

**INFORMATION COLLECTION REQUEST RENEWAL
FOR THE NO_x BUDGET TRADING PROGRAM TO REDUCE THE REGIONAL
TRANSPORT OF OZONE**

April 16, 2007

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(JUNE 2007 THROUGH DECEMBER 2008)

SUPPORTING STATEMENT

1. IDENTIFICATION OF THE INFORMATION COLLECTION

1.1 Background

This Information Collection Request (ICR) addresses the labor hour burden and costs of State reporting requirements contained in the U.S. Environmental Protection Agency's (EPA) rule to control regional transport of ozone season NO_x emissions contributing to exceedances of the Ozone National Ambient Air Quality Standard (NAAQS) in the eastern United States which was published on October 27, 1998 (63 FR 57350). This rule is known informally as the NO_x SIP call. These provisions are now incorporated in 40 CFR 51.121 and 51.122. The reporting requirements of this rule under §51.122 are imposed directly on the States, not on industry. However, in order to meet the requirements of this rule, States will of necessity have to impose requirements on industry for installation of continuous emission monitors and for recordkeeping and reporting. Therefore, there will be an indirect record keeping and reporting burden on industry as a result of this rule. This ICR estimates the burden hours and costs incurred by industry as a result of reporting requirements of the rule. The rule does not require an emissions trading program, but it strongly encourages such a trading program, and it is anticipated that every State will adopt a trading program for fossil fuel-fired NO_x sources serving electrical generators with a nameplate capacity greater than 25 MW or boilers, combustion turbines or combined cycle units with maximum design heat input greater than 250 mm BTU/hr. For this ICR, it is assumed that each State will adopt the Federal model trading program, and the burden associated with such a program is evaluated. This trading program burden would include the paper work burden related to (1) transferring and tracking allowances; (2) the allocation of allowances to affected units; (3) permitting; (4) annual year end compliance certification; and (5) meeting the monitoring and reporting requirements of the program. The monitoring and reporting requirements of a trading program will require capital and labor expenditures by industry, and these are evaluated. Reporting requirements under the trading program can often be used to satisfy the §51.122 reporting requirements, but other requirements of the trading program are specific to the trading program and will often be discussed here under separate headings.

States are required to report data annually for those point, area, nonroad mobile, and highway mobile sources for which they adopt control measures to meet their NO_x SIP call requirements. These annual reports must include ozone season NO_x emission inventories. States which must comply in 2003 must report a statewide inventory of all NO_x sources every 3 years starting in the year 2003 for the 2002 inventory. While the States are expected to use their

existing emission inventory data collection and electronic reporting mechanisms for submitting the data to EPA, some modifications will be necessary to account for the reporting of ozone season emissions data. The data reports may be provided using one of several procedures, including submittal in Emission Inventory Improvement Program/Electronic Data Interchange (EIIP/EDI) format, or in proprietary format based on the EIIP data model. The EPA will allow for the direct reporting of point source data from sources to EPA if the sources are subject to the monitoring and reporting provisions of Subpart H of 40 CFR Part 75.

1.2 Information to Be Collected

Emissions Trading Program

The ability to buy and sell (or transfer) allowances is expected to provide substantial economic benefits, by encouraging the greatest emissions reductions where costs of reductions are lowest. This concept of allowance transfers cannot be implemented, however, unless regulations governing emissions monitoring and permitting of sources are in place as well. To ensure compliance with the emissions reduction requirements and to provide the regionwide consistency needed to foster the allowance market, the designated representative of the owners and operators of each source with affected units will be required to obtain an operating permit for the affected source and to certify that an approved emissions monitoring system has been installed and is properly operated at each affected unit's source of emissions.

Allowance Transfers

Participants in the allowance transfer system now have two options for submitting transfers: to submit electronically using the internet to record their own allowance transfers, either by entering the data on screen or by submitting an XML file; or complete a paper form and send it the Agency. Participants in the transfer system that are not affected sources under Title IV are also be required to file a one time account information application using a paper form to establish an account in the Allowance Tracking System (ATS). As part of the annual compliance determination process, designated representatives have the option of submitting an allowance deduction form to identify specific serial numbered allowances to be deducted for annual compliance

Emissions Monitoring

To meet the emissions monitoring record-keeping and reporting requirements, affected units are required to (1) submit a monitoring plan and certification of monitors, (2) record hourly pollutant and flow monitor data, and (3) submit electronic quarterly reports of their emissions data to EPA. Operators of new electric generating units of 25 megawatts (MW) capacity or less may receive a CEMS exception if they certify their use of very-low-sulfur fuel.

Submissions Purposes and Procedures

Allowance transfer notifications may be submitted to EPA electronically or on paper. Emissions reports must be submitted electronically. All Phase II permit applications must be submitted on paper.

The allowance transfer submittal is used to record allowance transfers for compliance purposes and to track the disposition of all allowances in the system. Applications for allowances from the Energy Conservation and Renewable Energy Reserve provide information on the emissions avoided through the use of energy conservation measures and renewable energy, and are used to allocate allowances from the reserve.

Acid rain permit applications are used to issue operating permits to affected sources under the Acid Rain Program. Because the permit applications and permits are public documents, they provide an opportunity for the affected public to examine activities undertaken by affected sources. The designated representative certification, which designates a responsible official through whom the owners and operators of each affected source and each affected unit can trade allowances and obtain and maintain permits, serves to remove EPA from involvement in disputes between owners and operators of affected units.

Monitoring plan submissions are used by EPA to verify that the emissions monitoring system at a unit meets the requirements set forth in Title IV of the Act and in the implementing regulations. Results of continuous emission monitoring system performance tests allow EPA to certify that monitors perform well enough to produce accurate emissions data. Emissions data is used to monitor compliance with emissions requirements under Title IV and to provide a basis for analyzing progress in meeting air quality objectives. Allowance tracking information, emissions data, and the contents of permit applications all provide information for the allowance market and the general public.

(i) Capital/Start-up Costs

While many sources have already installed necessary emissions monitoring equipment due to requirements under other regulations, some sources will need to either install new monitors or upgrade existing monitors. Capital costs also usually include the cost of initial certification of new or upgraded monitors is included as part of start-up costs.

(ii) Emissions Monitoring

Emissions monitoring and reporting is the foundation upon which the allowance trading system is based. EPA will use the data contained in the reports to verify actual emissions. Without accurate monitoring and reporting of emissions, the integrity of the allowance system would be undermined, and there would be no assurance that emissions had been reduced. To meet the emissions monitoring, recordkeeping and reporting requirements, affected units are required to (1) submit a monitoring plan and certification reports for each monitoring system, (2) record hourly emissions data, and (3) submit reports of their emissions data to EPA.

(iii) Year-end Compliance Certifications

Each source is required to submit an annual statement providing information on which allowances are to be deducted and certifying that the unit is in compliance with emission limitations and monitoring and reporting requirements.

(iv) Allowance Transfers and Tracking

All participants in the allowance transfer system will be required to complete and submit an allowance transfer form for each allowance transfer. Participants in the transfer system that are not affected sources, such as allowance brokers, fuel suppliers and environmental groups will also be required to file a one time account information application to establish an account in the Allowance Tracking System (ATS).

1.3 Terms of Clearance

Below are the Terms of Clearance for the previous ICR renewal.

None.

2. NEED FOR AND USE OF THE COLLECTION

This section describes EPA's need for the information collections described above and the legal authority for conducting collections. The users of collected information are also described.

2(a) Need/Authority for the Collection

The State reporting requirements included in the NO_x SIP call are necessary for EPA to carry out properly its evaluation of each State's compliance with its ozone season NO_x emissions budget. The legal authority for the reporting requirements resides in Sections 110(a) and 301(a) of the Clean Air Act. Specifically, the requirement in Section 110(a)(2)(D) that SIPs include "adequate provisions" to mitigate certain transport effects on other States implicitly authorizes emissions inventory reporting to EPA, as needed and appropriate to verify that a State is in fact meeting its NO_x budget. Section 110(a)(2)(F) provides additional authority for requiring that SIP call submissions include provisions for emissions reporting by sources to a State, correlation of source information by the State, and steps by the State to make the correlated information available to the public. Section 110(a)(2)(K), in turn, requires a State to submit to EPA as requested data related to modeling the effect of NO_x and other emissions on ambient air quality. The reported emissions inventory data described in this section will be used by EPA in air quality modeling to assess the effectiveness of the transport rulemaking's regional strategy. Finally, Section 301(a) grants EPA broad authority to prescribe such regulations as are necessary to carry out its functions under the Clean Air Act.

2(b) Practical Utility/Users of the Data

The EPA believes it is essential that compliance with the regional control strategy be verified. Tracking emissions is the principal mechanism to ensure compliance with the budget and to assure the downwind affected States and EPA that the ozone transport problem is being mitigated.

If tracking and periodic reports indicate that a State is not implementing all of its NO_x control measures beginning in 2003, for those States voluntarily choosing early compliance or 2004 for other States, or is off track to meet its statewide budget by 2007, EPA will work with the State to determine the reasons for noncompliance and what course of remedial action is needed. The EPA will expect the State to submit a plan showing what steps it will take to correct the problems. Noncompliance with the NO_x transport SIP may lead EPA to make a finding of failure to implement the SIP and potentially to implement sanctions, if the State does not take corrective action within a specified time period.

The EPA will use data from the 2007 inventory and beyond to assess how each State's SIP actually performed in meeting the statewide ozone season NO_x emissions budget. If emissions exceed the required budget in any year after 2006, the control strategies in the SIP will need to be strengthened. The EPA will evaluate the circumstances for the budget failure and may issue a call for States to revise their SIPs, as appropriate.

Emissions Trading Program

(i) Permits

Permit applications, including proposed compliance plans, will be used by EPA to issue operating permits and to allocate allowances. A permit application will be legally binding on the owners, operators, and designated representative of a source until the actual permit is issued. This aspect of the permit application reduces significantly the uncertainty imposed on a source due to possible delays at EPA. Affected sources may rely on the permit for information on the requirements with which they must comply. Because permit applications and permits will be public documents, they may be used by the public to examine activities undertaken by affected sources.

(ii) Emissions Monitoring

Data from emissions monitoring is indispensable to successful implementation of the NO_x Trading Program for two reasons:

- The primary purpose of the NO_x Trading Program is to assist States in the attainment of the ozone national ambient air quality standards (NAAQS) by reducing the adverse effects of the transport of ozone and ozone precursors from upwind States by reducing annual emissions of nitrogen oxides; and
- EPA can only enforce the program by comparing, for each affected unit, emissions data and the number of allowances held.

(iii) Year-end Compliance Certification

This information will be used by EPA to determine annual compliance and to verify that the monitoring plan for the unit continues to be accurate.

(iv) Allowance Transfers and Tracking

Information collected on allowance transfers will be used by EPA or its designated agent to track allowances for the purpose of determining compliance with the NO_x Trading Program. Information on allowance transfers will also be used by participants in the allowance market and the public to evaluate the activities of affected sources, and by EPA for program evaluation.

Together, the allowance trading system, operating permits, and emissions data will help to provide the accountability to allow the NO_x Trading Program to function without more stringent command and control approaches.

3. NONDUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA

This section describes (1) efforts by EPA to learn whether the information requested is available from other sources, (2) consultations with respondents and data users to plan collections, monitor their usefulness, and minimize the collection burden, (3) effects of less frequent collections, and (4) justification for deviations from OMB's general guidelines.

3(a) Nonduplication

To minimize the reporting burden on State agencies, the reporting requirements for 40 CFR 51.122 are based on existing annual and periodic emission inventory reporting requirements as much as possible. However, since these requirements are being established to support an ozone season reduction program and since existing provisions do not require the collection of ozone season inventories, some additional reporting will be required. The EPA requires that States report annually data for all point sources that are part of a control measure that was adopted for purposes of meeting the NO_x budget. If States act in accordance with OTAG recommendations for setting the emissions budgets, the sources controlled will all be point sources emitting \geq 100 tons per year (tpy) of NO_x. The 100 tpy threshold is consistent with the NO_x reporting threshold for the existing annual emission inventory. However, the rule does allow States the option of defining the NO_x point source threshold to be less than 100 tpy.

The EPA will allow the direct reporting of point source data from sources to EPA to satisfy this requirement if the sources are subject to the monitoring and reporting requirements of Subpart H of 40 CFR Part 75. The direct reporting of data from sources to EPA will minimize the reporting burden on States. Also, direct reporting will avoid duplication of effort for sources subject to the Part 75 requirements.

Currently, there are no existing annual reporting requirements for area, nonroad mobile, and highway mobile source emissions. For the purposes of 40 CFR 51.122, an area source is any anthropogenic source that is not included in the point, nonroad mobile, or highway mobile source inventories. The EPA requires that the State report annually area source NO_x emissions for only those stationary area source categories for which the State adopts control measures for the purpose of meeting its NO_x budget. For nonroad mobile and highway mobile sources, the EPA requires that the State report annually NO_x emissions for only those source categories for which the State adopts control measures that are more stringent than Federal measures for the purpose of meeting its NO_x budget. Based on the recommendations of OTAG, it is not expected that States will adopt area, nonroad mobile, or highway mobile source control measures to meet their NO_x budgets. However, if one or more States do adopt such measures, annual reporting of emissions will be necessary to track the States' progress toward meeting their NO_x budgets.

The rule contains a requirement for States to report statewide point, area, nonroad mobile, and highway mobile source NO_x emissions data every 3 years starting with the inventory year 2002. The data reported would be ozone season emissions data for each third year and would include data from all source categories in the State regardless of whether sources are being controlled to meet a NO_x budget. This 3-year cycle reporting requirement coincides with the schedule for the existing periodic emission inventory reporting requirement for the States.

Emissions Trading Program

Almost all information requested from respondents under this proposed ICR is not available from other sources. Where EPA needs information that has already been submitted, EPA is simply requiring a photocopy of the prior submittal or the retransmission of stored electronic data. In addition, EPA intends to integrate the reporting requirements for the NO_x Trading Program into existing electronic data reporting (EDR) formats. The EDR formats are used by Acid Rain Program units under Title IV of the Act and units subject to the NO_x Budget Program implemented in the Ozone Transport Commission (OTC) region under Title I of the Act. Thus, for units subject to the Acid Rain or OTC quarterly reporting requirements, only one submission will need to be made on a quarterly basis.

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

For the renewal ICR, a public notice was published in the Federal Register on December 6, 2006 on availability of the draft supporting statement for the ICR renewal. A 60 day comment period for public comments was provided in the notice. EPA received no comments in response to the public notice that was published in the Federal Register (see Docket ID No. EPA-OAR-2006-0947, which is available for online viewing at www.regulations.gov, or in person viewing at the Air and Radiation Docket in the EPA Docket Center (EPA/DC), EPA West, Room B102, 1301 Constitution Ave., NW, Washington, DC).

3(c) Consultations

For the initial rule development, on January 13, 1998, EPA held a one-day pre-proposal workshop with the States to discuss tracking issues. The objective of the workshop was to determine what type and frequency of inventory reporting is feasible for the different source sectors (power generating sources, other point sources, area sources, nonroad mobile, and highway mobile sources), to identify key reporting issues related to each sector, and to develop recommendations on reporting requirements to ensure compliance with the NO_x budgets. The goal was to share information and ideas rather than to reach consensus. A summary of the meeting is contained in the docket (docket no. A-96-56, item V-B-18) for the NO_x SIP call rulemaking.

The workshop participants generally thought that existing reporting requirements for attainment SIPs should be used whenever possible to minimize any new reporting burden. The States further recommended that the degree of reporting rigor should be directly related to the sectors that the State chooses to control in its NO_x transport strategy. Reporting every 3 years was considered feasible for all source sectors. Reporting on an annual basis was considered both achievable and necessary for all source sectors that a State chooses to regulate specifically for the purpose of meeting the SIP call NO_x budgets. This would include all NO_x sources within the State which are subject to measures included by the State in its transport SIP revision in response to the SIP call. In addition, it was noted that sources or source categories that would be participating in a trading program would need to meet the reporting protocols specific to that program. Consideration was also given to establishing uniform monitoring and reporting requirements and a centralized data base for reporting for other sources. Several States indicated support for this concept if there were easy access to the data by all parties. The reporting requirements included in 40 CFR 51.122 are based, in part, on the suggestions of participants in the workshop.

The recordkeeping and reporting requirements in §51.122 were included in the supplemental proposal (63 FR 25902, May 11, 1998) on which public comments were solicited. Comments received were reviewed and where appropriate were incorporated into the rule requirements as currently given in 40 CFR 51.122.

Emissions Trading Program

The requirements for the NO_x Trading Program have been developed using both the methodology found in existing trading programs as well as consultations with interested parties.

EPA considered the strategy taken in the OTC's NO_x Budget Program, a trading program developed for use in eleven States and the District of Columbia. EPA also considered the results of the findings of the Ozone Transport Assessment Group (OTAG), especially OTAG's Trading and Incentives Workgroup. Members of OTAG include 37 States, the District of Columbia, EPA, and industry and environmental group participants. OTAG conducted meetings in 1995 and issued final recommendations in 1997 concerning ozone transport. EPA also considered the work of the RECLAIM program, another cap-and-trade market based system.

Prior to proposing the ICR for the FIP rule, EPA also held two public workshops in 1997, lasting two days each. Over 150 people participated in each of these workshops, including States and industry representatives. EPA received comments following the workshops and considered and incorporated those comments into the proposed ICR along with comments received during the meetings.

Finally, as part of updating the ICR for the Acid Rain Program (Part 75) monitoring requirements, EPA contacted various affected parties to gather information on CEM capital costs, CEM operation and maintenance costs, fuel meter capital costs, and CEM/fuelmeter testing costs. That information has been used in this ICR where appropriate.

3(d) Effects of Less Frequent Collection

If this information collection were not carried out annually for sources being controlled to meet the NO_x budgets, EPA would not be able to verify that NO_x emission reductions necessary to meet each State's NO_x emission budget were being achieved. In addition, a triennial report of all NO_x sources statewide is vital in enabling EPA to track States' progress towards meeting the NO_x budgets. Because the NO_x budgets prescribed have been deemed essential in order for downwind States to attain the NAAQS in a timely manner, data collected less frequently would be of little or no use.

Emissions Trading Program

Submittal of allowance trading information and compliance information on an annual basis provides necessary feedback on the allocation of allowances. If this information collection were not carried out annually for sources being controlled to meet the NO_x budgets, EPA would not be able to verify that NO_x emission reductions necessary to meet each State's NO_x emission budget were being achieved. Because the NO_x budgets prescribed have been deemed essential in order for downwind States to attain the NAAQS in a timely manner, data collected less frequently would be of little or no use.

Quarterly collections of emissions data allows the opportunity to check data for errors and provide rapid feedback on needed adjustments to data collection systems, and thereby promotes accurate and reliable emissions data. For this same reason, existing federal and state

emission monitoring programs often require quarterly reporting, or in some cases, monthly. Less frequent collection, such as semi-annually or annually, would increase the amount of preparation and review time at the end of the reporting period both for regulated sources and for EPA. This would slow down the process for the verification of compliance.

As an option for this program, EPA will allow for ozone season reporting instead of quarterly reports for the entire calendar year. Under this option, units would only be required to submit two reports per year (covering the second and third calendar quarters). However, because the Agency believes that full-year quarterly reporting will be beneficial for both the source and the Agency, this ICR assumes all units will elect to comply with the standard quarterly reporting requirement.

3(e) General Guidelines

This ICR does not violate any of OMB's guidelines for information collections.

3(f) Confidentiality

As required by Section 114 of the Clean Air Act, estimates or measurements of emissions must be treated as nonconfidential. Under Agency procedures, data items relating to the computation of emissions may be identified as sensitive by a State and are then treated as "State-sensitive" by EPA. The potentially State-sensitive items include the following: Process rate, boiler design capacity, emission estimation codes, percent space heat, operating rate, and maximum operation rate/hour. Where Federal and State requirements are inconsistent, EPA Regional Office should be consulted for final reconciliation.

3(g) Sensitive Questions

Not applicable. This information collection does not ask any questions concerning sexual behavior or attitudes, religious beliefs, or other matters usually considered private.

4. THE RESPONDENTS AND THE INFORMATION REQUESTED

This section lists the major categories of businesses that participate in the NO_x Budget Trading Program, the data items requested from program participants, and the activities in which the participants must engage to assemble or submit the required data items.

4(a) Respondents/SIC Codes

The reports submitted under this ICR will be submitted by the State air pollution control agencies for which NO_x budgets will be established, which include the following 20 States and the District of Columbia: Alabama, Connecticut, Delaware, Illinois, Indiana, Kentucky, Massachusetts, Maryland, Michigan, North Carolina, New Jersey, New York, Ohio,

Pennsylvania, Rhode Island, South Carolina, Tennessee, Virginia, and West Virginia.¹ Georgia and Missouri have also been added to this analysis for 2005 under the assumption that they will be covered under a Phase II rule making which will require reporting by that time. The affected SIC would be 9511 - *Air and Water Resource and Solid Waste Management* [NAICS 92411 Administration fo Air and Water], which includes government environmental protection and control agencies, as well as pollution control agencies.

This ICR also estimates a burden for affected industry sources to monitor NO_x mass emissions and demonstrate compliance with NO_x control measures. Sources may report data directly to EPA if a source is required to meet the monitoring and reporting requirements of Subpart H of Part 75. States have chosen to control larger electric utility and industrial combustion point sources to comply with their NO_x emissions budgets for 2007. Electric utility combustion sources are generally classified as either SIC 4911 - *Electric Services*, or 4931 - *Electric and Other Services Combined* [NAICS 221112 Electric Power Distribution]. Cement kilns fall primarily under SIC 327 - *Concrete, Gypsum, and Plaster Products* [NAICS 3273 Cement Manufacturing and 3274 Gypsum Product Manufacturing]. Large industrial combustion sources (e.g., boilers, turbines, and internal combustion engines) are expected to fall under SIC codes for the manufacturing sector, i.e., SIC Major Groups 29-40 [NAICS 31-33 Manufacturing]. In addition, States have the option of controlling area, nonroad mobile, and highway mobile NO_x sources for meeting their NO_x budgets. However, States have not chosen to control these sources. The Agency's action under Phase II is expected to eventually also impose additional, non-trading program requirements on internal combustion engines (potentially applicable in a variety of industries, with significant number in SIC 492 - *Gas Production and Distribution* [NAICS 2212 Natural gas Distribution]).

4(b) Information Requested

This section describes State reporting and recordkeeping requirements and the activities (i.e., burden items) associated with the requirements in §51.122. States must report NO_x emissions data as specified in 40 CFR §51.122. States are required to submit the appropriate emissions data within 12 months of the end of the inventory year (e.g., a statewide NO_x emissions inventory for the year 2005 would be required by December of 2006). The activities that an affected source would have to conduct are also listed.

(i) Data items, including recordkeeping requirements

Reporting requirements

Many of the required emissions data elements are already being provided to the EPA under existing annual point source reporting requirements, as well as periodic SIP inventory reporting provisions for point, area and nonroad mobile, and highway mobile sources. For example, the Consolidated Emissions Reporting Rule (67 FR 39602, June 10, 2002) requires reporting of

¹ The U.S. Court of Appeals decision of March 3, 2000 vacated the rule for Wisconsin.

many of the same data elements that are required in the NO_x SIP call. The Consolidated Emissions Reporting Rule (CERR) requires reporting of annual emissions while the NO_x SIP call §51.122 requires reporting only for the ozone season which is May 1 through September 30 of a year. The following lists the data items required by the NO_x SIP call for point, area, nonroad mobile, and highway mobile sources, and identifies new data items not required to be included in emission inventories currently reported to EPA.

Point sources

For NO_x point sources controlled for purposes of meeting the NO_x budgets, States must annually report the following data items, unless the point sources are reporting directly to EPA under Subpart H of 40 CFR Part 75. The new data items are identified with an asterisk (*).

Inventory year
State Federal Information Processing System (FIPS) code
County FIPS code
Federal ID code (plant)
Federal ID code (point)
Federal ID code (process)
Federal ID code (stack)
Site name
Physical address
Source Classification Code (SCC)
Pollutant code
Work weekday emissions
Fuel heat content (annual)
Activity throughput (annual)
Emission factor
Spring/Summer/Fall throughput (%)
Hour/day in operation
Operations start time (hour)
Day/week in operation
Week/year in operation
Area designation*
Ozone season emissions*
Fuel heat content (seasonal)*
Source of fuel heat content data*
Activity throughput (seasonal)*
Source of activity throughput*
Source of emission factor*

Additional reporting requirements apply every 3 years (triennially), starting for the inventory year 2002 (or 2005 for areas with a 2004 compliance date). For these years, States must submit a statewide NO_x point source inventory for all controlled and uncontrolled sources. In addition to the data items required for annual reporting, the following elements must be

reported to EPA triennially:

Latitude/longitude
Stack height
Stack diameter
Exit gas temperature
Exit gas velocity
Exit gas flow rate
Standard Industrial Classification (SIC)
Boiler/process throughput design capacity
Maximum design rate
Maximum capacity
Primary control efficiency
Secondary control efficiency
Control device type

Area sources

The following lists the data elements States must report annually for area sources controlled for the purpose of meeting the NO_x budgets. States must report these same data elements for all area sources in their statewide triennial inventory, starting in 2002, (or 2005 for certain States). The new data items are identified with an asterisk (*).

Inventory year
State FIPS code
County FIPS code
SCC
Pollutant code
Emission factor
Activity throughput level (annual)
Control efficiency (%)
Spring/Summer/Fall throughput (%)
Hour/day in operation
Day/week in operation
Week/year in operation
Ozone season emissions*
Source of emission factor*
Activity throughput level (seasonal)*
Source of activity throughput data*
Source of emissions data*

Highway and nonroad mobile sources

The following lists the data elements States must report annually for highway mobile and nonroad mobile sources controlled for purposes of meeting the NO_x budgets. States are required

to report annually for those highway and nonroad mobile sources covered by State-adopted regulations that are more stringent than Federal standards. States must report these same data elements for all highway and nonroad mobile sources in their statewide triennial inventory starting in 2002 (or 2005), and for 2007. The new data items are identified with an asterisk (*).

Inventory Year
State FIPS Code
County FIPS Code
SCC
Pollutant code
Summer work weekday emissions
Emission factor
Activity²
Ozone season emissions*
Source of emission factor*
Source of activity data*
Source of emissions data*

Justification for additional data items

Ozone season emissions are emissions for the period May 1 through September 30 of a year. Emission estimates representing this period are required in order to demonstrate that the reductions required by 40 CFR 51.121 are made during this same period. The EPA is also requiring States to provide an example ozone season calculation, along with sufficient information for EPA to verify the calculated value of ozone season emissions. This calculation, as well as two additional seasonal data elements (i.e., fuel heat content for point sources, activity/throughput level), will facilitate quality assurance review of the seasonal emissions data. Other data fields for providing the source of fuel heat content data, source of emissions data, source of emission factor, and source of activity throughput data will also assist EPA in their NO_x budget verification procedures.

The EPA is also requiring the “Area Designation” element so that States that establish an offset pool composed of actual emission reductions achieved through compliance with the SIP call NO_x budgets can track whether they are obtaining creditable offsets as specified in Section 173(c) of the Act (which requires that major sources obtain offsets from areas with equal or higher nonattainment classification).

Recordkeeping requirements

40 CFR 51.122 specifies that States are to comply with existing SIP recordkeeping and data availability requirements as outlined in 40 CFR Part 51.116. As such, there are no recordkeeping burden items that are incremental to existing recordkeeping requirements.

²For highway mobile sources, the activity is expressed as VMT by roadway class.

(ii) Respondent activities

The one-time State burden items associated with this ICR include:

Prepare SIP revision for submission to EPA in response to the NO_x SIP call.

- Read the reporting requirements of the rule;
- Submit example ozone season emissions calculations to EPA [§51.122(g)];
- Create 7 additional data fields in electronic point source data base file, 5 additional data fields in the area source data base file, and 4 additional data fields in each of the nonroad mobile and highway mobile source electronic data base files for new data items [§51.122(c), (d), (e)];
- Develop procedures by which to estimate stationary area source NO_x emissions for triennial statewide reporting requirements [to comply with §51.122(b)(2), (3)];
- Develop allocation for estimating county-level vehicle miles traveled (VMT) from State-level VMT data [to comply with §51.122(b)(2), (3)]; and
- Review Title V permit revisions from controlled sources [§51.121(h)(1)].

The one-time industry burden items associated with this ICR include:

- Read the reporting requirements of the rule;
- Revise Title V permit to incorporate NO_x monitoring [§51.121(h)(1)]; and
- Install and perform testing to certify NO_x CEMS or other approved monitoring system [§51.121(h)(1)].³

Annual State burden items associated with this ICR include:

- Determine ozone season emissions for controlled sources [§51.122(c)(1), (2)];
- Notify the appropriate EPA Regional Office when submitting an annual, triennial, and 2007 NO_x inventory [§51.122(h)]; and
- Submit electronic NO_x budget emissions report [§51.122(b)(1)].

³Typically, the initial CEMS certification testing, as well as annual relative accuracy testing, are performed as part of a fixed price contract. However, for the purposes of this analysis, the costs to perform these activities are presented in terms of labor rates applied to burden hours.

The annual burden items for industry associated with this ICR include:

- For units subject to Title IV monitoring requirements, reporting compliance information to a State or EPA [§51.121(h)(1)].
- For units not already subject to Title IV monitoring requirements:
- Perform general operations and maintenance activities (e.g., quality assurance testing, calibrations, cylinder gas audits)[§51.121(h)(1)]; and
- Prepare and submit reports to demonstrate compliance, including update of monitoring plan [§51.121(h)(1)].

Triennial State burden items associated with this ICR include:

- Prepare statewide inventory for area, nonroad mobile, and highway mobile sources, including a determination of ozone season emissions for all sources [§51.122(b)(2)]; and
- Compile summary report of statewide NO_x emissions for submittal to EPA [§51.122(b)(2), (h)].

There are no triennial industry burden items associated with this collection in addition to the burdens listed above.

Emissions Trading Program

This section describes the data items requested from affected sources for the collections described in this ICR. This section also defines the activities in which respondents must engage to assemble, submit, or store these data items. Except where explicitly noted below, these requirements only apply to the trading program units, not the non-trading units (internal combustion engines and cement kilns).

(i) Data Items, Including Recordkeeping Requirements

(a) Allowance Tracking

There are several data items required for allowance tracking activities. First, the utility must submit account certificates of representation for the NO_x authorized account representative and (if desired) alternate NO_x authorized account representative. This documentation, found in 40 CFR § 96.13, must include:

- Identification of the source and unit,
- Name and contact information for the NO_x authorized account representative and alternate,
- A list of the owners and operators of each source and unit, and
- A certification statement and signature of the NO_x authorized account representative and

alternate.

Certification applications are to be kept for a period of 5 years pursuant to the general requirements imposed for Title V permitted facilities.

(b) Year-end Compliance Certifications

On or before November 30 of each year, the NO_x authorized account representative for each source must submit a compliance certification report covering all units at the source. Under 40 CFR § 96.30, the report must include the following:

- Identification of each unit,
- Serial numbers of each NO_x allowance to be deducted from the unit's compliance account,
- For units sharing a common stack, the percentage of allowances to be deducted from the unit's compliance account, and
- Compliance certification, including certification that the unit was operated in accordance with the emission limitation, verification that the monitoring plan is complete and accurate, a statement that all NO_x emissions have been monitored and reported appropriately, and whether the basis for certification has changed (and, if so, details of the change).

(c) Monitoring and Reporting

Affected trading program sources would be required to monitor NO_x mass emissions, and record and report emissions data using the requirements of 40 CFR Part 75. The emissions monitoring requirements specify that affected sources must (1) submit a monitoring plan for each affected unit at a source, (2) submit data for certification of each monitor, and (3) record hourly operational, pollutant monitor, and flow monitor data for each affected unit and submit quarterly reports of their emissions data to EPA. Appendices A and B to this ICR contain a list of the data items required by the recordkeeping and reporting provisions of Part 75.

Respondents are required by 40 CFR 75.64 to submit the quarterly NO_x mass emissions data electronically, by direct electronic submission to EPA, and must also include a certification statement by the designated representative of the unit. All monitoring records are to be kept for three years, with one possible exception under a voluntary option for fuel flowmeter calibration testing. For purposes of the NO_x Trading Program, EPA currently is not requiring electronic submission of reports, but intends to do so after finalizing proposed revisions to Part 75. For purposes of this ICR, the labor burdens and other costs are calculated on the assumption that such a requirement will be in effect at the time reporting is required under this program.

(ii) Respondent Activities

The primary tasks that will be performed by trading program respondents to meet the emissions monitoring requirements are (1) completing and submitting appropriate monitoring plan forms for each affected source and each affected unit at a source; (2) conducting tests to certify the operation of monitors, and submitting test results to EPA; (3) recording hourly

emissions data (this activity generally is performed electronically); (4) operation and maintenance activities associated with the monitoring, including quality assurance activities; (5) assuring data quality, preparing quarterly reports of emissions data and submitting these reports to EPA; and (6) responding to error messages generated by EPA. In addition, respondents will have to purchase the necessary monitoring hardware and purchase the electronic data reporting software (or software upgrades).

5. THE INFORMATION COLLECTED -- AGENCY ACTIVITIES, COLLECTION METHODOLOGY, AND INFORMATION MANAGEMENT

The first part of this section describes Agency (EPA) activities related to the acquisition, analysis, storage, and distribution of the information collected from (1) participants in allowance transfers, (2) applicants for allowances from the Conservation and Renewable Energy Reserve, (3) permit applicants, (4) designated representatives of affected sources that are required to submit monitoring plans and emissions data, (5) participants in the annual auction, and (6) the opt-in program, and (7) NO_x permitting. The second part describes the information management techniques employed to increase the efficiency of collections. The third part discusses the burden or benefits of the collection activities described in this ICR to small entities. The last part outlines the schedule for collecting information.

5(a) Agency Activities

The EPA activities associated with 40 CFR §51.122 are as follows:

1. Review/verify ozone season emissions calculation submitted by each State;
2. Receive and store emission inventory data submitted by each State and by point sources;
3. Review emissions data submitted annually by each State to track each State's progress toward meeting its NO_x budget;
4. Review summary report of statewide NO_x emissions submitted by each State every 3 years; and
5. Respond to questions from States and point sources concerning electronic submittal of emissions data.

Emissions Trading Program

The major EPA activities related to the NO_x Trading Program include (1) maintenance and administration of the allowance tracking system (NATS), (2) reviewing permit applications, (3) reviewing monitoring plans and certification applications, (4) processing, reviewing and evaluating reports of quarterly emissions data from affected units, (5) calculating/reviewing ozone season emissions, and (6) reviewing emissions data submitted annually to track each State's progress toward meeting its NO_x budget and creating a summary report of statewide NO_x emissions every three years. EPA will use a computer system called the Emissions Tracking System (ETS) to track and maintain monitoring and emissions information. EPA will also

answer respondent questions and conduct audits of data submissions.

5(b) Collection Methodology and Management

States must report emission inventory data to EPA in electronic form. EPA supports specific electronic data reporting formats and requires States to report data in a format consistent with these. Because electronic reporting technology continually changes, States should contact the Emission Factor and Inventory Group (EFIG) for the latest specific formats. States can find information on the current formats at the following Internet address: <http://www.epa.gov/ttn/chief>. States may also call EPA's Info CHIEF help desk at (919)541-1000 or email to info.chief@epa.gov.

One option for annual reporting (not for third year reports) is to have sources submit the data directly to EPA. This option will be available to any source in a State that is both participating in a trading program meeting the requirements of Part 96 and that has agreed to submit data in this format. The EPA will make both the raw data submitted in this format and summary data available to any State that chooses this option.

Emissions Trading Program

To ensure consistency nationwide and to expedite data entry, EPA will require that standard electronic data reporting (EDR) formats used for Part 75 reporting be used to submit the information collected for the NO_x Trading Program. As discussed in Section 4(b), above, upon promulgation of currently proposed Part 75 revisions, EPA intends to require that data be sent via direct electronic submission to EPA using the revised EDR format. Non-trading program sources will have to report results of performance tests or excess emissions, as applicable consistent with the reporting required under 40 CFR Part 60.

Several computer systems and associated databases have been developed to (1) track allowances, (2) record quarterly emissions monitoring data, and (3) calculate the number of allowances to be deducted each year. EPA also has made available an On-line Allowance Transfer System to permit online allowance transfers and allowance account maintenance activities. The systems and databases are designed to coordinate the information for easy access and use by the Agency, states, regulated community, and the public.

The EPA also has established a Clean Air Markets Home Page on the Internet, which includes detailed information collected from emissions reports. The Data and Maps section of the EPA's Clean Air Markets Home Page on the Internet, includes detailed information collected from emissions reports, allowance transfer activity, and facility or source data. Those without access to the Internet may use the Acid Rain Hotline to request information.

5(c) Small Entity Flexibility

The State control agencies affected by this rulemaking are not considered to be small entities. To support States with fewer sophisticated processing capabilities, the EPA has

developed mainframe and PC software to facilitate State efforts in storing, maintaining, and reporting source data. A number of Territories and smaller States have adopted these and use them to make their submissions. By providing a number of means whereby the respondents can make their submissions, respondents are able to select those which minimize their efforts and costs and still use some type of electronic technology.

The rulemaking, which EPA published by notice in 63 FR 57356 (October 8, 1998), would simply require States to develop, adopt, and submit SIP revisions. Pursuant to 5 U.S.C. 605(b), in the rulemaking, the Administrator certified that the rule will not have a significant economic impact on a substantial number of small entities.

Emissions Trading Program

The NO_x Trading Program only includes fossil fuel-fired units (stationary boilers, combustion turbines, and combined cycle systems) that serve an electrical generator of capacity greater than 25 MWe, and any other fossil fuel-fired units that have a heat input capacity greater than 250 mmBtu/hr. Units with a lower capacity are not included because of the high cost of monitoring emissions from these sources and the *de minimis* nature of their emissions.

There are two small unit exceptions that are applicable to the NO_x Trading Program. The first provides for reduced monitoring and the second provides for an exemption from participation in the program. The low mass emitter exception (40 CFR 75.19), allows optional reduced monitoring, quality assurance, and reporting requirements for units that combust natural gas and/or fuel oil and that emit no more than 50 tons of NO_x annually (or, at the source's election, 25 tons per ozone season) and that calculate no more than the same amount based on specified procedures for calculating and reporting emissions. Qualifying utilities are not required to keep monitoring equipment installed on (or conduct fuel sampling for) low mass emissions units, nor are they required to perform quality assurance or quality control tests. Moreover, emissions reporting requirements are significantly simplified for these units.

The second exception provides an exemption for units that restrict NO_x mass emissions to less than 25 tons during the ozone season. To be eligible, the unit must accept a federally-enforceable operating hour permit limit. The unit would calculate the operating hour restriction by dividing 25 tons by the unit's maximum potential hourly NO_x mass emissions.

Even if a gas- or oil-fired unit does not qualify for the "low mass emissions unit" exception, the monitoring provisions of Part 75 do allow for the use of alternative methods to determine emissions. As discussed in the Regulatory Impact Analysis (RIA) of the final Acid Rain Implementation Regulations (October 19, 1992), smaller utilities are more likely to be dependent on these oil- and gas-fired units, especially very small utilities (see p. 5-14 of that RIA document).

5(d) Collection Schedule

Beginning for the inventory year 2003 (or 2004), the EPA is requiring States to annually

submit ozone season inventories for all NO_x sources for which States adopt control measures to meet their NO_x budget. Every 3 years, starting for the inventory year 2002 for those States requiring compliance in 2003, statewide NO_x inventories of all controlled and uncontrolled sources are required.

For all of the above reporting activities, 40 CFR 51.122 specifies that States submit the appropriate emissions data within 12 months of the end of the inventory year (e.g., a statewide NO_x emissions inventory for the year 2005 would be required by December of 2006).

6. ESTIMATING THE BURDEN AND COST OF COLLECTIONS

6(a) Estimating Respondent Burden

The State burden for complying with the reporting requirements under §51.122 is estimated incremental to the burden associated with existing annual inventory and periodic inventory reporting requirements.

In general, States already have mechanisms in place for reporting emissions data to EPA. Under the existing annual point source inventory requirements, States are required to submit the emissions data specified in Section 4(b)(i) of this supporting statement (excluding the incremental data elements identified). Since most of the data which the States are required to update for point sources (area codes, addresses, or other physical parameters) do not change often, the updating of more than 90 percent of all source records is minimal and typically involves only changes in emissions and closely related information (fuel usage, process rates, seasonal throughput, etc.).

Other ongoing State activities that support existing inventory reporting requirements include:

- A. Collecting emissions data and other associated information;
- B. Quality assuring emissions data;
- C. Training staff in coding and submissions techniques;
- D. Creating information (e.g., assigning EPA codes to State point source records);
- E. Resolution of errors and anomalies identified by EPA;
- F. Maintaining records associated with data submitted by sources; and
- G. Preparing and submitting required inventory data items in approvable format.

Under the existing periodic inventory, States with ozone nonattainment areas (or in the ozone transport region) must report triennially to EPA area, nonroad mobile, and highway mobile source emissions for the nonattainment areas. For 40 CFR 51.122, EPA is requiring that States report statewide area, nonroad mobile, and highway mobile source ozone season emissions every year if the State adopts control measures for these sources specifically for the purpose of meeting the NO_x budget. This could be an incremental burden to States each year. However, no burden was estimated for States to annually report area, nonroad mobile, or highway mobile source emissions to EPA for years that do not coincide with the existing 3-year

cycle inventory. This is because OTAG modeling results indicate that States will most likely control large stationary NO_x emission sources rather than area, nonroad mobile, or highway mobile emission sources to meet their NO_x budgets.

One-time activities

The time for States to read and interpret the reporting requirements of the §51.122 rule was estimated to be 1 hour for technical staff and 1 hour for managerial staff. The time required for preparing and submitting example ozone season emissions calculations to EPA would vary, depending on the complexity of the calculations. States that estimate seasonal emissions by applying a factor of 5/12's to their annual emissions inventory can complete this task in minimal time. States that account for factors such as changes in activity levels or fuels would require more time. On average, it was estimated to take 10 hours for technical staff and 0.5 hour for managerial staff. Another one-time activity involves a State modifying its emissions data bases to incorporate 7 additional data items for point sources, 5 additional data items for area sources, and 4 additional data items for highway and nonroad mobile sources. Technical staff time to perform this activity was estimated to be 60 hours, and managerial staff time was estimated to be 3 hours.

A one-time effort is expected for the States to establish procedures to estimate statewide ozone season NO_x emissions from stationary area sources. Area source NO_x emissions in the OTAG inventory are due to stationary fuel combustion, incineration and open burning, and wildfires and prescribed burning. It is assumed that States would develop a spreadsheet or data base containing county-level activity indicators (e.g., population, employment, forest acreage) to allocate activity data typically available at the State level to the county level. It will also be necessary to account for any controls or seasonal restrictions that would impact NO_x emissions. The average respondent time to develop the procedures to predict county-level area source NO_x emissions for an entire State was estimated to be 80 hours of technical staff time and 4 hours of managerial staff time.

For highway mobile sources, it will be necessary for States to prepare a procedure for estimating county-level VMT as input to EPA's MOBILE model. It was assumed that States will distribute statewide VMT available from the Federal Highway Administration's (FHWA) Highway Performance Monitoring System (HPMS) to the county level using a surrogate activity indicator such as population. In addition, any highway mobile source controls applicable to a county must be identified and accounted for in the emission estimates for a county. The one-time burden for performing these activities was estimated to take 40 technical hours and 2 managerial hours.

Lastly, the burden for a State to review a Title V permit revision submitted by controlled sources was estimated to be 0.8 hours of technical staff (i.e., 4 hours annualized over the 5-year permit cycle).

Annual Activities

Annual State burden items associated with this ICR are as follows. States must notify the appropriate EPA Regional Office when submitting an annual or triennial NO_x inventory. This activity was estimated to take one hour per year for managerial staff. An additional one hour per year was estimated for technical staff to prepare and submit an electronic NO_x emissions budget report. Most of the data collection activities associated with the annual inventory are already being done to meet existing inventory requirements. However, there is additional burden associated with compiling and quality-assuring the ozone season inventory. The additional annual burden for this activity was estimated to be 16 hours per year for technical staff and one hour per year for managerial staff.

Triennial Activities

Every 3 years, States are required to submit ozone season emissions data for all point, area, nonroad mobile, and highway mobile sources of NO_x within the State. States are already submitting a statewide emissions inventory of all point sources under the existing annual inventory requirements. However, a burden is expected for States to develop statewide NO_x stationary area source, nonroad mobile source, and highway mobile source inventories every 3 years. Under the existing periodic SIP inventory requirements, emissions from these sectors were only determined for ozone nonattainment area counties. The incremental burden for developing statewide ozone season inventories for all controlled and uncontrolled sources consists of the following activities:

- For stationary area sources, collecting activity data needed to allocate State-level activity data to the county-level and estimating area source emissions; (160 technical hours; 8 managerial hours);
- For nonroad mobile sources, estimating emissions (240 technical hours; 12 managerial hours); and
- For highway mobile sources, estimating emissions using EPA's MOBILE model6 (120 technical hours; 10 managerial hours).

The above hour estimates also account for generating and quality-assuring ozone season emissions. For the highway mobile source inventory, beginning in the year 2003, the recurrent burden hours every 3 years will include 40 hours of technical staff time to perform the VMT calculations. Thus, the burden for performing all the necessary steps to generate the 2002 highway mobile source inventory in 2003 is assumed to be 120 hours (i.e., 40 + 80 hours).

States must compile a summary report of statewide NO_x emissions for submittal to EPA. A small burden was estimated for States to account for sources that have been reporting directly to EPA annually using a different reporting format (e.g., EDR format for Part 75). An additional 3 hours (1 for managerial, 2 for technical staff) was estimated to be the time needed for a State to request source-submitted data from EPA and merge these emissions data into a consistent format for the required triennial report.

Burden calculations

Burden hours and associated costs were estimated for 2008. The non-trading activities only impose a burden in 2008. Table 6-1 presents the State burden hours and costs by activity for 2008. Table 6-2 presents the industry burden hours and costs by activity for 2008. Table 6-3 presents the Agency burden hours and costs by activity for 2008.

Table 6.1. 2008 State Respondent Burden and Cost by Non-Trading Activity

Information Collection Activity	Mgr. \$45.47/ Hour 2008	Tech. \$30.27/ Hour 2008	Respondent Hours/Year 2008	Labor Cost/Year 2008	Number of Respondents	Total Labor Hours 2008	Total Cost 2008
Information Collection Activities for §51.122 Triennial Reporting							
Read the reporting requirements of the rule	1	1	2	\$76	22	44	\$1,666
Submit example ozone season emissions calculations to EPA [§51.122(g)]	1	10	11	\$348	22	242	\$7,660
Modify point, area, nonroad mobile, and highway mobile source data bases to add data fields for additional data items [§51.122(c), (d), (e)]	3	60	63	\$1,953	22	1,386	\$42,957
Develop procedures by which to estimate area source NOx emissions for triennial statewide reporting requirements [§51.122(b)(2),(3)]	4	89	93	\$2,876	22	2,046	\$63,270
Develop procedure for generating county level vehicle miles traveled (VMT) [§51.122(b)(2),(3)]	2	40	42	\$1,302	22	924	\$28,638
Project 2007 area nonroad mobile, and highway mobile source inventories to 2008 to satisfy 3-year cycle requirement [§51.122(b)(2),(3)]	1	8	9	\$288	22	198	\$6,328
Review Title V permit revisions from controlled sources [§51.121(h)(1)]	0	1	1	\$30	22	22	\$666
Determine ozone season emissions for controlled sources [§51.122(c)(1),(2)]	1	16	17	\$530	22	374	\$11,655
Notify the appropriate EPA Regional Office when submitting annual and triennial data [§51.122(h)]	1	0	1	\$45	22	22	\$1,000
Submit electronic NOx budget emissions report [§51.122(b)(1)]	0	1	1	\$30	22	22	\$666
Prepare statewide ozone season inventory for area nonroad mobile, and highway mobile sources, including a determination of ozone season emissions for all sources [§51.122(b)(2)]	8	160	168	\$5,207	22	3,696	\$114,553
Prepare statewide ozone season inventory for nonroad mobile sources, including a determination of ozone season emissions for all sources [§51.122(b)(2)]	12	240	252	\$7,810	22	5,544	\$171,830
Prepare statewide ozone season inventory for highway mobile sources, including a determination of ozone season emissions for all sources [§51.122(b)(2)]	8	120	128	\$3,996	22	2,816	\$87,916
Compile summary report of statewide ozone season NOx emissions and account for sources that have been reporting directly to EPA [§51.122(b)(2),(h)]	1	2	3	\$106	22	66	\$2,332
TOTAL						17,402	\$541,138

Table 6.2. 2008 Industry Respondent Burden and Cost by Non-Trading Activity

Information Collection Activity	Mgr. \$83.43/ Hour 2008	Tech. \$58.00/ Hour 2008	Respondent Hours/Year 2008	Labor Cost/Year 2008	Number of Respondents	Total Labor Hours 2008	Total 2008
Non-Trading rule units							
1. Read the reporting requirements	1	1	2	\$142.43	347	694	\$49,4
2. Revise Title V operating permit	0	1	1	\$58	347	347	\$20,1
3. Perform NOx monitoring activities							
Cement Plants							
a. Annual testing	0	160	160	\$9280	56	8,960	\$519,
b. Prepare and submit reports, monitoring plan update	10	52	62	\$3,860.30	56	3,472	\$216,
IC Engines							
a. Annual testing	0	140	140	\$8,120	291	40,740	\$2,36
b. Prepare and submit reports, monitoring plan update	10	52	62	\$3,860.30	291	18,042	\$1,12
TOTAL						72,255	\$4,29

Table 6.3. 2008 Agency Burden and Cost by Non-Trading Activity

Information Collection Activity	\$54.65/ Hours 2008	Labor Cost/Year 2008	Other Direct Costs 2008	Total Cost 2008
§51.122 activities				
1. QA and input data	1,126	\$61,535.90	\$55,000	\$116,535.90

Emissions Trading Program

To estimate the burden and/or cost of each incidence of the various proposed rule revisions, EPA had available prior estimates of the costs of various activities, estimates provided by affected utilities in comments to the Agency, and estimates based on the Agency's experience in implementing the existing trading programs.

The NO_x Trading Program requires all affected sources to install a NO_x emission rate (or concentration) CEM and a flow CEM (or approved alternative). Affected gas- and oil-fired units may elect to use a NO_x emissions rate CEM and a fuel flowmeter. In addition, peaking units that burn natural gas and/or fuel oil may use an alternative method for calculating NO_x emission rates. EPA will also allow certain low mass emissions units to use assumed emissions factors together with operational data to calculate emissions.

Estimating Labor Costs

To calculate labor costs, EPA used the following amounts: \$84.43 per hour for managers, \$58.00 per hour for technicians and clerical workers. As noted above, these rates were derived by using the rates from the previous ICR and updating them with the Employment Cost Index to January 2006.

The labor cost to the Agency, \$54.65 per hour, was also derived by updating the rate from the previous ICR.

6.1 Tracking, Transferring, and Deducting Allowances

Labor burden and costs for collections associated with tracking and transferring allowances are functions of the number of transfers anticipated. Based on number of transfers recorded by EPA in 2005, EPA could assume that about 6,200 privately submitted allowance transfers will be made each year, 2007 and 2008.

Affected units have the option of identifying specific serial numbered allowances to be deducted by EPA. Based on past experience, EPA assumes that approximately one fifth of all affected units will submit an optional allowance deduction form each year. EPA estimates that an average of units will be submit the optional deduction forms each year during the period covered by this ICR (2007 - 2008).

6.1.1 Estimate of Respondent Burden and Costs for Transfers and Deductions

Exhibit 1 presents the annual burden and costs to participants in allowance transfers and deductions. Participants that are not affected units are required to negotiate an agreement to designate an authorized account representative and file a new account application; this activity is required only one time, prior to or simultaneous with the participant's first transfer of allowances. All participants are required to complete and submit allowance transfer information for each transfer of allowances. EPA estimates about 10 hours to designate an authorized account representative and to open a general account, about 2 hours to prepare and submit information for an allowance transfer, and about 3 hours to prepare and submit an optional allowance deduction.

Assuming that 55 participants file new general account applications, 6,200 transfers will be made annually, and 500 deduction forms are submitted the burden to respondents will be about 14,450 hours annually. The cost to respondents will be about \$1,020,000 annually.

EXHIBIT 1
ANNUAL RESPONDENT BURDEN/COST ESTIMATES FOR ALLOWANCE TRANSFERS AND DEDUCTIONS

Tasks	Burden Hours per Occurrence	Cost per Occurrence ^a	Total Burden ^b	Total Cost
Designate an authorized account representative and file new account application				
Managerial	3	\$253.29	165	\$13,930.95
Technical	7	\$406.00	385	\$22,330.00
Prepare and submit allowance transfer information				
Managerial	1	\$84.43	6,200	\$523,466.00
Technical	1	\$58.00	6,200	\$359,600.00
Allowance deduction form (optional)				
Managerial	1	\$84.43	500	\$42,215.00
Technical	2	\$116	1,000	\$58,000.00
TOTAL			14,450	\$1,019,542.95

^a 2006 dollars.

^b Assumes 55 participants file new account applications, 6,200 transfers are made, and 500 optional deduction forms are submitted.

6.1.2 Estimate of Agency Burden and Costs for Transfers

Agency burden and costs are divided into those costs associated with enhancing a tracking system, and those associated with transferring and deducting allowances.

Allowance Tracking System

The allowance system regulations set the general requirements for the tracking system, which has been developed by EPA. In order to track allowances, the allowance tracking system must include information on (1) allowance allocations for each affected facility, (2) allowance transfers and deductions, and (3) allowance holders. EPA has made the information compiled in the allowance tracking system publicly available in several formats on the internet and is continually working to improve electronic access.

Allowance Transfer System

EPA estimates that it will require an average of one hour for each transfer notification submitted on paper. Upon receipt of an optional allowance deduction form, in hard copy, EPA will record the data into the EPA data system. This is estimated to take about 30 minutes per form.

Assuming 1,000 (out of the 6,200 total) transfers will be made using paper forms each year and 100 (out of the 500 total) deduction submissions will be on paper, the annual burden to EPA will be about 1,050 hours. There is no Agency burden when participants use the electronic on-line transfer system (also used for the optional deduction submission), since all EPA functions are automated. Costs for maintaining the on-line system are included in the O&M costs. The total cost to EPA will be about \$57,000 annually. Exhibit 2 summarizes the Agency burden and cost estimates for recording and transferring allowances.

EXHIBIT 2
ANNUAL AGENCY BURDEN/COST ESTIMATES FOR ALLOWANCE TRANSFERS

Tasks	Burden Hours Per Occurrence	Cost Per Occurrence ^a	Total Burden ^b (Hours)	Total Cost
Review allowance transfer information, record transfer, and notify transfer participants	1	\$54.65	1,000	\$54,650.00
Enter deduction data and deduct allowances	0.5	\$27.33	50	\$2,733.00
TOTAL			1,050	\$57,383.00

^a 2006 dollars.

^b Assumes 1,000 transfers and 100 optional deduction forms are submitted annually.

6.2 Annual Compliance Certifications

EXHIBIT 3 ANNUAL RESPONDENT BURDEN/COST ESTIMATES FOR ANNUAL COMPLIANCE CERTIFICATION

Tasks	Burden Hours Per Occurrence	Cost Per Occurrence ^a	Total Burden (Hours)	Total Cost
Annual compliance certification report ^b				
Managerial	1	\$84.43	700	\$59,101.00
Technical	4	\$232	2,800	\$162,400.00
Common stack allowance Deduction form ^c				
Managerial	0.5	\$42.22	25	\$2,111.00
Technical	2	\$116	50	\$5,800.00
TOTAL			3,575	\$229,412.00

^a 2006 dollars.

^b Assumes 700 reports covering 2,500 affected units are submitted.

^c Assumes 50 optional common stack allowance deduction forms are submitted.

6.2.1 Respondent Burden and Cost Estimates for Annual Compliance

Each year between October 1 and November 30, annual compliance certification must be performed by all affected sources. Each authorized representative must submit one annual compliance certification report that includes a list of all affected units he or she represents. In addition to the compliance certification report, affected units have the option of specifying the proportion of allowances to be deducted from each unit emitting through a common stack or pipe. Based on past experience, EPA assumes that approximately 50 sources will submit an optional Common Stack Allowance deduction form each year. EPA estimates that an average of 2,500 units represented by 700 different designated representatives will be affected during the period covered by this ICR (2007 - 2008).

Total respondent burden for annual compliance certification by Phase II affected sources is estimated to total 3,575 hours, for a total cost of \$229,412. Exhibit 3 presents respondent burden and costs for annual compliance certification.

6.2.2 Estimate of Agency Burden and Costs for Annual Compliance

The three primary tasks performed by the Agency during annual compliance certification are; reviewing and processing the annual form submissions, calculating and deducting allowances, and sending out allowance deduction or reconciliation reports to the source designated representatives. Based on the estimated 2,500 affected units, EPA expects the annual

Agency burden to total 1,375 hours, and cost \$65,340. Exhibit 4 presents the Agency's annual burden and cost for annual compliance certification.

EXHIBIT 4
ANNUAL AGENCY BURDEN/COSTS FOR ANNUAL COMPLIANCE CERTIFICATION

Task	Burden Hours per Occurrence	Cost per Occurrence ^a	Total Burden Hours	Total Costs
Review and process annual compliance certification submissions ^b	1	\$54.65	700	\$38,255.00
Calculate and deduct allowances ^b	0.5	\$27.33	350	\$19,131.00
Send allowance reconciliation reports ^b	0.5	\$27.33	350	\$19,131.00
Total			1,400	\$76,517.00

^a 2006 dollars.

^b Assumes 700 reports covering 2,500 affected units are submitted.

6.3 Obtaining and Issuing Permits

Because the trading program will end after the 2008 ozone season, for the purposes of this ICR, EPA assumes that no permit renewals will be required for these sources.

6.4 Emissions Monitoring Recording and Reporting

This section estimates the paperwork burden and cost of submitting monitoring plans, obtaining certification of each monitoring system, conducting monitor quality assurance activities, and recording and reporting data from CEM systems (or approved alternatives), and other ancillary activities (such as responding to EPA generated error messages, or responding to EPA audits).

For monitoring, the burdens differ based on the amount and type of monitoring the unit is subject to and the particular subtask of monitoring being conducted.

Sources have been monitoring and reporting emissions under this program since 2003 in most cases. The burden for those sources that are required to follow Part 75 requirements under the Acid Rain Program as well as the NOx Budget Trading Program is already included in the ICR for the Acid Rain Program. Therefore, only the estimated 400 units that are affected only by the NOx Budget Trading Program are included in the monitoring and reporting burden for this ICR.

To estimate the burden and/or cost, EPA has relied on the estimates included in the most recent Acid Rain Program ICR renewal for labor hour estimates of each activity. In addition, the hourly labor rates for managerial, technical and clerical staff reflect the labor rates used in the Acid Rain ICR in 2006 dollars, consistent with Agency ICR guidance.

Affected sources are required to complete and submit a monitoring plan and obtain certification of each monitor (on standard forms) for each affected unit at the source. These plans and certifications, which are only submitted once, have already been submitted for most units. Sources, however, may need to submit revised plans or even recertify if they change some aspect of their existing plan. New units will still need to submit plans and certifications for the first time. In addition, all affected units are required to submit quarterly reports of their emissions data to EPA; these reports include much of the basic monitoring plan data as well.

To develop this renewal ICR, EPA relied primarily on the extensive efforts to identify and calculate burdens for the prior two ICR renewals and the CAIR ICR.

6.4.1 Estimating Respondent Burden

The primary tasks performed by owners and operators of affected units are (1) reviewing the regulations, forms and instructions, (2) responding to EPA generated error messages and audits, (3) reprogramming a DAHS and debugging the software, (4) completing and submitting monitoring plans for each unit at the source, (5) performing appropriate tests and providing test results to certify each monitor, (6) performing quality assurance testing and maintenance upon monitors, (7) assuring the quality of emissions data, preparing quarterly reports of emissions data, and submitting reports to EPA; and (8) fuel sampling.

(i) Regulatory Review.

The estimate for time to review instructions and requirements remains consistent with the labor estimates used in previous ICRs (4 manager hours and 4 technician hours) where no substantial changes have been made to the Rule. EPA continues to make available online fully searchable versions of the Part 75 Emissions Monitoring Policy Manual and the Electronic Data Reporting Instructions (Versions 2.1 and 2.2), and is in the process of adding a fully searchable unofficial version of Part 75 to this integrated search Webpage. In addition, EPA in 2005 posted online a text version of its Plain English Guide to Part 75.

(ii) Response to Error Messages/Audits.

The EPA provides feedback to sources so that suspected errors in submissions by sources are noted and corrected. With the use of the MDC software, EPA believes that the burdens for this activity have decreased over time. At the same time, however, EPA has increased its audit oversight and expects to conduct a number of electronic and field audits of facilities over the next few years. In particular, EPA anticipates making significant use of electronic audits as a means to provide continuous data quality improvement. This effort will result in increased burdens for respondents.

(iii) DAHS Debugging.

Each source must purchase (or create) and install computer software designed to implement the electronic data reporting (EDR) formats required under the Acid Rain Program. EPA anticipates that EPA will promulgate revisions to Part 75 in late 2007 to accommodate planned changes in EPA's data systems that manage the data submitted by respondents. These data system changes are necessary to modernize EPA's data systems, and over time should streamline reporting. The costs of the required upgrade are being analyzed in a separate ICR that will be issued in conjunction with the Part 75 revisions. For the time period of this ICR, 2007-2009, no other changes would require a DAHS upgrade and therefore there are no burden hours for this activity.

(iv) Monitoring Plans.

Consistent with the existing ICR, completing and submitting monitoring plans is estimated to require an average of about 20 hours per unit initially. For existing units, initial monitoring plan submissions will be received prior to the time period covered in this renewal ICR, and, consistent with the existing ICR, EPA does not include burden hours for existing units under this initial monitoring plan development task area during 2007-2009. The burden associated with revising the monitoring plan is included in the time for preparing and submitting each quarterly emissions report.

For new units, EPA has used an estimated number of new units as a projection for the average number of new units expected in 2007-2009. These units have a separate line item for initial monitoring plan preparation.

(v) Monitor Certification.

For existing units, only recertifications are included in the estimated activities for 2007-2009. The Agency estimates a labor burden of 50 hours and a contractor cost of \$3,400 per respondent. The cost and burden figures exclude the costs and burdens associated with conducting a RATA as part of the recertification process because those costs are incorporated within the annual QA costs for previously certified monitoring systems.

Under Part 75, sources are required to recertify the monitoring systems whenever the source makes a replacement, modification, or change in a certified CEMS or continuous opacity monitoring system that may significantly affect the ability of the system to accurately measure or record the NO_x concentration, stack gas volumetric flow rate, NO_x emission rate, percent moisture, or to meet the QA and QC requirements. Recertification is also necessary whenever the source makes a replacement, modification, or change to the flue gas handling system or the unit operation that may significantly change the flow or concentration profile. Examples of changes which require recertification include: replacement of the analyzer, change in location or orientation of the sampling probe or site; and complete replacement of an existing CEMS or continuous opacity monitoring system.

For new units, the monitor certification costs are included in the capital/startup costs.

(vi) Quality Assurance.

Quality assurance (QA) testing and maintenance upon monitoring systems is the largest burden item under the monitoring, reporting and recordkeeping requirements for the Acid Rain Program. The requirements include daily, quarterly and annual QA requirements, depending on the monitoring approach being used. For reporting units that use a full set of CEMS (SO₂, flow, NO_x and CO₂), the Agency has developed a per unit labor burden based primarily on information gathered from affected sources. For units that also are required to install and maintain a continuous opacity monitoring system (COMS) as a result of Part 75, additional labor burdens apply. For units that rely on Appendix D excepted methods for SO₂ but use a NO_x and CO₂ CEMS, reduced labor burden estimates apply because the quality assurance activities for the excepted methods are less than for a CEMS. The labor burdens for these excepted methods were derived primarily from cost estimates provided by a group of affected utilities (see Docket A-97-35, Item II-D-48). For units that rely on the excepted methods under both Appendix D and E (i.e., units without CEMS), the burden estimates are reduced further because no CEMS QA is required. For the relatively small number of units that require moisture correction, labor burdens for moisture monitoring QA activities have been added based on information supplied by an affected utility (see Docket A-97-35, Item II-D-94).

(vii) Quarterly Reports.

Tasks performed by utilities in preparing quarterly reports include: (1) assuring the quality of the data, (2) preparing the quarterly report, (3) revising the monitoring plan, if necessary, (4) preparation of hard copy documentation accompanying the quarterly reports, and (5) managerial review. EPA has been improving electronic file transfer procedures over the past few years and has been developing automated tools that allow sources to quality assure their reports. EPA believes these efforts have reduced the average burdens per report over time. In addition, because the program is maturing, the respondents have developed procedures and methods to increase their efficiency with reporting.

6.4.2 Estimating Respondent Costs

Exhibit 7 summarizes the annual respondent costs. The following discussion describes how those costs were derived.

(i) Estimating Total Capital and Annual Operations and Maintenance Costs

Capital/start-up costs include the cost of installing required CEMS or alternatives. The Agency developed the capital cost estimates for the CEM and other equipment based on EPA CEM cost models, existing ICRs, and comments from various affected utilities. The cost estimates vary depending on the number and type of monitors that are required. Annualized capital cost estimates are included for each of the Models A-F on Exhibit 7. These annualized capital costs are from the Rule to Reduce Interstate Transport of Fine Particulate Matter and Ozone (Clean Air Interstate Rule) EPA ICR #2152.02. The annualized costs ranged from \$28,879 for units with a full set of CEMS (Model A), to \$18,750 for a unit that uses NO_x CEMS and Appendix D methods (Model C), to \$2,250 for units that use both Appendix D and Appendix E methods without any CEMS (Model D). There are no capital/start-up costs for LME units. A discussion of how the capital/start-up costs were annualized follows in Section 1.2(iii).

In addition to capital/start-up costs, respondents incur operation and maintenance costs (exclusive of labor costs) that reflect ongoing costs to a unit. These costs include both contractor costs for the required recertification, diagnostic, and quality assurance (QA) testing, and other direct maintenance-related expenses (e.g., spare parts and calibration gases). The cost estimates used in this renewal ICR are generally the same as the Rule to Reduce Interstate Transport of Fine Particulate Matter and Ozone (Clean Air Interstate Rule) EPA ICR #2152.02, and have been derived from EPA CEM cost models, existing ICRs, Agency staff experience under the Acid Rain Program, information gathered during development of the 1999 and 2002 Part 75 revisions, and supplemental estimates provided by affected utilities and others related to the various cost items (see, e.g., EPA Air Docket A-97-35, Item II-D-48). The total cost for these operation and maintenance cost items (other than fuel sampling) is estimated at \$31,200 for a unit with a full set of CEMS, while units that use alternate methodologies have reduced costs.

Note that testing contractor costs for certification, recertification and annual RATAs also are presented as other direct costs and are not converted to equivalent source labor hours. This approach is consistent with the common business practice for obtaining outside contractors to conduct certification/recertification tests and annual relative accuracy test audits. For initial certification, the certification test costs are commonly bundled with equipment purchase contracts, according to information provided by a range of CEMS equipment vendors. For RATAs that are conducted either as part of the annual quality assurance requirements or as part of recertification, industry contacts have indicated that RATA testing is usually performed under a fixed price contract basis, except for travel costs that may be billed on an hourly basis beyond the basic contract cost. For annual RATAs, the sources indicated that an annual contract between a testing company and utility is often used. One municipal utility representative indicated that the applicable municipal regulations required that outside contracts be on a flat fee, not hourly, basis.

(ii) Capital/Start-up vs. Operating and Maintenance (O & M) Costs

Capital costs reflect one-time costs for purchase of equipment which will be used over a period of years. Conversely, operating and maintenance costs are those costs which are incurred on an annual or other scheduled basis. For instance, costs associated with quality assurance activities, such as spare parts or contractor costs for work, will be incurred on an annual basis.

(iii) Annualizing Capital Costs

The relevant capital costs for the emissions trading portion of this ICR were annualized at a rate of 7% (i.e., the annualized capital cost was calculated assuming money to purchase the capital equipment was borrowed at a 7% annual interest rate). The cost of the loan was amortized over the life of the loan to repay original borrowed amount plus interest. The result is the annualized capital cost reported.) The annualized cost of the necessary capital purchases varies from \$2,250 to \$ 28,879, per year, per unit, depending on the type of monitoring methodology. Exhibit 1 contains a breakdown of annual costs by monitoring methodology. The capital costs are from the Rule to Reduce Interstate Transport of Fine Particulate Matter and Ozone (Clean Air Interstate Rule) EPA ICR #2152.02.

(iv) Fuel Sampling

To calculate heat input where the source is using the fuel flowmeter option for an oil or

gas-fired unit, the source must obtain gross calorific value data from sampling in accordance with Appendix D of Part 75. For purposes of this ICR, it is assumed that the GCV data would be collected as part of standard business operating procedures to assure compliance with contractual specifications. Thus no additional fuel sampling burdens or costs should be incurred. This is consistent with the Rule to Reduce Interstate Transport of Fine Particulate Matter and Ozone (Clean Air Interstate Rule) EPA ICR #2152.02.

6.4.3 Estimating Agency Burden and Cost

The tasks that will be performed by EPA include processing, reviewing, and evaluating emissions data reports submitted by utilities, and conducting appropriate audit activities to verify the information provided. Assuming that affected sources will submit 3,537 emissions reports to EPA per quarter, the total annual burden incurred by the Agency will be 14,148 hours. The total annual cost to EPA for processing, reviewing, and evaluating these quarterly emissions reports will be approximately \$1,546,376. Exhibit 6 summarizes the Agency burden and costs associated with emissions reporting.

6.4.4 Estimating the Respondent Universe and Total Burden and Costs

EPA estimates that: (a) 700 sources will review instructions and requirements; (b) 840 units (this number excludes sources submitting under the Acid Rain Program) will reprogram and debug DAHS computer software; (c) 840 units will submit quarterly reports (only those sources not already submitting under the Acid Rain Program); and (d) 840 units will respond to EPA generated error messages (of which about 10 units will also respond to EPA audit activities), and perform QA testing and maintenance. In addition, EPA estimates that approximately 150 non-Acid Rain units will recertify per year. Exhibit 5 shows the total burden and total cost based on this respondent universe.

EXHIBIT 5

ANNUAL RESPONDENT BURDEN/COST ESTIMATES FOR EMISSIONS MONITORING

INFORMATION COLLECTION ACTIVITY	Mgr. \$84.43/ Hour	Tech. \$58.00/ Hour	Respondent Hrs./Year	Labor Cost/Year	Cont./ O&M Cost	Capital/ Startup Cost	No. of Respondents	Total Hours/Year	Total Cost/Year
1. Review Instructions and Requirements	4	4	8	\$570	\$0	\$0	700	5,600	\$399,000
2. Respond to EPA Generated Error Messages, Field Audits	6	18	24	\$1,551	\$0	\$0	840	20,160	\$1,302,840
3. DAHS Debugging	4	12	16	\$1,034	\$0	\$0	840	13,440	\$868,560
4. New Unit Monitoring Plans	10	10	20	\$1,424	\$0	\$0	25	500	\$35,600
5. Recertify Monitors	38	12	50	\$3,904	\$3,400	\$0	150	7,500	\$1,095,600
6. Startup/Capital Items and Perform QA Testing and Maintenance									
(a) NOx and Flow CEMS	50	480	530	\$32,062	\$31,200	\$28,879	200	106,000	\$18,428,200
(b) NOx CEM and Fuelmeter	20	375	395	\$23,439	\$17,400	\$18,750	410	161,950	\$24,431,490
(c) App. E and Fuelmeter	5	30	35	\$2,162	\$1,800	\$2,250	230	8,050	\$1,428,760
7. Assure Data Quality, Prepare Reports (inc. monitor plan update), Submit Reports	20	82	102	\$6,445	\$0	\$0	840	85,680	\$5,413,800
TOTAL:								408,880	\$53,403,850

EXHIBIT 6 ANNUAL AGENCY BURDEN/COST ESTIMATES FOR EMISSIONS REPORTING

Tasks	Quarterly Burden Hours Per Report	Quarterly Cost Per Report ^a	Number of Reports ^b	Total Burden Per Year (hours) (2007-2008)	Total Cost
Process, review, and evaluate quarterly report and issue feedback letter	2	\$109.30	3,360	6,720	\$367,248
^a Based on an average total compensation rate of \$54.65 per hour					
^b Assumes 840 emission data reports each quarter.					

6.8 Summary of Burden Hours and Costs

Exhibits 7, 8 and 9 summarizes the annual aggregate burden and cost estimates to respondents for the period of June 1, 2007 through December 31, 2008 for collections associated with allowance transfers, annual compliance certifications, emissions reporting, and non-trading activities. Exhibit 10 summarizes the aggregate burden and cost estimates to EPA and for these collections.

6.9 Reasons for Change in Burden

This ICR renewal reflects a few differences from the previous ICR. This section discusses the changes in burden since the last clearance.

Overall, the estimated annual burden in 2005 from the last clearance was 483,069 hours. This ICR estimates the annual burden will be 471,734 hours, which decreases the burden by 11,335 hours. The reasons for this burden increase are explained below.

All of the change in burden for this collection is due to adjustments. Adjustments stem from actions outside the Agency's control. It includes changes to the number of responses and the time it takes to respond to a particular activity. The adjustments and corresponding change in burden are as follows.

- The annual number of allowance transfer submissions increased from 2,500 to 6,200. This changed the annual burden hours for allowance transfer activities from 5,014 to 14,450.
- Permitting activities and the application for early reduction credits were estimated to require 4,916 burden hours in 2005. These activities are not covered by this ICR, so the burden was reduced to zero.
- An increase in the estimated time required to complete the annual compliance certification led to an increase in the burden hours from 2,878 under the previous ICR to 3,575 for this ICR.

- Adjustments slightly increased the annual average burden for monitoring and reporting activities from 408,115 hours in the previous ICR to approximately 408,880 hours.

6.10 Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 41 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 currently valid OMB control number. The OMB control numbers for EPA's regulations are listed in 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-OAR-2006-0947, which is available for online viewing at www.regulations.gov, or in person viewing at the Air and Radiation docket 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 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-2006-0947 and OMB Control Number 2060-0445 any correspondence.

EXHIBIT 7
AGGREGATE ANNUAL INDUSTRY BURDEN AND COST OF COLLECTIONS (2007-2008)

Program	2007 Total Burden (Hours)	2008 Total Burden (Hours)	2007 Total Costs ^a	2008 Total Costs ^a
Allowance transfers and deductions	14,450	14,450	\$1,019,542.95	\$1,019,542.95
Annual Compliance Certification	3,575	3,575	\$229,412.00	\$229,412.00
Emissions reporting	408,880	408,880	\$53,403,850.00	\$53,403,850.00
Non-Trading Rule Units	N/A	72,255	N/A	\$4,291,673
TOTAL	426,905	499,160	\$54,652,805.95	\$58,944,477.95

^a 2006 dollars.

EXHIBIT 8
AGGREGATE ANNUAL STATE BURDEN AND COST OF COLLECTIONS (2007-2008)

Program	2007 Total Burden (Hours)	2008 Total Burden (Hours)	2007 Total Costs ^a	2008 Total Costs ^a
Non-Trading Rule Units	N/A	17,402	N/A	\$541,138
TOTAL	N/A	17,402	N/A	\$541,138

^a 2006 dollars.

EXHIBIT 9
AGGREGATE ANNUAL RESPONDENT BURDEN AND COST OF COLLECTIONS (2007-2008)

Program	2007 Total Burden (Hours)	2008 Total Burden (Hours)	2007 Total Costs ^a	2008 Total Costs ^a
Industry	426,905	499,160	\$54,652,805.95	\$58,944,477.95
State	N/A	17,402	N/A	\$541,138
TOTAL	426,905	516,562	\$54,652,805.95	\$59,485,615.95
AVERAGE ANNUAL TOTAL	471,734 Total Annual Burden Hours		\$57,069,211 Total Annual Cost	

^a 2006 dollars.

EXHIBIT 10
 AGGREGATE ANNUAL AGENCY BURDEN AND COST OF COLLECTIONS (2007-2008)

Program	2007 Total Burden (Hours)	2008 Total Burden (Hours)	2007 Total Costs ^a	2008 Total Costs ^a
Allowance transfers and deductions	1,050	1,050	\$57,383.00	\$57,383.00
Annual Compliance Certification	1,400	1,400	\$76,517.00	\$76,517.00
Emissions reporting	6,720	6,720	\$367,248.00	\$367,248.00
Non-Trading Activities	N/A	1,126	N/A	\$116,535.90
TOTAL	9,170	10,296	\$501,148.00	\$617,683.90
AVERAGE ANNUAL TOTAL	9,733 Total Annual Burden		\$559,416.00 Total Annual Cost	

^a 2006 dollars