal mining services
104	Gold and Silver Ores	109	Miscellaneous Metal Ores
1041	Gold ores	1092	Mercury ores

¹Standard Industrial Classification Manual: 1972, Executive Office of the President, Office of Management and Budget, Washington, D.C.

APPENDIX B (Continued)

<i>Code</i>	<i>Short Title</i>
1094	Uranium-radium-vanadium ores
1099	Metal ores, nec
11	ANTHRACITE MINING
111	Anthracite Mining
1111	Anthracite
1112	Anthracite mining services
12	BITUMINOUS COAL AND LIGNITE MINING
121	Bituminous Coal and Lignite Mining
1211	Bituminous coal and lignite
1213	Bituminous & lignite mining services
13	OIL AND GAS EXTRACTION
131	Crude Petroleum and Natural Gas
1311	Crude petroleum and natural gas
132	Natural Gas Liquids
1321	Natural gas liquids
138	Oil and Gas Field Services
1381	Drilling oil and gas wells
1382	Oil and gas exploration services
1389	Oil and gas field services, nec
14	NONMETALLIC MINERALS, EXCEPT FUELS
141	Dimension Stone
1411	Dimension stone

<i>Code</i>	<i>Short Title</i>
142	Crushed and Broken Stone
1422	Crushed and broken limestone
1423	Crushed and broken granite
1429	Crushed and broken stone, nec
144	Sand and Gravel
1442	Construction sand and gravel
1446	Industrial sand
145	Clay and Related Minerals
1452	Bentonite
1453	Fire clay
1454	Fuller's earth
1455	Kaolin and ball clay
1459	Clay and related minerals, nec
147	Chemical and Fertilizer Minerals
1472	Barite
1473	Fluorspar
1474	Potash, soda, and borate minerals
1475	Phosphate rock
1476	Rock salt
1477	Sulfur
1479	Chemical and fertilizer mining, nec
148	Nonmetallic Minerals Services
1481	Nonmetallic minerals services
149	Miscellaneous Nonmetallic Minerals
1492	Gypsum
1496	Talc, soapstone, and pyrophyllite
1499	Nonmetallic minerals, nec

D. MANUFACTURING

<i>Code</i>	<i>Short Title</i>
20	FOOD AND KINDRED PRODUCTS
201	Meat Products
2011	Meat packing plants
2013	Sausages and other prepared meats
2016	Poultry dressing plants
2017	Poultry and egg processing
202	Dairy Products
2021	Creamery butter
2022	Cheese, natural and processed
2023	Condensed and evaporated milk
2024	Ice cream and frozen desserts
2026	Fluid milk
203	Preserved Fruits and Vegetables
2032	Canned specialties
2033	Canned fruits and vegetables
2034	Dehydrated fruits, vegetables, soups
2035	Pickles, sauces, and salad dressings
2037	Frozen fruits and vegetables
2038	Frozen specialties
204	Grain Mill Products
2041	Flour and other grain mill products
2043	Cereal breakfast foods
2044	Rice milling
2045	Blended and prepared flour
2046	Wet corn milling
2047	Dog, cat, and other pet food

<i>Code</i>	<i>Short Title</i>
2048	Prepared feeds, nec
205	Bakery Products
2051	Bread, cake, and related products
2052	Cookies and crackers
206	Sugar and Confectionery Products
2061	Raw cane sugar
2062	Cane sugar refining
2063	Beet sugar
2065	Confectionery products
2066	Chocolate and cocoa products
2067	Chewing gum
207	Fats and Oils
2074	Cottonseed oil mills
2075	Soybean oil mills
2076	Vegetable oil mills, nec
2077	Animal and marine fats and oils
2079	Shortening and cooking oils
208	Beverages
2082	Malt beverages
2083	Malt
2084	Wines, brandy, and brandy spirits
2085	Distilled liquor, except brandy
2086	Bottled and canned soft drinks
2087	Flavoring extracts and sirups, nec
209	Misc. Foods and Kindred Products
2091	Canned and cured seafoods

APPENDIX B (Continued)

<i>Code</i>	<i>Short Title</i>	<i>Code</i>	<i>Short Title</i>
2092	Fresh or frozen packaged fish	232	Men's and Boys' Furnishings
2095	Roasted coffee	2321	Men's and boys' shirts and nightwear
2097	Manufactured ice	2322	Men's and boys' underwear
2098	Macaroni and spaghetti	2323	Men's and boys' neckwear
2099	Food preparations, nec	2327	Men's and boys' separate trousers
21	TOBACCO MANUFACTURES	2328	Men's and boys' work clothing
211	Cigarettes	2329	Men's and boys' clothing, nec
2111	Cigarettes	233	Women's and Misses' Outerwear
212	Cigars	2331	Women's & misses' blouses & waists
2121	Cigars	2335	Women's and misses' dresses
213	Chewing and Smoking Tobacco	2337	Women's and misses' suits and coats
2131	Chewing and smoking tobacco	2339	Women's and misses' outerwear, nec
214	Tobacco Stemming and Redrying	234	Women's and Children's Undergarments
2141	Tobacco stemming and redrying	2341	Women's and children's underwear
22	TEXTILE MILL PRODUCTS	2342	Brassieres and allied garments
221	Weaving Mills, Cotton	235	Hats, Caps, and Millinery
2211	Weaving mills, cotton	2351	Millinery
222	Weaving Mills, Synthetics	2352	Hats and caps, except millinery
2221	Weaving mills, synthetics	236	Children's Outerwear
223	Weaving and Finishing Mills, Wool	2361	Children's dresses and blouses
2231	Weaving and finishing mills, wool	2363	Children's coats and suits
224	Narrow Fabric Mills	2369	Children's outerwear, nec
2241	Narrow fabric mills	237	Fur Goods
225	Knitting mills	2371	Fur goods
2251	Women's hosiery, except socks	238	Miscellaneous Apparel and Accessories
2252	Hosiery, nec	2381	Fabric dress and work gloves
2253	Knit outerwear mills	2384	Robes and dressing gowns
2254	Knit underwear mills	2385	Waterproof outer garments
2257	Circular knit fabric mills	2386	Leather and sheep lined clothing
2258	Warp knit fabric mills	2387	Apparel belts
2259	Knitting mills, nec	2389	Apparel and accessories, nec
226	Textile Finishing, Except Wool	239	Misc. Fabricated Textile Products
2261	Finishing plants, cotton	2391	Curtains and draperies
2262	Finishing plants, synthetics	2392	House furnishings, nec
2269	Finishing plants, nec	2393	Textile bags
227	Floor Covering Mills	2394	Canvas and related products
2271	Woven carpets and rugs	2395	Pleating and stitching
2272	Tufted carpets and rugs	2396	Automotive and apparel trimmings
2279	Carpets and rugs, nec	2397	Schiffli machine embroideries
228	Yarn and Thread Mills	2399	Fabricated textile products, nec
2281	Yarn mills, except wool	24	LUMBER AND WOOD PRODUCTS
2282	Throwing and winding mills	241	Logging Camps & Logging Contractors
2283	Wool yarn mills	2411	Logging camps & logging contractors
2284	Thread mills	242	Sawmills and Planing Mills
229	Miscellaneous Textile Goods	2421	Sawmills and planing mills, general
2291	Felt goods, exc. woven felts & hats	2426	Hardwood dimension and flooring
2292	Lace goods	2429	Special product sawmills, nec
2293	Paddings and upholstery filling	243	Millwork, Plywood & Structural Mem- bers
2294	Processed textile waste	2431	Millwork
2295	Coated fabrics, not rubberized	2434	Wood kitchen cabinets
2296	Tire cord and fabric	2435	Hardwood veneer and plywood
2297	Nonwoven fabrics	2436	Softwood veneer and plywood
2298	Cordage and twine	2439	Structural wood members, nec
2299	Textile goods, nec	244	Wood Containers
23	APPAREL AND OTHER TEXTILE PRODUCTS	2441	Nailed wood boxes and shooks
231	Men's and Boys' Suits and Coats	2448	Wood pallets and skids
2311	Men's and boys' suits and coats	2449	Wood containers, nec

APPENDIX B (Continued)

<i>Code</i>	<i>Short Title</i>	<i>Code</i>	<i>Short Title</i>
245	Wood Buildings and Mobile Homes	2731	Book publishing
2451	Mobile homes	2732	Book printing
2452	Prefabricated wood buildings	274	Miscellaneous Publishing
249	Miscellaneous Wood Products	2741	Miscellaneous publishing
2491	Wood preserving	275	Commercial Printing
2492	Particleboard	2751	Commercial printing, letterpress
2499	Wood products, nec	2752	Commercial printing, lithographic
25	FURNITURE AND FIXTURES	2753	Engraving and plate printing
251	Household Furniture	2754	Commercial printing, gravure
2511	Wood household furniture	276	Manifold Business Forms
2512	Upholstered household furniture	2761	Manifold business forms
2514	Metal household furniture	277	Greeting Card Publishing
2515	Mattresses and bedsprings	2771	Greeting card publishing
2517	Wood TV and radio cabinets	278	Blankbooks and Bookbinding
2519	Household furniture, nec	2782	Blankbooks and looseleaf binders
252	Office Furniture	2789	Bookbinding and related work
2521	Wood office furniture	279	Printing Trade Services
2522	Metal office furniture	2791	Typesetting
253	Public Building & Related Furniture	2793	Photoengraving
2531	Public building & related furniture	2794	Electrotyping and stereotyping
254	Partitions and Fixtures	2795	Lithographic platemaking services
2541	Wood partitions and fixtures	28	CHEMICALS AND ALLIED PROD- UCTS
2542	Metal partitions and fixtures	281	Industrial Inorganic Chemicals
259	Miscellaneous Furniture and Fixtures	2812	Alkalies and chlorine
2591	Drapery hardware & blinds & shades	2813	Industrial gases
2599	Furniture and fixtures, nec	2816	Inorganic pigments
26	PAPER AND ALLIED PRODUCTS	2819	Industrial inorganic chemicals, nec
261	Pulp Mills	282	Plastics Materials and Synthetics
2611	Pulp mills	2821	Plastics materials and resins
262	Paper Mills, Except Building Paper	2822	Synthetic rubber
2621	Paper mills, except building paper	2823	Cellulosic man-made fibers
263	Paperboard Mills	2824	Organic fibers, noncellulosic
2631	Paperboard mills	283	Drugs
264	Misc. Converted Paper Products	2831	Biological products
2641	Paper coating and glazing	2833	Medicinals and botanicals
2642	Envelopes	2834	Pharmaceutical preparations
2643	Bags, except textile bags	284	Soap, Cleaners, and Toilet Goods
2645	Die-cut paper and board	2841	Soap and other detergents
2646	Pressed and molded pulp goods	2842	Polishes and sanitation goods
2647	Sanitary paper products	2843	Surface active agents
2648	Stationery products	2844	Toilet preparations
2649	Converted paper products, nec	285	Paints and Allied Products
265	Paperboard Containers and Boxes	2851	Paints and allied products
2651	Folding paperboard boxes	286	Industrial Organic Chemicals
2652	Set-up paperboard boxes	2861	Gum and wood chemicals
2653	Corrugated and solid fiber boxes	2865	Cyclic crudes and intermediates
2654	Sanitary food containers	2869	Industrial organic chemicals, nec
2655	Fiber cans, drums & similar products	287	Agricultural Chemicals
266	Building Paper and Board Mills	2873	Nitrogenous fertilizers
2661	Building paper and board mills	2874	Phosphatic fertilizers
27	PRINTING AND PUBLISHING	2875	Fertilizers, mixing only
271	Newspapers	2879	Agricultural chemicals, nec
2711	Newspapers	289	Miscellaneous Chemical Products
272	Periodicals	2891	Adhesives and sealants
2721	Periodicals	2892	Explosives
273	Books	2893	Printing ink
		2895	Carbon black
		2899	Chemical preparations, nec

APPENDIX B (Continued)

<i>Code</i>	<i>Short Title</i>	<i>Code</i>	<i>Short Title</i>
29	PETROLEUM AND COAL PRODUCTS	3251	Brick and structural clay tile
291	Petroleum Refining	3253	Ceramic wall and floor tile
2911	Petroleum refining	3255	Clay refractories
295	Paving and Roofing Materials	3259	Structural clay products, nec
2951	Paving mixtures and blocks	326	Pottery and Related Products
2952	Asphalt felts and coatings	3261	Vitreous plumbing fixtures
299	Misc. Petroleum and Coal Products	3262	Vitreous china food utensils
2992	Lubricating oils and greases	3263	Fine earthenware food utensils
2999	Petroleum and coal products, nec	3264	Porcelain electrical supplies
30	RUBBER AND MISC. PLASTICS PRODUCTS	3269	Pottery products, nec
301	Tires and Inner Tubes	327	Concrete, Gypsum, and Plaster Products
3011	Tires and inner tubes	3271	Concrete block and brick
302	Rubber and Plastics Footwear	3272	Concrete products, nec
3021	Rubber and plastics footwear	3273	Ready-mixed concrete
303	Reclaimed Rubber	3274	Lime
3031	Reclaimed rubber	3275	Gypsum products
304	Rubber and Plastics Hose and Belting	328	Cut Stone and Stone Products
3041	Rubber and plastics hose and belting	3281	Cut stone and stone products
306	Fabricated Rubber Products, nec	329	Misc. Nonmetallic Mineral Products
3069	Fabricated rubber products, nec	3291	Abrasive products
307	Miscellaneous Plastics Products	3292	Asbestos products
3079	Miscellaneous plastics products	3293	Gaskets, packing and sealing devices
31	LEATHER AND LEATHER PRODUCTS	3295	Minerals, ground or treated
311	Leather Tanning and Finishing	3296	Mineral wool
3111	Leather tanning and finishing	3297	Nonclay refractories
313	Boot and Shoe Cut Stock and Findings	3299	Nonmetallic mineral products, nec
3131	Boot and shoe cut stock and findings	33	PRIMARY METAL INDUSTRIES
314	Footwear, Except Rubber	331	Blast Furnace and Basic Steel Products
3142	House slippers	3312	Blast furnaces and steel mills
3143	Men's footwear, except athletic	3313	Electrometallurgical products
3144	Women's footwear, except athletic	3315	Steel wire and related products
3149	Footwear, except rubber, nec	3316	Cold finishing of steel shapes
315	Leather Gloves and Mittens	3317	Steel pipe and tubes
3151	Leather gloves and mittens	332	Iron and Steel Foundries
316	Luggage	3321	Gray iron foundries
3161	Luggage	3322	Malleable iron foundries
317	Handbags and Personal Leather Goods	3324	Steel investment foundries
3171	Women's handbags and purses	3325	Steel foundries, nec
3172	Personal leather goods, nec	333	Primary Nonferrous Metals
319	Leather Goods, nec	3331	Primary copper
3199	Leather goods, nec	3332	Primary lead
32	STONE, CLAY, AND GLASS PRODUCTS	3333	Primary zinc
321	Flat Glass	3334	Primary aluminum
3211	Flat glass	3339	Primary nonferrous metals, nec
322	Glass and Glassware, Pressed or Blown	334	Secondary Nonferrous Metals
3221	Glass containers	3341	Secondary nonferrous metals
3229	Pressed and blown glass, nec	335	Nonferrous Rolling and Drawing
323	Products of Purchased Glass	3351	Copper rolling and drawing
3231	Products of purchased glass	3353	Aluminum sheet, plate, and foil
324	Cement, Hydraulic	3354	Aluminum extruded products
3241	Cement, hydraulic	3355	Aluminum rolling and drawing, nec
325	Structural Clay Products	3356	Nonferrous rolling and drawing, nec
		3357	Nonferrous wire drawing & insulating
		336	Nonferrous Foundries
		3361	Aluminum foundries
		3362	Brass, bronze, and copper foundries

APPENDIX B (Continued)

<i>Code</i>	<i>Short Title</i>	<i>Code</i>	<i>Short Title</i>
3369	Nonferrous foundries, nec	353	Construction and Related Machinery
339	Miscellaneous Primary Metal Products	3531	Construction machinery
3398	Metal heat treating	3532	Mining machinery
3399	Primary metal products, nec	3533	Oil field machinery
34	FABRICATED METAL PRODUCTS	3534	Elevators and moving stairways
341	Metal Cans and Shipping Containers	3535	Conveyors and conveying equipment
3411	Metal cans	3536	Hoists, cranes, and monorails
3412	Metal barrels, drums, and pails	3537	Industrial trucks and tractors
342	Cutlery, Hand Tools, and Hardware	354	Metalworking Machinery
3421	Cutlery	3541	Machine tools, metal cutting types
3423	Hand and edge tools, nec	3542	Machine tools, metal forming types
3425	Hand saws and saw blades	3544	Special dies, tools, jigs & fixtures
3429	Hardware, nec	3545	Machine tool accessories
343	Plumbing and Heating, Except Electric	3546	Power driven hand tools
3431	Metal sanitary ware	3547	Rolling mill machinery
3432	Plumbing fittings and brass goods	3549	Metalworking machinery, nec
3433	Heating equipment, except electric	355	Special Industry Machinery
344	Fabricated Structural Metal Products	3551	Food products machinery
3441	Fabricated structural metal	3552	Textile machinery
3442	Metal doors, sash, and trim	3553	Woodworking machinery
3443	Fabricated plate work (boiler shops)	3554	Paper industries machinery
3444	Sheet metal work	3555	Printing trades machinery
3446	Architectural metal work	3559	Special industry machinery, nec
3448	Prefabricated metal buildings	356	General Industrial Machinery
3449	Miscellaneous metal work	3561	Pumps and pumping equipment
345	Screw Machine Products, Bolts, etc.	3562	Ball and roller bearings
3451	Screw machine products	3563	Air and gas compressors
3452	Bolts, nuts, rivets, and washers	3564	Blowers and fans
346	Metal Forgings and Stampings	3565	Industrial patterns
3462	Iron and steel forgings	3566	Speed changers, drives, and gears
3463	Nonferrous forgings	3567	Industrial furnaces and ovens
3465	Automotive stampings	3568	Power transmission equipment, nec
3466	Crowns and closures	3569	General industrial machinery, nec
3469	Metal stampings, nec	357	Office and Computing Machines
347	Metal Services, nec	3572	Typewriters
3471	Plating and polishing	3573	Electronic computing equipment
3479	Metal coating and allied services	3574	Calculating and accounting machines
348	Ordinance and Accessories, nec	3576	Scales and balances, exc. laboratory
3482	Small arms ammunition	3579	Office machines, nec
3483	Ammunition, exc. for small arms, nec	358	Refrigeration and Service Machinery
3484	Small arms	3581	Automatic merchandising machines
3489	Ordinance and accessories, nec	3582	Commercial laundry equipment
349	Misc. Fabricated Metal Products	3585	Refrigeration and heating equipment
3493	Steel springs, except wire	3586	Measuring and dispensing pumps
3494	Valves and pipe fittings	3589	Service industry machinery, nec
3495	Wire springs	359	Misc. Machinery, Except Electrical
3496	Misc. fabricated wire products	3592	Carburetors, pistons, rings, valves
3497	Metal foil and leaf	3599	Machinery, except electrical, nec
3498	Fabricated pipe and fittings		
3499	Fabricated metal products, nec		
35	MACHINERY, EXCEPT ELECTRICAL	36	ELECTRIC AND ELECTRONIC EQUIPMENT
351	Engines and Turbines	361	Electric Distributing Equipment
3511	Turbines and turbine generator sets	3612	Transformers
3519	Internal combustion engines, nec	3613	Switchgear and switchboard apparatus
352	Farm and Garden Machinery	362	Electrical Industrial Apparatus
3523	Farm machinery and equipment	3621	Motors and generators
3524	Lawn and garden equipment	3622	Industrial controls
		3623	Welding apparatus, electric
		3624	Carbon and graphite products

APPENDIX B (Continued)

<i>Code</i>	<i>Short Title</i>	<i>Code</i>	<i>Short Title</i>
3629	Electrical industrial apparatus, nec	3764	Space propulsion units and parts
363	Household Appliances	3769	Space vehicle equipment, nec
3631	Household cooking equipment	379	Miscellaneous Transportation Equip- ment
3632	Household refrigerators and freezers	3792	Travel trailers and campers
3633	Household laundry equipment	3795	Tanks and tank components
3634	Electric housewares and fans	3799	Transportation equipment, nec.
3635	Household vacuum cleaners		
3636	Sewing machines		
3639	Household appliances, nec		
364	Electric Lighting and Wiring Equipment	38	INSTRUMENTS AND RELATED PRODUCTS
3641	Electric lamps	381	Engineering & Scientific Instruments
3643	Current-carrying wiring devices	3811	Engineering & scientific instruments
3644	Noncurrent-carrying wiring devices	382	Measuring and Controlling Devices
3645	Residential lighting fixtures	3822	Environmental controls
3646	Commercial lighting fixtures	3823	Process control instruments
3647	Vehicular lighting equipment	3824	Fluid meters and counting devices
3648	Lighting equipment, nec	3825	Instruments to measure electricity
365	Radio and TV Receiving Equipment	3829	Measuring & controlling devices, nec
3651	Radio and TV receiving sets	383	Optical Instruments and Lenses
3652	Phonograph records	3832	Optical instruments and lenses
366	Communication Equipment	384	Medical Instruments and Supplies
3661	Telephone and telegraph apparatus	3841	Surgical and medical instruments
3662	Radio and TV communication equipment	3842	Surgical appliances and supplies
367	Electronic Components and Accessories	3843	Dental equipment and supplies
3671	Electron tubes, receiving type	385	Ophthalmic Goods
3672	Cathode ray television picture tubes	3851	Ophthalmic goods
3673	Electron tubes, transmitting	386	Photographic Equipment and Supplies
3674	Semiconductors and related devices	3861	Photographic equipment and supplies
3675	Electronic capacitors	387	Watches, Clocks, and Watchcases
3676	Electronic resistors	3873	Watches, clocks, and watchcases
3677	Electronic coils and transformers	39	MISCELLANEOUS MANUFACTURING INDUSTRIES
3678	Electronic connectors	391	Jewelry, Silverware, and Plated Ware
3679	Electronic components, nec	3911	Jewelry, precious metal
369	Misc. Electrical Equipment & Supplies	3914	Silverware and plated ware
3691	Storage batteries	3915	Jewelers' materials & lapidary work
3692	Primary batteries, dry and wet	393	Musical Instruments
3693	X-ray apparatus and tubes	3931	Musical instruments
3694	Engine electrical equipment	394	Toys and Sporting Goods
3699	Electrical equipment & supplies, nec	3942	Dolls
37	TRANSPORTATION EQUIPMENT	3944	Games, toys, and children's vehicles
371	Motor Vehicles and Equipment	3949	Sporting and athletic goods, nec
3711	Motor vehicles and car bodies	395	Pens, Pencils, Office and Art Supplies
3713	Truck and bus bodies	3951	Pens and mechanical pencils
3714	Motor vehicle parts and accessories	3952	Lead pencils and art goods
3715	Truck trailers	3953	Marking devices
372	Aircraft and Parts	3955	Carbon paper and inked ribbons
3721	Aircraft	396	Costume Jewelry and Notions
3724	Aircraft engines and engine parts	3961	Costume jewelry
3728	Aircraft equipment, nec	3962	Artificial flowers
373	Ship and Boat Building and Repairing	3963	Buttons
3731	Ship building and repairing	3964	Needles, pins, and fasteners
3732	Boat building and repairing	399	Miscellaneous Manufactures
374	Railroad Equipment	3991	Brooms and brushes
3743	Railroad equipment	3993	Signs and advertising displays
375	Motorcycles, Bicycles, and Parts	3995	Burial caskets
3751	Motorcycles, bicycles, and parts	3996	Hard surface floor coverings
376	Guided Missiles, Space Vehicles, Parts	3999	Manufacturing industries, nec
3761	Guided missiles and space vehicles		

APPENDIX B (Continued)

E. TRANSPORTATION AND PUBLIC UTILITIES

<i>Code</i>	<i>Short Title</i>	<i>Code</i>	<i>Short Title</i>
40	RAILROAD TRANSPORTATION	4454	Towing and tugboat service
401	Railroads	4459	Local water transportation, nec
4011	Railroads, line-haul operating	446	Water Transportation Services
4013	Switching and terminal services	4463	Marine cargo handling
404	Railway Express Service	4464	Canal operation
4041	Railway express service	4469	Water transportation services, nec
41	LOCAL AND INTERURBAN PAS- SENGER TRANSIT	45	TRANSPORTATION BY AIR
411	Local and Suburban Transportation	451	Certificated Air Transportation
4111	Local and suburban transit	4511	Certificated air transportation
4119	Local passenger transportation, nec	452	Noncertificated Air Transportation
412	Taxicabs	4521	Noncertificated air transportation
4121	Taxicabs	458	Air Transportation Services
413	Intercity Highway Transportation	4582	Airports and flying fields
4131	Intercity highway transportation	4583	Airport terminal services
414	Transportation Charter Service	46	PIPE LINES, EXCEPT NATURAL GAS
4141	Local passenger charter service	461	Pipe Lines, Except Natural Gas
4142	Charter service, except local	4612	Crude petroleum pipe lines
415	School Buses	4613	Refined petroleum pipe lines
4151	School buses	4619	Pipe lines, nec
417	Bus Terminal and Service Facilities	47	TRANSPORTATION SERVICES
4171	Bus terminal facilities	471	Freight Forwarding
4172	Bus service facilities	4712	Freight forwarding
42	TRUCKING AND WAREHOUSING	472	Arrangement of Transportation
421	Trucking, Local and Long Distance	4722	Passenger transportation arrangement
4212	Local trucking, without storage	4723	Freight transportation arrangement
4213	Trucking, except local	474	Rental of Railroad Cars
4214	Local trucking and storage	4742	Railroad car rental with service
422	Public Warehousing	4743	Railroad car rental without service
4221	Farm product warehousing and storage	478	Miscellaneous Transportation Services
4222	Refrigerated warehousing	4782	Inspection and weighing services
4224	Household goods warehousing	4783	Packing and crating
4225	General warehousing and storage	4784	Fixed facilities for vehicles, nec
4226	Special warehousing and storage, nec	4789	Transportation services, nec
423	Trucking Terminal Facilities	48	COMMUNICATION
4231	Trucking terminal facilities	481	Telephone Communication
43	U.S. POSTAL SERVICE	4811	Telephone communication
431	U.S. Postal Service	482	Telegraph Communication
4311	U.S. Postal Service	4821	Telegraph communication
44	WATER TRANSPORTATION	483	Radio and Television Broadcasting
441	Deep Sea Foreign Transportation	4832	Radio broadcasting
4411	Deep sea foreign transportation	4833	Television broadcasting
442	Deep Sea Domestic Transportation	489	Communication Services, nec
4421	Noncontiguous area transportation	4899	Communication services, nec
4422	Coastwise transportation	49	ELECTRIC, GAS, AND SANITARY SERVICES
4423	Intercoastal transportation	491	Electric Services
443	Great Lakes Transportation	4911	Electric services
4431	Great Lakes transportation	492	Gas Production and Distribution
444	Transportation on Rivers and Canals	4922	Natural gas transmission
4441	Transportation on rivers and canals	4923	Gas transmission and distribution
445	Local Water Transportation	4924	Natural gas distribution
4452	Ferries		
4453	Lighterage		

APPENDIX B (Continued)

<i>Code</i>	<i>Short Title</i>	<i>Code</i>	<i>Short Title</i>
4925	Gas production and/or distribution	4952	Sewerage systems
493	Combination Utility Services	4953	Refuse systems
4931	Electric and other services combined	4959	Sanitary services, nec
4932	Gas and other services combined	496	Steam Supply
4939	Combination utility services, nec	4961	Steam supply
494	Water Supply	497	Irrigation Systems
4941	Water supply	4971	Irrigation systems
495	Sanitary Services		

I. SERVICES

<i>Code</i>	<i>Short Title</i>	<i>Code</i>	<i>Short Title</i>
70	HOTELS AND OTHER LODGING PLACES	7341	Window cleaning
701	Hotels, Motels, and Tourist Courts	7342	Disinfecting and exterminating
7011	Hotels, motels, and tourist courts	7349	Building maintenance services, nec
702	Rooming and Boarding Houses	735	News Syndicates
7021	Rooming and boarding houses	7351	News syndicates
703	Camps and Trailing Parks	736	Personnel Supply Services
7032	Sporting and recreational camps	7361	Employment agencies
7033	Trailing parks for transients	7362	Temporary help supply services
704	Membership-Basis Organization Hotels	7369	Personnel supply services, nec
7041	Membership-basis organization hotels	737	Computer and Data Processing Services
72	PERSONAL SERVICES	7372	Computer programming and software
721	Laundry, Cleaning, & Garment Services	7374	Data processing services
7211	Power laundries, family & commercial	7379	Computer related services, nec
7212	Garment pressing & cleaners' agents	739	Miscellaneous Business Services
7213	Linen supply	7391	Research & development laboratories
7214	Diaper service	7392	Management and public relations
7215	Coin-operated laundries and cleaning	7393	Detective and protective services
7216	Dry cleaning plants, except rug	7394	Equipment rental and leasing
7217	Carpet and upholstery cleaning	7395	Photofinishing laboratories
7218	Industrial launderers	7396	Trading stamp services
7219	Laundry and garment services, nec	7397	Commercial testing laboratories
722	Photographic Studios, Portrait	7399	Business services, nec
7221	Photographic studios, portrait	75	AUTO REPAIR, SERVICES, AND GARAGES
723	Beauty Shops	751	Automotive Rentals, Without Drivers
7231	Beauty shops	7512	Passenger car rental and leasing
724	Barber Shops	7513	Truck rental and leasing
7241	Barber shops	7519	Utility trailer rental
725	Shoe Repair and Hat Cleaning Shops	752	Automobile Parking
7251	Shoe repair and hat cleaning shops	7523	Parking lots
726	Funeral Service and Crematories	7525	Parking structures
7261	Funeral service and crematories	753	Automotive Repair Shops
729	Miscellaneous Personal Services	7531	Top and body repair shops
7299	Miscellaneous personal services	7534	Tire retreading and repair shops
73	BUSINESS SERVICES	7535	Paint shops
731	Advertising	7538	General automotive repair shops
7311	Advertising agencies	7539	Automotive repair shops, nec
7312	Outdoor advertising services	754	Automotive Services, Except Repair
7313	Radio, TV, publisher representatives	7542	Car washes
7319	Advertising, nec	7549	Automotive services, nec
732	Credit Reporting and Collection	76	MISCELLANEOUS REPAIR SERVICES
7321	Credit reporting and collection	762	Electrical Repair Shops
733	Mailing, Reproduction, Stenographic	7622	Radio and television repair
7331	Direct mail advertising services	7623	Refrigeration service and repair
7332	Blueprinting and photocopying	7629	Electrical repair shops, nec
7333	Commercial photography and art	763	Watch, Clock, and Jewelry Repair
7339	Stenographic and reproduction, nec	7631	Watch, clock, and jewelry repair
734	Services to Buildings		

APPENDIX B (Continued)

<i>Code</i>	<i>Short Title</i>	<i>Code</i>	<i>Short Title</i>
764	Reupholstery and Furniture Repair	8072	Dental laboratories
7641	Reupholstery and furniture repair	808	Outpatient Care Facilities
769	Miscellaneous Repair Shops	8081	Outpatient care facilities
7692	Welding repair	809	Health and Allied Services, nec
7694	Armature rewinding shops	8091	Health and allied services, nec
7699	Repair services, nec		
78	MOTION PICTURES	81	LEGAL SERVICES
781	Motion Picture Production & Services	811	Legal Services
7813	Motion picture production, except TV	8111	Legal services
7814	Motion picture production for TV		
7819	Services allied to motion pictures	82	EDUCATIONAL SERVICES
782	Motion Picture Distribution and Services	821	Elementary and Secondary Schools
7823	Motion picture film exchanges	8211	Elementary and secondary schools
7824	Film or tape distribution for TV	322	Colleges and Universities
7829	Motion picture distribution services	8221	Colleges and universities, nec
783	Motion Picture Theaters	3222	Junior colleges
7832	Motion picture theaters, ex drive-in	823	Libraries and Information Centers
7833	Drive-in motion picture theaters	8231	Libraries and information centers
		824	Correspondence and Vocational Schools
79	AMUSEMENT & RECREATION SERVICES	8241	Correspondence schools
791	Dance Halls, Studios, and Schools	8243	Data processing schools
7911	Dance halls, studios, and schools	8244	Business and secretarial schools
792	Producers, Orchestras, Entertainers	8249	Vocational schools, nec
7922	Theatrical producers and services	829	Schools & Educational Services, nec
7929	Entertainers & entertainment groups	8299	Schools & educational services, nec
793	Bowling and Billiard Establishments		
7932	Billiard and pool establishments	83	SOCIAL SERVICES
7933	Bowling alleys	332	Individual and Family Services
794	Commercial Sports	8321	Individual and family services
7941	Sports clubs and promoters	833	Job Training and Related Services
7948	Racing, including track operation	8331	Job training and related services
799	Misc. Amusement, Recreational Services	835	Child Day Care Services
7992	Public golf courses	8351	Child day care services
7993	Coin-operated amusement devices	836	Residential Care
7996	Amusement parks	8361	Residential care
7997	Membership sports & recreation clubs	839	Social Services, nec
7999	Amusement and recreation, nec	8399	Social services, nec
80	HEALTH SERVICES	84	MUSEUMS, BOTANICAL, ZOOLOGICAL GARDENS
801	Offices of Physicians	841	Museums and Art Galleries
8011	Offices of physicians	8411	Museums and art galleries
802	Offices of Dentists	842	Botanical and Zoological Gardens
8021	Offices of dentists	8421	Botanical and zoological gardens
803	Offices of Osteopathic Physicians		
8031	Offices of osteopathic physicians	86	MEMBERSHIP ORGANIZATIONS
804	Offices of Other Health Practitioners	861	Business Associations
8041	Offices of chiropractors	8611	Business associations
8042	Offices of optometrists	862	Professional Organizations
8049	Offices of health practitioners, nec	8621	Professional organizations
805	Nursing and Personal Care Facilities	863	Labor Organizations
8051	Skilled nursing care facilities	8631	Labor organizations
8059	Nursing and personal care, nec	864	Civic and Social Associations
806	Hospitals	8641	Civic and social associations
8062	General medical & surgical hospitals	865	Political Organizations
8063	Psychiatric hospitals	8651	Political organizations
8069	Specialty hospitals, exc. psychiatric	866	Religious Organizations
807	Medical and Dental Laboratories	8661	Religious organizations
8071	Medical laboratories	869	Membership Organizations, nec
		8699	Membership organizations, nec

APPENDIX B (Continued)

<i>Code</i>	<i>Short Title</i>	<i>Code</i>	<i>Short Title</i>
88	PRIVATE HOUSEHOLDS [†]	892	Noncommercial Research Organizations
881	Private Households	8922	Noncommercial research organizations
8811	Private households	893	Accounting, Auditing & Bookkeeping
		8931	Accounting, auditing & bookkeeping
89	MISCELLANEOUS SERVICES	899	Services, nec
891	Engineering & Architectural Services	8999	Services, nec
8911	Engineering & architectural services		

[†] It is the opinion of the Office of General Counsel of EPA that Private Households are not service industries and are not industrial users subject to ICR.

ICR GLOSSARY

THE ACT¹ – The Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended by the Federal Water Pollution Control Act Amendments of 1972 (PL 92-500) and subsequent amendments.

BIOCHEMICAL OXYGEN DEMAND (BOD)² – (1) The quantity of oxygen used in the biochemical oxidation of organic matter in a specified time, at a specified temperature, and under specified conditions. (2) A standard test used in assessing wastewater strength.

CASH FLOW³ – The cash receipts and disbursements of any organization covering a particular period of time.

COLLATERAL⁴ – Security provided by banks for cash and securities in their custody.

COMBINED SEWER¹ – A sewer intended to serve as a sanitary sewer and a storm sewer, or as an industrial sewer and a storm sewer.

DISSOLVED OXYGEN (DO)² – The oxygen dissolved in water, or other liquid, usually expressed in milligrams per liter, parts per million, or percent of saturation.

DOMESTIC WASTEWATER² – Wastewater derived principally from dwellings due to domestic activities. It may or may not contain groundwater, surface water, or storm water.

GRANTEE¹ – Any municipality which has been awarded a grant for construction of a treatment works pursuant to this subpart. In addition, where appropriate in 40 C.F.R. § 35.936 through 35.939, the designation grantee may also refer to an applicant for such a grant.

INDUSTRIAL COST RECOVERY¹ – Recovery by the grantee, from the industrial users of a treatment works, of the grant amount allocable to the treatment of waste from such users pursuant to Section 204(b) of the Act.

INDUSTRIAL COST RECOVERY PERIOD¹ – That period during which the grant amount allocable to the construction of facilities for treatment of wastes from industrial users is recovered from the industrial users of such works.

INDUSTRIAL WASTES² – The liquid wastes from industrial processes, as distinct from domestic or sanitary wastes.

INFILTRATION¹ – The water entering a sewer system, including sewer service connections, from the ground, through such means as, but not limited to, defective pipes, pipe joints, connections, or manhole walls. Infiltration does not include, and is distinguished from, inflow.

INFILTRATION/INFLOW¹ – The total quantity of water from both infiltration and inflow without distinguishing the source.

INFLOW¹ – The water discharged into a sewer system, including service connections from such sources as, but not limited to, roof leaders, cellar, yard, and area drains, foundation drains, cooling water discharges, drains from springs and swampy areas, manhole covers, cross connections from storm sewers and combined sewers, catch basins, storm waters, surface run-off, street wash waters, or drainage. Inflow does not include, and is distinguished from, infiltration.

GLOSSARY (Continued)

LETTER OF INTENT¹ — A written statement from an industrial user to a municipality of that user's intent to utilize a specified portion of the publicly-owned waste treatment facility for a given length of time. (paraphrased)

MONITORING² — The measurement, sometimes continuous, of water quality.

PRIMARY TREATMENT² — The first major treatment in a wastewater treatment works, usually sedimentation.

PROCESS WATER² — Water that comes in contact with an end product or with materials incorporated in an end product.

REPLACEMENT¹ — Expenditures for obtaining and installing equipment, accessories, or appurtenances which are necessary during the service life of the treatment works to maintain the capacity and performance for which such works were designed and constructed. The term *operations and maintenance* includes replacement.

SANITARY SEWER¹ — A sewer intended to carry only sanitary or sanitary and industrial waste waters, from residences, commercial buildings, industrial plants, and institutions.

SANITARY WASTEWATER² — (1) Domestic wastewater with storm and surface water excluded. (2) Wastewater discharging from the sanitary conveniences of dwellings (including apartment houses and hotels), office buildings, industrial plants, or institutions.

SECONDARY WASTEWATER TREATMENT⁵ — The treatment of wastewater to meet secondary effluent limitations as defined in 40 C.F.R. §133, Secondary Treatment Information.

STORM SEWER¹ — A sewer intended to carry only storm waters, surface run-off, street wash waters, and drainage.

SUSPENDED SOLIDS (SS)² — Solids that either float on the surface of, or are in suspension in water, wastewater, or other liquids, and which are largely removable by laboratory filtering.

TREATMENT WORKS¹ — Any devices and systems used in the storage, treatment, recycling, and reclamation of municipal sewage or industrial wastes of a liquid nature to implement Section 201 of the Act, or necessary to recycle or reuse water at the most economical cost over the useful life of the works, including intercepting sewers, out-fall sewers, sewage collection systems, pumping, power, and other equipment and their appurtenances; extensions, improvement, remodeling, additions, and alterations thereof; elements essential to provide a reliable recycled supply such as standby treatment units and clear well facilities; and any works, including site acquisition of the land that will be an integral part of the treatment process or is used for ultimate disposal of residues resulting from such treatment; or any other method or system for preventing, abating, reducing, storing, treating, separating, or disposing of municipal waste, including storm water run-off, or industrial waste, including waste in combined storm water and sanitary sewer systems.

GLOSSARY (Continued)

USEFUL LIFE¹ — Estimated period during which a treatment works will be operated.

USER CHARGE¹ — A charge levied on users of a treatment works for the cost of operation and maintenance of such works, pursuant to Section 204(b) of the Act.

WASTEWATER SURVEY² — An investigation of the quality and characteristics of each waste stream, as in an industrial plant or municipality.

SOURCES:

¹"Title 40 of the Code of Federal Regulations Part 35."

²Glossary Water and Wastewater Control Engineering, prepared by Joint Editorial Board, representing American Public Health Association, American Society of Civil Engineers, American Water Works Association, and Water Pollution Control Federation, 1969.

³Dictionary for Accountants, 4th Edition, by Eric L. Kohler, Prentice-Hall publication, Englewood Cliffs, New Jersey, 1970.

⁴Concepts and Practices in Local Government Finance, by Lennox L. Moak and Albert M. Hillhouse, Municipal Finance Officers Association, Chicago, Illinois, 1975.

⁵"Title 40 of the Code of Federal Regulations Part 133."

APPENDIX D

EPA REGIONAL OFFICES

**Environmental Protection Agency
Region I
JFK Federal Building
Room 2203
Boston, Massachusetts 02203**

**Environmental Protection Agency
Region VI
First International Building
1201 Elm Street
Dallas, Texas 75270**

**Environmental Protection Agency
Region II
26 Federal Plaza
Room 908
New York, New York 10007**

**Environmental Protection Agency
Region VII
1735 Baltimore Avenue
Kansas City, Missouri 64108**

**Environmental Protection Agency
Region III
Sixth and Walnut Streets
Philadelphia, Pennsylvania 19106**

**Environmental Protection Agency
Region VIII
1860 Lincoln Street
Suite 900
Denver, Colorado 80203**

**Environmental Protection Agency
Region IV
345 Courtland Street, N.E.
Atlanta, Georgia 30308**

**Environmental Protection Agency
Region IX
100 California Street
San Francisco, California 94111**

**Environmental Protection Agency
Region V
230 South Dearborn Street
Chicago, Illinois 60604**

**Environmental Protection Agency
Region X
1200 Sixth Avenue
Seattle, Washington 98101**