Supporting Statement for NSPS for Automobile and Light Duty Truck Surface Coating Operations (40 CFR part 60, subpart MM)

1. Identification of the Information Collection

1(a) Title of the Information Collection

NSPS for Automobile and Light Duty Truck Surface Coating Operations (40 CFR part 60, subpart MM)**.**

1(b) Short Characterization/Abstract

The New Source Performance Standards (NSPS) for Automobile and Light Duty Truck Surface Coating Operations (40 CFR part 60, subpart MM) were proposed on October 5, 1979, and promulgated on December 24, 1980 (45 FR 85415). These standards apply to the following automobile and light duty truck assembly plant operations: each prime coat operation, guide coat operation, and top coat operation commencing construction, modification or reconstruction after October 5, 1979. This information is being collected to assure compliance with 40 CFR part 63, subpart MM.

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, in general, 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 52 sources are currently subject to the standard, and it is estimated that an additional two sources per year will become subject to the regulation in the next three years. This estimate is based on discussions with the industry, EPA's Air Facility System (AFS), and the previously approved Information Collection Request (ICR).

The Office of Management and Budget (OMB) approved the currently active ICR without any "Terms 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, 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 automobile and light duty truck coating operations cause or contribute to air pollution that may reasonably be anticipated to endanger public health or welfare. Therefore, the NSPS were promulgated for this source category at 40 CFR part 60, subpart MM.

2(b) Practical Utility/Users of the Data

The control of emissions of VOCs from automobile and light duty truck coating operations requires not only the installation of properly designed equipment, but also the operation and maintenance of that equipment. Emissions of VOCs from automobile and light duty truck coating operations are the result of operation of the affected facilities. The subject standards are achieved by the capture and destruction of pollutant emissions using incinerators or

through the use of coatings which contain lower amounts of VOCs. 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 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. When thermal or catalytic incineration is performed, the owner or operator shall keep records of each three-hour period during which the incinerator temperature averaged more than 28 degrees centigrade below the temperature of the most recent performance test, and when the average temperature difference across the catalyst bed is less than 80% of the average temperature difference recorded during the most recent performance test. 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 in compliance with the regulation. Adequate monitoring, recordkeeping, and reporting are necessary to ensure compliance with these standards, 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 requested recordkeeping and reporting are required under 40 CFR part 60, subpart MM.

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 Federal Register on June 21, 2006 (71 FR 35652). No comments were received on the burden published in the Federal Register.

3(c) Consultations

The primary source of information as reported by industry, in compliance with the record keeping and reporting provisions in the standard, is the ARS (Airs Facility Subsystem) which is

operated and maintained by EPA's Office of Compliance. AFS is the Agency's database for the collection, maintenance and retrieval of all compliance data. In consultation with the Agency's industry experts and the AFS database, we have determined that there has been no growth in the number of respondents since the last ICR.

In determining the correct burden estimate associated with this ICR, industry trade associations and other interested parties have been provided an opportunity to comment on the burden associated with the standard as it was being developed and in subsequent renewals of the ICR. It is our policy to carefully review any comments received since the last ICR renewal, including those submitted in response to the first federal register notice, and respond appropriately.

We contacted the Alliance of Automobile Manufactures and the Association of International Automobile Manufactures who declined to comment on this ICR. Therefore, for this information collection, 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.

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 was 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 in 5 CFR 1320.6.

3(f) Confidentiality

The required information has been determined not to be confidential. 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 of the recordkeeping and reporting requirements are automobile and light duty truck surface coating operations for which construction or modification commenced after October 5, 1979.

Standard	SIC Codes	North American Industrial Classification System (NAICS) Codes
40 CFR part 60, subpart MM	3711	336111
		336112
		336211

4(b) Information Requested

(i) Data Items

All data in this ICR that is recorded and/or reported is required by NSPS for Automobile and Light Duty Truck Surface Coating Operations (40 CFR part 60, subpart MM).

A source must make the following reports:

Reports	
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)
Physical or operational change.	60.7(a)(4)
Startups, shutdowns, malfunctions, periods where the continuous monitoring system is inoperative.	60.7(b)
Report volume weighted average mass of VOC per volume of applied coatings solid in initial compliance report.	60.395(a)
Report the gas temperature upstream and downstream of catalyst bed, total mass of VOC per volume of applied coating solids, capture efficiency, destruction efficiency, and method used to determine VOC captured and sent to the control device in initial compliance report or subsequent performance test report.	60.395(a)
Monthly performance test.	60.393(b), 60.393(c)
Install, calibrate, maintain, and operate temperature monitoring device Quarterly reports of excess VOC emissions, semiannual reports if no exceedences.	60.395(b)
Reports of low incinerator temperature.	60.395(c)
Record the incinerator combustion temperature.	60.395(d)
Notify the Administrator 30 days in advance of any test by Reference Method 25.	60.395(d)

A source must maintain the following records:

Recordkeeping	
Startups, shutdowns, malfunctions, periods where the continuous monitoring system is inoperative.	60.7(b)
Records are required to be retained for two years. Records must be retained at the facility.	60.8

(ii) Respondent Activities

Respondent Activities
Read instructions.
Install, calibrate, maintain, and operate the compliance monitoring system (CMS) for temperature.
Perform initial performance test, Reference Method 24 or Method 25 test, 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.

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

Agency Activities
reports, required to be submitted by industry.
Audit facility records.
Input, analyze, and maintain data in the Air Facility System (AFS).

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 the 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 the 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

The majority of 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 ICR is estimated to be zero percent of the respondent universe. This estimate is based on the discussion at the affected small entities during the development of the rule (see BID EPA-450/3-80-003a).

5(d) Collection Schedule

The specific frequency for each information collection activity within this request is shown in Table 1: Annual Respondent Burden and Cost, NSPS for Automobile and Light Duty Truck Surface Coating Operations (40 CFR part 60, subpart MM)**.**

6. Estimating the Burden and Cost of the Collection

Table 1 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 156,362 (Total Labor Hours from Table 1). 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 consultations with the industry.

6(b) Estimating Respondent Costs

(i) Estimating Labor Costs

This ICR uses a Technical Labor Rate of $61.66 per hour. This rate is from the United States Department of Labor, Bureau of Labor Statistics, September 2002, “Table 10. Private industry, by occupational and industry group.” The rate is from column 1, “Total compensation.” The rate has been increased by 110% to account for the benefit packages available to those employed by private industry.

(ii) Estimating Capital and Operations and Maintenance Costs

The type of industry costs associated with the information collection activities in the subject standard(s) are both labor costs which are addressed elsewhere in this ICR and the costs associated with continuous monitoring. 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(s) and other costs such as photocopying and postage.

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

Capital/Startup vs. Operating and Maintenance (O&M) Costs						
(A) Continuous Monitoring Device	(B) Capital/ Startup Cost for One Respondent	(C) Number of New Respondents	(D) Total Capital/ Startup Cost, (B X C)	(E) Annual O&M Costs for One Respondent	(F) Number of Respondents with O&M	(G) Total O&M, (E X F)
Temperature Monitoring Device	$850	2	$1,700	$1,750	52	$91,000

The total capital/startup costs for this ICR are $1,700. The total operating and maintenance (O&M) costs for this ICR are $91,000. This is the total of column G.

The total respondent 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 $92,700.

The continuous monitoring costs that are included in this section consist only of those capital/startup and O&M costs that a source incurs as a result of the standard. Some continuous monitoring costs may not be included in this section. For instance, if a particular industry typically utilizes a control device that must have a continuous monitor (e.g., temperature, pressure drop, etc.) to function properly, and the recordation of additional measurements beyond the minimum is required by the standard, then there is no capital/startup or O & M cost, but there is a labor cost to record the additional readings. Such a cost would not appear in this section, but in the industry burden Section 6(d) below.

6(c) Estimating Agency Burden and Cost

The only costs to the Agency are those costs associated with analysis of the reported information. EPA's overall compliance and enforcement program includes activities such as the examination of records maintained by the respondents, periodic inspection of sources of emissions, and the publication and distribution of collected information.

The average annual Agency cost during the three years of the ICR is estimated to be $32,887 (rounded) [see Table 2 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 $39.49.

These rates are from the Office of Personnel Management (OPM) "2003 General Schedule" which excludes locality rates of pay. These rates can be obtained from the OPM web site, http//www.opm.gov/oca/payrates/index/htm. Details upon which this estimate is based appear in Table 2: Annual Agency Burden and Cost, NSPS for Automobile and Light Duty Truck Surface Coating Operations (40 CFR part 60, subpart MM), below.

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

Approximately 52 existing sources are currently subject to the regulation, and it is estimated that an additional two sources per year will become subject to the regulation in the next three years. See Section 1(b).

Respondent Universe and Number of Responses Per Year						
Regulation Citation	(A) Average Number of New Respondents per Year	(B) Number of Reports for New Sources	(C) Number of Existing Respondents	(D) Number of Reports for Existing Sources	(F) Number of Respondents That Keep Records But Do Not Submit Reports	(E) Total Annual Responses = (AxB)+(CxD)+F
NSPS subpart MM	2	1	52	4	0	210

The number of total respondents is 54. 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., the total of the number of new respondents over the three-year period divided by three years).

The number of Total Annual Responses is 210. This is the number in column E of the Respondent Universe and Number of Responses Per Year table above.

The total annual labor costs for Respondents are $9,641,281 (rounded). Details regarding these estimates may be found in Table 1. Annual Respondent Burden and Cost, NSPS for Automobile and Light Duty Truck Surface Coating Operations (40 CFR part 60, subpart MM). Note that the total annual capital and O&M costs to the regulated entity are 92,700. These costs are detailed in Section 6(b)(iii), Capital/Startup vs. Operation 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. The annual public reporting and recordkeeping burden for this collection of information is estimated to average 745 (rounded) hours per response.

6(f) Reasons for Change in Burden

There is no change in burden from the most recently approved ICR. This ICR renewal

was approved under the "renew without change" option and reflects no increase in the number of new or modified sources.

6(g) Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 745 (rounded) hours per response. 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 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-2006-0416. 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 3334, 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-2006-0416 and OMB Control Number 2060-0034 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 Annual Respondent Burden and Cost

NSPS for Automobile and Light Duty Truck Surface Coating Operations (40 CFR Part 60, Subpart MM)

	REPORTING/RECORDKEEPING REQUIREMENT	Hours/ Occurence (A)	Occurences/Year (B)	Hours/Year (C=A*B) (C)	Respondents/Year (D)	Hours/Year (E=C*D) (E)	Costs/Year (F)
1.	APPLICATIONS	20	1	20	2	40	$2,466.40
2.	SURVEY AND STUDIES	134	1	134	2	268	$16,524.88
3.	REPORTING REQUIREMENTS						
a.	Read Instructions	10	1	10	52	520	$32,063.20
b.	Required Activities						
	Initial Performance Tests	2,800	1	2,800	2	5,600	$345,296.00
	Demonstration of CMS	N/A	N/A	N/A	N/A	N/A	N/A
	Repeat of Performance Tests	660	1	660	0.4	264	$16,278.24
c.	Create Information		----------Included in 3b----------				
d.	Gather Existing Information		----------Included in 3e----------				
e.	Write Report						
	Notification of Construction/Reconstruction	2	1	2	2	4	$246.64
	Notification of Actual Startup	2	1	2	2	4	$246.64
	Notification of Initial Performance Test	41	1	41	2	82	$5,056.12
	VOC Emission Reports	10	4	40	52	2,080	$128,252.80
	Temperature Reports	30	2	60	52	3,120	$192,379.20
4.	RECORDKEEPING REQUIREMENTS						
a.	Read Instructions	10	1	10	52	520	$32,063.20
b.	Plan Activities	20	1	20	52	1,040	$64,126.40
c.	Implement Activities (Monthly Perf. Test)	1,920	1	1,920	52	99,840	$6,156,134.40
d.	Develop Record System	5,000	1	5,000	2	10,000	$616,600.00
e.	Time to Enter Information						
	Records of Temperature	480	1	480	52	24,960	$1,539,033.60
f.	Train Personnel	40	1	40	52	2,080	$128,252.80
g.	Audits	20	1	20	52	1,040	$64,126.40
5.	EQUIPMENT & ANALYTICAL EVALUATION EXPENSE						
a.	Continuous Monitoring & Evaluation	40	1	40	35	1,400	$86,324.00
b.	Routine Testing and Maintenance	60	1	60	35	2,100	$129,486.00
c.	Systems to Manage Data	40	1	40	35	1,400	$86,324.00
	TOTAL ANNUAL BURDEN					156,362	$9,641,281
							(Rounded)

Assumptions	
Number of existing affected facilities (per year) =	52
Time required to read instructions (hours) =	1
Time required to complete performance test (hours) =	3
Rate of failed performance tests =	20%
Number of new facilities (per year) =	2

TABLE 2	Annual Agency Burden and Cost					
	NSPS for Automobile and Light Duty Truck Surface Coating Operations (40 CFR Part 60, Subpart MM)					
REPORTING/RECORDKEEPING REQUIREMENT		EPA Hours/ Occurence (A)	Occurences/Plant/Year (B)	EPA Hours/ Year (C=A*B) (C)	Plants/Year (D)	EPA Hours/ Year (E=C*D) (E)
INITIAL PERFORMANCE TESTS						
	New Plant	24	1.2	28.8	2	57.6
REPORT REVIEW						
	New Plant					
	Notification of Construction	2	1	2	2	4
	Notification of Initial Startup	0.5	1	0.5	2	1
	Notification of Actual Startup	0.5	1	0.5	2	1
	Notification of Initial Test	0.5	1.2	0.6	2	1.2
	Review Test Results	8	1.2	9.6	2	19.2
VOC EMISSION REPORTS		2	4	8	52	416
TEMPERATURE REPORTS		2	2	5	52	260
TOTAL ANNUAL HOURS						**760**
ANNUAL TRAVEL EXPENSES						
	(1 person x 5 plants/year x 3 d/plant x $75 per diem) + ($350 round trip/plant x 5 plant/yr) =	$2,875.00				
SALARY BURDEN (per year)						
	1 person x 760 h/yr x $39.49/h =	$30,012.40				
TOTAL ANNUAL BURDEN		**$32,887**	(Rounded)			
Assumptions						
Number of new plants (per year)			2			
Rate of failed performance tests			20%			
Time required to participate with performance test (hours per plant)			24			
Time require to review construction notification (hours)			2			
Time required to review startup and initial test notifications (hours)			0.5			
Time required to review performance test results (hours)			8			
EPA labor rate (GS-12 Step 1 x 1.6 for overhead)			$39.49			
Round trip airfare to visit plant			$350			