Supporting Statement for NSPS for Pressure Sensitive Tape and Label Surface Coating Operations (40 CFR Part 60, Subpart RR)

1. Identification of the Information Collection

1(a) Title of the Information Collection

New Source Performance Standards (NSPS) for Pressure Sensitive Tape and Label Surface Coating Operations (40 CFR Part 60, Subpart RR)

1(b) Short Characterization/Abstract

The New Source Performance Standards (NSPS) for the regulations published at 40 CFR Part 60, Subpart RR were proposed on December 30, 1980, and promulgated on October18,1983. These regulations apply to each coating line used in the manufacture of pressure sensitive tape and label materials, and on which construction or reconstruction commenced after December 30, 1980. This information is being collected to assure compliance with 40 CFR Part 60, Subpart RR. Facilities that input 45 megagrams of volatile organic compounds (VOC) or less per 12 month period are not subject to the emission limit established by the subpart. This information is being collected to assure compliance with 40 CFR Part 60, Subpart RR.

In general, all NSPS standards require initial notifications, performance tests, and periodic reports. Owners or operators are also required to maintain records of the occurrence and duration of any startup, shutdown, or malfunction in the operation of an affected facility, or any period during which the monitoring system is inoperative. These notifications, reports, and records are essential in determining compliance, and are required of all sources subject to NSPS.

Any owner or operator subject to the provisions of this part shall maintain a file of these measurements, and retain the file for at least two years following the date of such measurements, maintenance reports, and records. All reports are sent to the delegated State or local authority. In the event that there is no such delegated authority, the reports are sent directly to the United States Environmental Protection Agency (EPA) Regional Office.

Approximately 36 sources are currently subject to the regulation, and it is estimated that an additional one source per year will become subject to the regulation in the next three years. It is further assumed that there is an average of one affected facility per plant (respondent). These numbers are based on previous experience with the industry and a recent search of the Agency=s AFS data base. The increase in burden from the most recently approved ICR is due to an adjustment. The adjustment increase is due to a correction made to the frequency of temperature reports on sources that use incinerators to control emissions.

OMB approved the currently active ICR without any ATerms of Clearance.

2. Need for and Use of the Collection

2(a) Need/Authority for the Collection

The EPA is charged under Section 111 of the Clean Air Act (CAA), as amended, to establish standards of performance for new stationary sources that reflect:

... application of the best technological system of continuous emissions reduction which (taking into consideration the cost of achieving such emissions reduction, or any non-air quality health and environmental impact and energy requirements) the Administrator determines has been adequately demonstrated. Section 111(a)(l).

The Agency refers to this charge as selecting the best demonstrated technology (BDT). Section 111 also requires that the Administrator review and, if appropriate, revise such standards every four years. In addition, Section 114(a) states that the Administrator may require any owner or operator subject to any requirement of this Act to:

(A) Establish and maintain such records; (B) make such reports; (C) install, use, and maintain such monitoring equipment, and use such audit procedures, or methods; (D) sample such emissions (in accordance with such procedures or methods, at such locations, at such intervals, during such periods, and in such manner as the Administrator shall prescribe); (E) keep records on control equipment parameters, production variables or other indirect data when direct monitoring of emissions is impractical; (F) submit compliance certifications in accordance with Section 114(a)(3); and (G) provide such other information as the Administrator may reasonably require.

In the Administrator's judgment, volatile organic compound (VOC) emissions from coating lines used in the manufacture of pressure sensitive tape and label materials cause or contribute to air pollution that may reasonably be anticipated to endanger public health or welfare. Therefore, NSPS were promulgated for this source category at 40 CFR Part 60, Subpart RR.

2(b) Practical Utility/Users of the Data

The control of emissions of VOCs from coating lines used in the manufacture of pressure sensitive tape and label materials requires not only the installation of properly designed equipment, but also the operation and maintenance of that equipment. Emissions of VOCs from coating lines used in the manufacture of pressure sensitive tape and label materials are the result of operation of the affected facilities. The subject standards are achieved by the use of reduced (low solvent) VOC coatings; VOC solvent capture and reuse; or capture and destruction of VOC

emissions by incineration. The notifications required in the applicable regulations are used to inform the Agency or delegated authority when a source becomes subject to the requirements of the regulations. The reviewing authority may then inspect the source to check if the pollution control devices are properly installed and operated or that low solvent coatings are being used and the regulations are being met. Performance test reports are needed as these are the Agency's record of a source's initial capability to comply with the emission standards, and serve as a record of the operating conditions under which compliance was achieved.

Facilities that are subject to the emission limit need to ensure that the solvent recovery system or thermal incinerator is functioning correctly. Thermal incinerators must be operated at a high enough temperature to ensure 90 percent control of VOC. The semiannual reports are used for problem identification, as a check on source operation and maintenance, and for compliance determinations. The information generated by the monitoring, recordkeeping and reporting requirements described in this ICR is used by the Agency to ensure that facilities affected by the NSPS continue to operate the control equipment and achieve compliance with the regulation. Adequate monitoring, recordkeeping, and reporting are necessary to ensure compliance with the applicable regulations, as required by the Clean Air Act. The information collected from recordkeeping and reporting requirements is also used for targeting inspections, and is of sufficient quality to be used as evidence in court.

3. Nonduplication, Consultations, and Other Collection Criteria

The recordkeeping and reporting requested is required under 40 CFR Part 60, Subpart RR.

3(a) Nonduplication

If the subject standards have not been delegated, the information is sent directly to the appropriate EPA Regional Office. Otherwise, the information is sent directly to the delegated State or local agency. If a State or local agency has adopted their own similar standards to implement the Federal standards, a copy of the report submitted to the State or local agency can be sent to the Administrator in lieu of the report required by the Federal standards. Therefore, no duplication exists.

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

An announcement of a public comment period for the renewal of this ICR was published in the <u>Federal Register</u> on June 21, 2006 (71 FR 35652). No Comments were received on the burden published in the Federal Register.

3(c) Consultations

For this information collection, the previous ICR renewal was used to obtain burden estimates, all data and assumptions from the previous ICR renewal were used as the basis for estimating the hourly and cost burdens associated with this renewal. One correction was made to the assumptions entered for the frequency of temperature reports.

3(d) Effects of Less Frequent Collection

Less frequent information collection would decrease the margin of assurance that facilities are continuing to meet the standards. Requirements for information gathering and recordkeeping are useful techniques to ensure that good operation and maintenance practices are applied and emission limitations are met. If the information required by these standards is collected less frequently, the likelihood of detecting poor operation and maintenance of control equipment and noncompliance would decrease.

3(e) General Guidelines

None of these reporting or recordkeeping requirements violate any of the regulations established by OMB at 5 CFR 1320.6.

3(f) Confidentiality

The required information consists of emissions data and other information that have been determined not to be private. However, any 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 40000, September 8, 1978; 43 FR 42251, September 20, 1978; 44 FR 17674, March 23, 1979).

3(g) Sensitive Questions

None of the reporting or recordkeeping requirements contain sensitive questions.

4. The Respondents and the Information Requested

4(a) Respondents/SIC Codes

The respondents to the recordkeeping and reporting requirements are pressure sensitive tape and label surface coating operations, and on which construction or reconstruction commenced after December 30, 1980. The SIC code for the respondents affected by the standards is SIC (U.S. Standard Industrial Classification) 2672 which corresponds to the NAICS (North American Industry Classification System) 322222 for coating lines used in the manufacture of pressure sensitive tape and label materials.

4(b) Information Requested

(i) Data Items

All data in this ICR that is recorded and/or reported is required by NSPS for the Pressure Sensitive Tape and Label Surface Coating Operations, 40 CFR Part 60, Subpart RR.

A source must make the following reports:

Reports for 40 CFR Part 60, Subpart RR				
Construction/reconstruction	60.7(a)(1)			
Actual startup	60.7(a)(3)			
Initial performance test results	60.8 (a)			
Initial performance test	60.8(d)			
Demonstration of continuous monitoring system	60.7(a)(5)			
Physical or operational change	60.7(a)(4)			
Excess emissions report	60.7(c), 60.447(b-c)			

A source must maintain the following records:

Recordkeeping for 40 CFR Part 60, Subpart RR					
Startups, shutdowns, malfunctions, periods where the continuous monitoring system is inoperative.	60.7(b)				
Maintain calender month record of all coatings used	60.445(a)				
Maintain calendar month record of solvent applied in coating	60.445(b)				
Maintain calendar month record of solvent recovered for facility using a solvent recovery device	60.445(c)				
Maintain calendar month record of exhaust gas temperature for facility using a thermal incineration solvent destruction device	60.445(e)				
Records are required to be retained for two years. The most recent two years of records must be retained at the facility	60.445(h)				

(ii) Respondent Activities

Respondent Activities	

Respondent Activities

Read instructions.

Install, calibrate, maintain, and operate CMS for temperature monitoring of the exhaust gases at a thermal incineration solvent destruction device; a CMS for temperature monitoring of the gas upstream and downstream of the catalyst bed at a catalytic incineration solvent destruction device; if applicable, install a monitoring device which continuously indicates that the hood or enclosure that captures fugitive VOC emissions is operating.

Perform initial performance test, Reference Methods 24 and 25 tests, and repeat performance tests if necessary.

Write the notifications and reports listed above.

Enter information required to be recorded above.

Submit the required reports developing, acquiring, installing, and utilizing technology and systems for the purpose of collecting, validating, and verifying information.

Develop, acquire, install, and utilize technology and systems for the purpose of processing and maintaining information.

Develop, acquire, install, and utilize technology and systems for the purpose of 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.

Transmit, or otherwise disclose the information.

Presently sources are using monitoring equipment that provides parameter data in an automated way (e.g., temperature monitoring). Although personnel at the source still needs to evaluate the data, this type of monitoring equipment has significantly reduced the burden associated with monitoring and recordkeeping. In addition, some Regulatory Agencies are setting up electronic reporting systems to allow sources to report electronically which is reducing the reporting burden. However, electronic reporting systems are still not widely used by the Regulatory Agencies.

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

5(a) Agency Activities

EPA conducts the following activities in connection with the acquisition, analysis, storage, and distribution of the required information.

Agency Activities

Observe initial performance tests and repeat performance tests if necessary.

Review notifications and reports, including performance test reports, and excess emissions reports, required to be submitted by industry.

Audit facility records.

Input, analyze, and maintain data in the AIRS (Aerometric Information Retrieval System) Facility Subsystem (AFS) database.

5(b) Collection Methodology and Management

Following notification of startup, the reviewing authority might inspect the source to determine whether the pollution control devices are properly installed and operated. Performance test reports are used by the Agency to discern a source=s initial capability to comply with the emission standard and note the operating conditions under which compliance was achieved. Data and records maintained by the respondents are tabulated and published for use in compliance and enforcement programs. The semiannual reports are used for problem identification, as a check on source operation and maintenance, and for compliance determinations.

Information contained in the reports is entered into AFS which is operated and maintained by EPA's Office of Compliance. AFS is EPA=s database for the collection, maintenance, and retrieval of compliance and annual emission inventory data for over 100,000 industrial and government-owned facilities. EPA uses AFS for tracking air pollution compliance and enforcement by local and State regulatory agencies, EPA Regional Offices and EPA Headquarters. EPA and its delegated Authorities can edit, store, retrieve and analyze the data.

The records required by this regulation must be retained by the owner or operator for two years.

5(c) Small Entity Flexibility

A majority of the affected facilities are large entities (e.g., large businesses). However, the impact on small entities (i.e., small businesses) was taken into consideration during the development of the regulation. Due to technical considerations involving the process operations and the types of control equipment employed, the recordkeeping and reporting requirements are

the same for both small and large entities. The Agency considers these requirements the minimum needed to ensure compliance and, therefore, cannot reduce them further for small entities. To the extent that larger businesses can use economies of scale to reduce their burden, the overall burden will be reduced.

The number of small entities potentially subject to the requirements of this information collection request is estimated to be 29 percent of the respondent universe. This estimate is based on the percent of plants in this industry that were classified as small entities during the development of this rule (see BID document EPA-450/3-80-003a, p. 8-30).

5(d) Collection Schedule

The specific frequency for each information collection activity within this request is shown in Table 2: Annual Industry Burden for NSPS for Pressure Sensitive Tape and Label Coating Operations (40CFR Part 60, Subpart RR).

6. Estimating the Burden and Cost of the Collection

Table 2 documents the computation of individual burdens for the recordkeeping and reporting requirements applicable to the industry for the Subpart included in this ICR. The individual burdens are expressed under standardized headings believed to be consistent with the concept of burden under the Paperwork Reduction Act. Where appropriate, specific tasks and major assumptions have been identified. Responses to this information collection are mandatory.

The 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.

6(a) Estimating Respondent Burden

The average annual burden to industry over the next three years from these recordkeeping and reporting requirements is estimated to be 3,353 (Total Labor Hours from Table 2). These hours are based on Agency studies and background documents from the development of the regulation, Agency knowledge and experience with the NSPS program, the previously approved ICR, and any comments received.

6(b) Estimating Respondent Costs

(i) Estimating Labor Costs

This ICR uses a Technical Labor Rate of \$57.12 per hour. This rate is from the United States Department of Commerce Bureau of Labor Statistics, March 2001, ATable 10. Private industry, by occupational and industry group. The rate is from column 1, ATotal compensation. The wage rate has been increased by 110% to account for the benefit packages available to those employed by private industry. The recordkeeping and reporting requirements in NSPS Subpart RR were designed to be performed by technical staff.

(ii) Estimating Capital/Startup and Operation and Maintenance Costs

The type of industry costs associated with the information collection activity in the regulations are labor and continuous emission monitors (CEMs). The capital/startup costs are one time costs when a facility becomes subject to the regulation. The annual operation and maintenance costs are the ongoing costs to maintain the monitor and other costs such as photocopying and postage.

(iii) Capital/Startup vs. Operation and Maintenance (O&M) Costs

Capital/Startup vs. Operation and Maintenance (O&M) Costs							
(A) Continuous Monitoring Device	(B) Startup Cost for One Affected Facility	(C) Number of New Affected Facilities to Startup	(D) Total Startup (B X C)	(E) Annual O&M Costs for One Affected Facility	(F) Number of Affected Facilities with O&M	(G) Total O&M (E X F)	
Temperature	\$7,000	1	\$7,000	\$1,800	36	\$64,800	

The total capital/startup costs for this ICR are \$7,000. This is the total of column D in the above table. The total operation and maintenance (O&M) costs for this ICR are \$64,800. This is the total of column G.

The total respondent non-labor costs have been calculated as the addition of the capital/startup costs, and the annual operation and maintenance costs. The average annual cost for capital/startup and operation and maintenance costs to industry over the next three years of the ICR is estimated to be \$71,800.

6(c) Estimating Agency Burden and Cost

The only costs to the Agency are those costs associated with analysis of the reported information. Publication and distribution of the information are part of the AFS program. Examination of records to be maintained by the respondents will occur as part of the periodic inspection of sources, which is part of EPA's overall compliance and enforcement program.

The average annual Agency cost during the 3 years of the ICR is estimated to be \$12,140 [see Table 1 in Section 6(e)]. This cost is based on the average hourly labor rate at a GS-12, Step 1, times a 1.6 benefits multiplication factor to account for government overhead expenses for a total of \$38.30. This rate is from the Office of Planning and Management=s (OPM) A2002 General Schedule@ which excludes locality rates of pay.

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

Respondent Universe and Number of Responses/Year

Respondent Universe and Number of Responses/Year							
Regulation Citation 40 CFR Part 60, Subpart RR	(A) Number of New Sources/ Year	(B) Number. of Reports for New Sources	(C) Number of Existing Sources	(D) Number of Reports for Existing Sources	(F) Number of Recordkeepe rs that do not submit reports	(E) Total Annual Responses = (AxB)+(CxD)+ F	
New and no exceedances	1	3	36	2	0	75	
Excess emission			29	2		58	

The number of total respondents is 37. This number is the sum of Column A and Column C of the Respondent Universe and Number of Responses Per Year table. This represents the number of existing sources plus the number of new sources averaged over the three-year period (i.e., number of new respondents per year multiplied by three years divided by two).

The number of Total Annual Responses is 133. This is the number in column E of the Respondent Universe and Number of Responses Per Year table. The total annual labor costs are \$191,584. Details upon which this estimate is based appear in Table 2. Annual Respondent Burden and Cost, New Source Performance Standards for Pressure Sensitive Tape and Label Coating Operations (40 CFR Part 60, Subpart RR).

The total annual capital and O&M costs to the regulated entity are \$71,800. These costs are detailed in section 6(b)(iii), Capital/Startup vs. Operating and Maintenance (O&M) Costs.

6(e) Bottom Line Burden Hours Burden Hours and Cost Tables

The bottom line burden hours and cost tables for both the Agency and the respondents are attached in Tables 1 and 2.

6(f) Reasons for Change in Burden

The increase in burden from the most recently approved ICR is due to an adjustment. The adjustment increase in burden from the most recently approved ICR is due to a correction made to the frequency of temperature reports on sources that use incineration to control emissions. The most recently approved ICR assumed an annual frequency of 0.5. However, temperature reports are required to be submitted semi-annually. A semi-annual report indicates two reports per year, not 0.5 per year. The total labor costs have also increased since there was an adjustment made to the burden. EPA has maintained the same estimate for the number of sources currently subject to this standard as indicated in the most recently approved ICR.

6(g) Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 25 (rounded) hours per response.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB Control Number. The OMB Control Numbers for EPA=s regulations are listed at 40 CFR part 9 and 48 CFR chapter 15.

To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OECA-2006-0414. An electronic version of the public docket is available at http://www.regulations.gov/ which may be used to obtain a copy of the draft collection of information, submit or view public comments, access the index listing of the contents of the 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 in this document. The documents are also available for public viewing at the Enforcement and Compliance Docket and Information Center in the EPA Docket Center (EPA/DC), EPA West, Room B102, 1301 Constitution Ave., NW, Washington, DC. 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 Enforcement and Compliance Docket and Information Center Docket is (202) 566-1514. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, DC 20503, Attention: Desk Office for EPA. Please include the EPA Docket ID Number EPA-HQ-OECA-2006-0414 and OMB Control Number 2060-0004 in any correspondence.

Part B of the Supporting Statement

This part is not applicable because no statistical methods were used in collecting this information.

TABLE 1: AVERAGE ANNUAL AGENCY BURDEN FOR NSPS FOR PRESSURE

SENSITIVE TAPE AND LABEL COATING OPERATIONS (40 CFR PART 60, SUBPART RR)

Reporting/Recordkeeping Requirement	EPA hrs/ occurrences (A)	Occurrences plant/year (B)	EPA hr/ plant/year (C=AxB)	Plants/ year (D)	EPA hrs/year (E=CxD)
Initial Performance Tests					
New Plant	24	1	24	1	24
Repeat Performance Test					
New Plant	24	1	4.8	0.2	4.8
Report Review					
New Plant					
Notification of construction	2	1	2	1	2
Notification of initial startup	0.5	1	0.5	1	0.5
Notification of actual startup	0.5	1	0.5	1	0.5
Notification of initial test	0.5	1	0.5	1	0.5
Review test results	8	1	8	1	8.0
Existing Plant					
VOC emission reports	2	2	4	36	144
Temperature reports [a]	2	2	4	29	116

TOTAL ANNUAL HOURS 300

Travel expenses

(1 person x 1 plant/year x 3 days/plant x \$100 per diem) + (\$350 round trip/plant x 1 plant/year) = \$650.00/year

(1 person x 300 hrs/year x \$38.30/hrs) = \$11,490

TOTAL ANNUAL BURDEN = \$12,140

Assumptions:

- \$a. Number of new plants (per year): 1.
 \$b.Rate of failed performance tests: 20%.
 \$c. Time required to participate with performance test (hours per plant): 24.
 \$d. Time required to review construction notification (hours): 2.
 \$e. Time required to review startup and initial test notifications (hours): 0.5.
 \$f. Time required to review performance test results (hours): 8.

- h. 80% of sources use incineration (36 x .8 = 29): 29.
 h. EPA=s labor rate at a GS-12, Step 1 x 1.6 government overhead expenses: \$38.30.
 j. Percentage of new plants visited: 100%.
 k. Round trip airfare to visit plant: \$350.
 l. Each plant must submit q quarterly report on excess emissions every other year, in addition to the required semiannual report.
 m. Number of affected facilities is equal to the number of existing affected facilities plus the number of new or modified sources that become affected sources in the new three years.

TABLE 2: ANNUAL INDUSTRY BURDEN FOR NSPS FOR PRESSURE SENSITIVE TAPE AND LABEL COATING OPERATIONS (40 CFR PART 60, SUBPART RR)

	Hours per Occurrence (A)	Occurrences/ respondent/ year (B)	Hours/ Respondent/ year (C = A x B)	Respondents per year (D)	Hours per year (E = C x D)	Cost/ year ^a (F=E x \$57.12)
1. APPLICATIONS 2. SURVEY AND STUDIES 3. DEPORTING PROMPTS		Not Applicable Not Applicable				
3. REPORTING REQUIREMENTS A. Read Instructions B. Required Activities	1	1	1	1	1	\$57.12
Initial performance test Repeat performance test [c] C. Create Information D. Gather Existing Information E. Write Report	60 60	1 1 Included in 3B Included in 3E	60 60	1 0.2	60 12	\$3,427.20 \$685.44
Notification of construction/ reconstruction	2	1	2	1	2	\$114.24
Notification of actual startup	2	1	2	1	2	\$114.24
Notification of initial performance test	2	1	2	1	2	\$114.24
Report of performance test Excess Emission Reports	9	Included in 3B				
VOC Emission Reports [e] Temperature Reports [f]	5 4	2[d] 2	10 8	36 29	360 232	\$20,563.20 \$13,251.84
SUBTOTAL					<u>671</u>	<u>\$38,327.52</u>
 4. RECORDKEEPING REQUIREMENT A. Read Instructions N. Plan Activities C. Implement Activities 		Included in 3A Included in 4C Included in 3B				
Monthly performance test D. Develop Record System E. Time to Enter Information	1 N/A	12 N/A	12 N/A	36 N/A	432 N/A	\$24,675.84 N/A
Records of operating parameters [g]	0.25	250	62.5	36	2250	\$128,520.00
F. Train Personnel G. Audits	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
TOTAL ANNUAL BURDEN					3,353	\$191,523

Assumptions:

<sup>a. Number of new affected facilities per year: 1.
b. Technical labor rate (Bureau of Labor Statistics): \$57.12.
c. Rate of failed performance tests: 20%.
d. Each source submits one excess emission report every year, in addition to the required semiannual report.
e. Average number of affected facilities is equal to the number of affected facilities in existence plus the average of new affected facilities to be</sup>

- constructed or modified over the next 3 years.

 f. 80% of sources use incineration to control emissions (36x.8 = 29): 29.

 g. Operating 250 days per year as specified in NSPS review document.