

SUPPORTING STATEMENT

NESHAP FOR THE PORTLAND CEMENT MANUFACTURING INDUSTRY (40 CFR PART 63, SUBPART LLL) (FINAL RULE)

PART A

1.0 Identification of the Information Collection

(a) Title and Number of the Information Collection.

This is a revision to the existing approved information collection request (ICR). The Office of Management and Budget (OMB) has previously approved the information collection requirements in the existing rule (40 CFR part 63, subpart LLL) under the provisions of the Paperwork Reduction Act, 44 U.S.C. 3501 et seq. and has assigned OMB control number 2060-0416. The Environmental Protection Agency (EPA) tracking number for this request is ICR number 1801.06.

(b) Short Characterization.

Potential respondents are owners or operators of portland cement manufacturing facilities subject to the maximum achievable control technology (MACT) standards for new, existing or reconstructed kiln and in-line kiln/raw mill at these facilities, except for kilns and in-line kiln/raw mills that burn hazardous waste and are subject to 40 CFR part 63, subpart EEE or that burn municipal solid waste and are subject to 40 CFR part 60, subpart Cb or Ea. Emission limits for mercury from new cement kilns are established under the final amendments. A mercury performance test is required to demonstrate compliance with the emission limits for mercury. The final amendments establish emission limits for total hydrocarbons (THC) for new kilns and revise the emission limits for new greenfield kilns. To demonstrate compliance with the THC limits, owners or operators of new kilns would be required to continuously monitor THC emissions. To ensure proper combustion of organic HAP from existing kilns, owners or

operators of portland cement manufacturing plants must implement good combustion practices (GCP) designed to minimize THC from fuel combustion. Respondents are required to maintain additional records to demonstrate compliance with THC limits. The final amendments also require that records be kept of the amount of cement kiln dust (CKD) that is removed from existing and new kiln systems and either disposed of as solid waste or otherwise recycled for a beneficial use outside of the kiln system. These requirements are listed in Attachment 1.

2. Need For and Use of the Collection

(a) Need/Authority for the Collection.

Section 112 of the Clean Air Act (42 U.S.C. 7414 et seq.) (CAA) requires that EPA establish MACT standards for new or existing major or area sources according to the requirements in section 112(d). Certain records and reports are necessary for the Administrator to: (1) confirm the compliance status of major sources, identify any non-major sources not subject to the standards, and identify new or reconstructed sources subject to the standards; and (2) ensure that the MACT standards are being achieved on a continuous basis. These recordkeeping and reporting requirements are specifically authorized by section 114 of the CAA and set out in the General Provisions for national emission standards for hazardous air pollutants (NESHAP) in 40 CFR part 63, subpart A.

(b) Use/Users of the Data.

The additional information will be used by Agency enforcement personnel to ensure that the emission limitations for new kilns are being achieved and that existing kilns are being operated properly. Based on review of the recorded information at the site and the reported information, EPA can identify facilities that may not be in compliance and decide which plants, records, or processes should be inspected.

3. Nonduplication, Consultations, and Other Collection Criteria

(a) Nonduplication.

No other regulation currently requires the same information requested under this ICR from owners or operators of non-hazardous waste portland cement kilns. In the event that certain reports required by State or local agencies may duplicate information required by the final amendments, a copy of the report submitted to the State or local agency can be provided to the Administrator in lieu of the information that would be required in the semi-annual compliance report. Therefore, no duplication exists.

(b) Public Notice Required Prior to ICR Submission to OMB.

This section is not applicable because this is a rule-related ICR.

(c) Consultations.

The final amendments were developed in consultation with State and local agencies, individual portland cement manufacturing plants and industry trade associations, as well as environmental groups. We specifically consulted with stakeholders on some of the ICR requirements of these final amendments. Other requirements in the final amendments were contained in the proposed amendments or exist in the current rule. Participants in the development process for the current rule included STAPPA/ALAPCO, the Portland Cement Association (PCA), the American Portland Cement Alliance (APCA), the Small Company

MACT Coalition, the Sierra Club, and Earth Justice. Several meetings with industry representatives were held in the period leading to proposal and the final amendments, and public comments received from trade associations, cement companies, State and local regulatory agencies, and environmental groups were considered in the development of the current rule. Public comments received following proposal were considered in developing the final amendments regarding monitoring, recordkeeping, or reporting procedures. Several of the non-EPA persons consulted prior to promulgation of the final amendments are identified in Table 1.

TABLE 1. PERSONS CONSULTED ON THE INFORMATION COLLECTION ACTIVITIES IN THE CURRENT RULE

Contact	Organization	Telephone Number
Ann Dougherty	Portland Cement Association	(847) 966-6200
Andy O'Hare	American Portland Cement Alliance	(202) 408-9494
Neal J. Cabral	Small Cement Company MACT Coalition	(804) 775-1070
Jack Lauber	New York State DEC/Division of Air Resources	(518) 457-7230
Bruce Gaylord	Air Pollution Control District of Jefferson County (Kentucky)	(502) 574-6000
James Pew	Sierra Club	(202) 667-4500

(d) Effects of Less Frequent Collection.

If the relevant information were collected less frequently, EPA would not be reasonably assured that a plant is in compliance with the standards.

(e) General Guidelines.

None of the guidelines in 5 CFR 1320.6 are being exceeded.

(f) Confidentiality.

All information submitted to the Agency for which a claim of confidentiality is made will be safeguarded according to the Agency policies set forth in Title 40, Chapter 1, Part 2, Subpart B -- Confidentiality of Business Information (see 40 CFR 2; 41 FR 36902, September 1,

1976; amended by 43 FR 39999, September 28, 1978; 43 FR 42251, September 28, 1978; 44 FR 17674, March 23, 1979).

(g) Sensitive Questions.

This section is not applicable because this ICR does not involve matters of a sensitive nature.

4. The Respondents and the Information Requested

(a) Respondents/NAICS Codes.

In the final amendments, respondents are 94 owners or operators of existing portland cement manufacturing plants and any new portland cement plants. It is estimated that twenty new kilns will be built over the 5 year-period after promulgation of the amendments. All respondents will be subject to monitoring, recordkeeping, and reporting requirements. The NAICS code for this industry is 327310, Cement Manufacturing.

(b) Information Requested.

(i) Data Items, Including Recordkeeping Requirements. Attachment 1, Source Data and Information Requirements, summarizes the final recordkeeping and reporting requirements.

(ii) Respondent Activities. The respondent activities required by the final amendments are identified in Table 2 and introduced in section 6(a).

5. The Information Collected, Agency Activities, Collection Methodology, and Information Management

(a) Agency Activities.

A list of Agency activities is provided in Table 3 and introduced in section 6(c).

(b) Collection Methodology and Management.

This is not relevant to this information collection request.

(c) Small Entity Flexibility.

A small entity for this industry is defined by the Small Business Administration as a firm having no more than 750 employees. Of the 35 companies (PCA "U.S. and Canadian Portland Cement Industry: Plant Information Summary," 2004) that would be subject to the final amendments, six companies are considered small entities. However, the amendments are unlikely to impose any significant additional regulatory costs on existing small entities because the only cost implication for existing small entities is the requirement to keep records of CKD wastage. New kilns will be required to continuously monitor THC emissions although this cost is

not considered significant and is not likely to have any appreciable effect on the cost of goods produced. New kilns will also be required to conduct an initial and periodic performance tests to demonstrate compliance with the mercury emission limits. Again, the cost for this test is not significant and is unlikely to have any appreciable effect on the cost of cement produced. The amendments are also structured to reduce the amount of monitoring and performance testing that would be required by allowing the owner or operator to conduct continuous monitoring for THC instead of monitoring or testing for all organic HAPs. Monitoring to assure compliance with the THC emission limit will be done using a THC CEM. The amendments also allow performance testing for mercury by either EPA Method 29 or ASTM D6784-02 (the Ontario Hydro Method).

(d) Collection Schedule.

The specific collection frequency for each information collection activity within this request is shown in Table 2.

6. Estimating the Burden and Cost of the Collection

(a) Estimating Respondent Burden.

The annual burden estimates for the additional recordkeeping and reporting requirements in the final amendments are shown in Table 2. These numbers were derived from estimates based on EPA's experience with other standards.

(b) Estimating Respondent Costs.

The information collection activities for the final amendments are presented in Table 2. Because much of the data are already collected by respondents or required by existing law, minimal respondent development costs are associated with the information collection activities for the final amendments.

(i) Estimating Labor Costs. Technical, management, and clerical average hourly labor rates and associated costs are based on Bureau of Labor Statistics (BLS) data. Technical, management, and clerical average hourly rates for private workers were taken from the United States Department of Labor, Bureau of Labor Statistics, June 2006, "Table 2. Civilian Workers, by occupational and industry group" available at <http://www.bls.gov/news.release/ecec.to2.htm>. Wages for occupational groups are used as the basis for the labor rates with a total compensation of \$42.68/hour for technical, \$49.62/hour for managerial, and \$21.33/hour for clerical. These rates represent salaries plus fringe benefits and do not include the cost of overhead. An overhead rate of 110 percent is used to account for these costs. The fully-burdened hourly wage rates used

to represent respondent labor costs are: \$89.63/hour for technical, \$104.21/hour for managerial, and \$44.79/hour for clerical. These rates represent salaries plus fringe benefits and the cost of overhead and are used to account for the recordkeeping and reporting costs of the proposed amendments.

(ii) *Estimating Capital and Operations and Maintenance (O&M) Costs.* It is assumed that a THC CEM will be installed on each new kiln. The capital cost and the O&M cost of the THC monitor were estimated using an updated Version 3 of EPA's Continuous Emission Monitoring System Cost Model.

(iii) *Capital/Startup vs. O&M Costs.* The cost of a THC monitor for a new kiln is \$139,800. O&M costs for the monitor are \$22,073/kiln/yr.

(iv) *Annualizing Capital Costs.* For a THC monitor on a new kiln, the annualized capital cost is between \$11,713 and \$15,352/kiln utilizing capital discount rates of 3% and 7%, respectively. For purposes of reporting annualized costs for this ICR, the 7% capital discount rate is used.

(c) *Estimating Agency Burden and Cost.*

Because the information collection requirements were developed as an incidental part of standards development, no costs can be attributed to the development of the information collection requirements. Because reporting and recordkeeping requirements on the part of the respondents are required under the NESHAP General Provisions, no operational costs will be incurred by the Federal Government. Publication and distribution of the information are part of the Compliance Data System, with the result that no Federal costs can be directly attributed to the ICR. Examination of records to be maintained by the respondents will occur incidentally as part of the periodic inspection of sources that is part of EPA's overall compliance and enforcement program, and, therefore, is not attributable to the ICR. The only costs that the Federal government will incur are user costs associated with the analysis of the reported information, as presented in Table 3.

The Agency labor rates are from the Office of Personnel Management (OPM) 2003 General Schedule which excludes locality rates of pay. These rates can be obtained from Salary Table 2006-GS available on the OPM website, http://www.opm.gov/oca/06tables/pdf/gs_h.pdf. The government employee labor rates are \$14.95/hour for clerical (GS-7, Step 1), \$31.54 for technical (GS-13, Step 1), and \$43.85/hr for management (GS-15, Step 1). These rates represent

salaries plus fringe benefits and do not include the cost of overhead. An overhead rate of 110 percent is used to account for these costs. The fully-burdened wage rates used to represent Agency labor costs are: clerical at \$31.40; technical at \$66.23, and management at \$92.09.

(d) Estimating the Respondent Universe and Total Burden and Costs.

The EPA estimates that 94 existing plants will be subject to the final amendments and will maintain records of the amount of CKD recycling and wastage. Therefore, the average annual number of existing respondents is 31.3 (94 total respondents/3). It is estimated that 4 new kilns/year will come online during the 3 year clearance period and will be subject to the amendments. All new kilns will install the required monitoring equipment, conduct initial performance tests, provide notification of performance tests and keep records, including records of CKD recycled/wasted, during the 3-year clearance period of this ICR. The total number of existing and new respondents is 35.3.

The total annual number of responses for the existing rule is 418. The number of increased responses for the final amendments is 51.3. This number is calculated by multiplying the number of respondents/yr subject to notification requirements (Column D, Table 2, Burden item 4.E) by the number of occurrences/respondent (Column B, Table 2, Burden item 4.E) and summing the products. Thus, the total number of responses for the rule is 469.3 (418+ 51.3).

(e) Bottom Line Burden Hours and Cost Tables

(i) Respondent tally. The bottom line respondent burden hours and costs, presented in Table 2, are calculated by adding person-hours per year down each column for technical, managerial, and clerical staff, and by adding down the cost column. The average annual burden for the monitoring, recordkeeping, and reporting requirements in the existing rule is 17,526 person hours with an annualized capital and O&M costs of \$792,000. The increased average annual burden for the proposed amendments is 4,159 person hours with an annual average cost of \$679,105 for technical, management, and clerical hours with annualized capital/startup cost of \$161,672 for a total cost of \$840,777. The total annual average burden for the rule, including the final amendments will be 21,685 (17,526+4,159) person hours with a total annualized capital/startup cost of \$953,672 (\$792,000+\$161,672).

(ii) The Agency tally. The average annual Federal Government cost for the existing rule is \$185,557. The bottom line Agency burden hours and costs for the proposed amendments, presented in Table 3, are calculated by adding person-hours per year down each column for

technical, managerial, and clerical staff, and by adding down the cost column. In this case, total cost is the sum of this total salary cost and total travel expenses for tests attended. The increased total annual hours are 213. The increased total annual cost is \$16,100. The total average annual cost of the rule, including the final amendments, is \$201,657 (\$185,557+\$16,100).

(iii) Variations in the annual bottom line. This section does not apply since no significant variation is anticipated.

(f) Reasons for Change in Burden.

The increase in burden is primarily due to the additional performance testing, monitoring, recordkeeping, and reporting costs attributable to the final amendments. It is also due to the use of more current labor rates for calculating the industry and Agency burden.

(g) Burden Statement

The increased average annual respondent burden for one facility is estimated at 118 (4,159/35.3) hours. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information.

An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations in 40 CFR part 63 are listed in 40 CFR part 9.

To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggestions for minimizing respondent burden, including through the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID No. EPA-HQ-OAR-2002-0051, which is available for online viewing at www.regulations.gov, or in person viewing at the Air and Radiation Docket and Information Center in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue, NW, Washington, D.C. The EPA Docket Center Public Reading Room is open from

8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Air and Radiation Docket and Information Center is (202) 566-1742. An electronic version of the public docket is available at www.regulations.gov. This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. When in the system, select “search,” then key in the Docket ID Number identified above. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, D.C. 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID Number EPA-HQ-OAR-2002-0051 and OMB Control Number 2060-0416 in any correspondence.

PART B

This section is not applicable because statistical methods are not used in data collection associated with the final amendments.

TABLE 2. ANNUAL RESPONDENT BURDEN AND COST OF REPORTING AND RECORDKEEPING REQUIREMENTS OF THE PROPOSED AMENDMENTS

Burden item	(A) Person- hours per occurrence	(B) No. of occurrences per respondent	(C) Person- hours per respondent (C=AxB)	(D) Respondent s per year*	(E) Technical person- hours per year (E=CxD)	(F) Managemen t person- hours per year (Ex0.05)	(G) Clerical person- hours per year (Ex0.1)	(H) Cost, \$ **
1. Applications	N/A							
2. Surveys and Studies	N/A							
3. Acquisition, Installation, and Utilization of Technology and Systems	16	1	16	35.3	564.8	28.2	56.5	\$56096
4. Reporting Requirements								
A. Read instructions	2	1	2	35.3	70.6	3.5	7.1	\$7,012
B. Required activities								
Initial THC performance test	280	1	280	4	1120	56	112	111,238
Initial Hg performance test	280	1	280	4	1120	56	112	111,238
C. Create information	See 4B							
D. Gather existing information	See 4B							
E. Write report								
Initial compliance certification	2	1	2	35.3	70.6	3.5	7.1	\$7,012
Notification of anticipated startup	2	1	2	4	8.0	0.4	0.8	\$795
Notification of actual startup	2	1	2	4	8.0	0.4	0.8	\$795
Notification of Hg performance test	2	1	2	4	8.0	0.4	0.8	\$795
Report of performance test	See 4B							
Report of monitoring exceedances	8	1	8	4	32.0	1.6	3.2	\$3178
5. Recordkeeping Requirements								
A. Read instructions	See 4A							
B. Plan activities	2	1	2	35.3	70.6	3.5	7.1	\$7012
C. Implement activities	2	1	2	35.3	70.6	3.5	7.1	\$7012
D. Develop record system	2	1	2	35.3	70.6	3.5	7.1	\$7012
E. Time to enter information	2	4	8	35.3	282.4	14.1	28.2	\$28,048
F. Time to train personnel	2	1	2	35.3	70.6	3.5	7.1	\$7012
G. Time to adjust existing ways to comply with previously applicable requirements	0	0	0		0.0	0.0	0.0	\$0
H. Time to transmit or disclose information	0.25	2	0.5	35.3	17.7	0.9	1.8	\$1753
I. Time for CEM audits	8	1	8	4	32.0	1.6	3.2	\$3178
J. Time to record amount of cement recycled and amount wasted	0.25	365	91.25	35.3	3221.1	161.1	322.1	\$319,921
TOTAL LABOR BURDEN AND COST					3,616.5	180.8	361.6	\$679,105

Total labor burden (hours)								4,159
Annualized cost of capital								\$73,380
Operation and maintenance								\$88,292
TOTAL ANNUAL COST (Labor + Annualized Capital + O&M)								\$840,777

* Number of respondents: 94 existing plants over 3-yr term of ICR is 31.3 respondent. Four new kilns per year are projected.
b Costs are based on the following hourly rates: technical at \$89.63, management at \$104.21, and clerical at \$44.79.

TABLE 3. ANNUAL BURDEN AND COST TO THE FEDERAL/STATE GOVERNMENT OF THE PROPOSED AMENDMENTS

Burden item	(A) Hours per occurrence	(B) Hours per plant per year	(C) Plants per year	(D) Technical person- hours per respondent (D=BxC)	(E) Managemen t person- hours per year (Dx0.05)	(F) Clerical person- hours per year (Dx0.1)	(G) Cost, \$ **
Initial performance test	5	1	4	1	0.02	0.4	\$296
Repeat performance test-Retesting preparation	N/A						
Repeat performance- Retesting	N/A						
Litigation	N/A						
Excess Emission Enforcement Activities	N/A						
Report Review							
Notification of construction /reconstruction	N/A						
Notification of anticipated startup	2	2	4	8	0.4	0.8	592
Notification of actual startup	2	2	4	8	0.4	0.8	592
Notification of special compliance requirements	N/A						
Notification of applicability	N/A						
Notification of initial performance test	2	2	4	8	0.4	0.8	592
Notification of CEMS performance evaluation	2	2	4	8	0.4	0.8	592
CEMS QA plan	2	2	4	8	0.4	0.8	592
Notification of compliance status	2	2	35.3	70.6	3.53	7.06	5,223
Site-specific test plan	N/A			0	0	0	0
Repeat performance test report	N/A			0	0	0	0
Semi-annual compliance report	2	2	35.3	70.6	3.53	7.06	5,223
NESHAP waiver application	N/A			0	0	0	0
Compliance extension request	N/A			0	0	0	0
Emergency startup, shutdown, and malfunction report	N/A						
TOTAL BURDEN AND COST				185.2	9.26	18.52	\$13,700
Total labor burden (hours)							213
Travel Expenses for Tests Attended (1 person x 4 test site x 2 days/test x \$50 per diem + \$500/round trip x 4 test site/yr)							\$,2400
TOTAL ANNUAL COST (\$13,700 + 2,400)							\$16,100

^a Costs are based on the following hourly rates: technical at \$66.23, management at \$92.09, and clerical at \$31.40.

ATTACHMENT 1
SOURCE DATA AND INFORMATION REQUIREMENTS

Requirement	Regulation citation	General Provisions citation	Record retention
Notifications			
Anticipated startup	63.1353(b)(1)	63.9(b)(3)	5 years
Actual startup	63.1353(b)(1)	63.9(b)(4)	5 years
Performance test	63.1353(b)(2)	63.7 & 63.9(e)	5 years
CEM performance evaluation	63.1353(b)(4)	63.8(e)	5 years
Compliance status	63.1353(b)(5)	63.9(h)	5 years
Reports			
Performance test	63.1354(b)(1)	63.10(d)	5 years
Monitoring exceedance	63.1354(b)(8) - (10)	63.10(e)(5)	5 years
No excess emissions	63.1354(b)(9)	63.10(e)(5)	5 years
Startup, shutdown, malfunction	63.1354(b)(4) - (5)	63.10(d)(5)	5 years
RECORDKEEPING			
Record retention	63.1355(a)	63.10(b)(1)	5 years
General NESHAP records	63.1355(b)(1) - (3)	63.10(b)(2) - (3)	5 years
CMS performance records	63.1355(c)	63.10(c)	5 years
Cement kiln dust records	63.1355(d)	63.10(b)(2) - (3)	5 years