

## **Appendix A**

## Appendix A. Assumptions for Developing Burden and Cost Estimates

Table 1 provides a list of the key data inputs used to determine burden hours and costs for the National Pretreatment Program ICR. This appendix provides a description of the source of these data elements. In addition, the ICR relied on several assumptions regarding the relative percentages of respondents performing various tasks. The appendix also summarizes these key assumptions.

Some of the assumptions described in this section are carried forward from the Pretreatment Streamlining ICR (Revision of the Information Collection Request for the National Pretreatment Program of September 22, 2005 [EPA ICR No: 0002.12, OMB Control No. 2040-0009,]). The September 2005 ICR recalculated the entire pretreatment program, including activities resulting from provisions not modified by the Streamlining Rule. All burden assumptions were subject to public review, and EPA did not receive any comments related to them.

**Table 1 Data and Assumptions Used in Pretreatment ICR**

	<b>Pretreatment Program Data</b>	<b>Numbers</b>
1.	Total Number of SIUs	23,193
2.	Number of CIUs	11,010
3.	Number of noncategorical-SIUs	12,183
4.	Number of Zero-Discharge NSCIUs	633
5.	Number of CIUs that Discharge > 0 and < 100 gpd	1,019
6.	Number of Non-Zero-Discharge NSCIUs	296
7.	Number of NSCIUs	928
8.	Number of Middle Tier CIUs	3,303
9.	Number of Middle Tier CIUs that reduce monitoring	958
10.	Number of State Run POTW Pretreatment Programs in 40 CFR §403.10(e) States	51
11.	Total Number of Approved Programs	1,512
12.	Number of 40 CFR §403.10(e) States	5
13.	Number of States eligible for Excellence Awards submissions	30
14.	Number of States with approved Pretreatment Programs	35
15.	Number of SIUs with POTWs as Control Authority	22,370
16.	Percentage of SIUs with POTWs as Control Authority	96.5%
17.	Number of SIUs with State/EPA as Control Authority	823
18.	Percentage of SIUs with State/EPA as Control Authority	3.5%
19.	Percentage of SIUs Resampling (for violations)	10%
20.	Hourly Rate for Federal employees (50% Overhead (OH))	39.06
21.	Hourly Rate for State employees (50% OH)	38.21
22.	Hourly Rate for POTW employees (50% OH)	25.68
23.	Hourly Rate for Private Industry employees (100% OH)	66.48
24.	Number of New Source CIUs	225
25.	Number of POTWs with EPA as Approval Authority	397
26.	Percentage of POTWs with EPA as Approval Authority	26.26%
27.	Number of POTWs with State as Approval Authority	1,115
28.	Percentage of POTWs with State as Approval Authority	73.74%
29.	Number of POTWs projected to develop a pretreatment program during the three-year ICR period	64

	Pretreatment Program Data	Numbers
30.	Removal Credit Approval Requests	3

### ICR Input Data

1. **Total Number of Significant Industrial Users (SIUs)** - This number is derived from Permit Compliance System (PCS) data, as obtained from a February 2007 query, GPRA data from December 2006, and input from EPA headquarters and regional staff responsible for overseeing the pretreatment program.
2. **Number of Categorical Industrial Users (CIU)** - This number is derived from Permit Compliance System (PCS) data, as obtained from a February 2007 query and input from EPA headquarters and regional staff responsible for overseeing the pretreatment program.
3. **Number of Non-Categorical SIUs** - The mathematical difference between 1 and 2 above.
4. **Number of Zero-Discharge NSCIUs** - The percentage of zero-discharge NSCIUs (5.75% is derived from data from annual Pretreatment Program Reports, Pretreatment Excellence Awards applications, and public comments on the proposed Streamlining Rule. This estimate is carried forward from the assumptions in the recalculation of the entire pretreatment program, which was done as part of the Streamlining Rule ICR (EPA ICR No. 0002.12) and is explained at the beginning of this section. The percentage is applied to the number of CIUs. All zero-discharge CIUs are assumed to be NSCIUs.
5. **Number of CIUs that Discharge > 0 and < 100 gpd** - The percentage of CIUs with flows of less than 100 gpd but greater than zero (9.26%) is derived from data from annual Pretreatment Program Reports, Pretreatment Excellence Awards applications, and public comments on the proposed Streamlining Rule. This estimate is carried forward from the assumptions in the recalculation of the entire pretreatment program, which was done as part of the Streamlining Rule ICR (EPA ICR No. 0002.12) and is explained at the beginning of this section. The percentage is applied to the number of CIUs.
6. **Number of Non-Zero Discharge NSCIUs** - The percentage of dischargers with flows of less than 100 gpd but greater than zero that will be deemed non-significant is based on data carried forward from the assumptions in the recalculation of the entire pretreatment program, which was done as part of the Streamlining Rule ICR (EPA ICR No. 0002.12) and is explained at the beginning of this section. on compliance reporting requirements in eight POTW programs. These data showed that 71% of small CIUs were required to monitor more than twice per year. It was assumed that compliance reporting requirements continued for these 71%. Twenty-nine percent (1 – 71%) were assumed to be NSCIUs. The percentage is applied to the number derived in Item 5.
7. **Number of NSCIUs** - This number was calculated by adding the number of zero discharging CIUs to the number of CIUs that discharge between 0 and 100 gallons per day that will be deemed NSCIUs.
8. **Number of Middle-Tier CIUs** - The percentage of Middle-Tier CIUs (approximately 30%) is derived from data from annual Pretreatment Program Reports combined with data from the Metal Products and Machinery Database. This estimate is carried forward from the assumptions

in the recalculation of the entire pretreatment program, which was done as part of the Streamlining Rule ICR (EPA ICR No. 0002.12) and is explained at the beginning of this section. The percentage is applied to the number of CIUs.

9. **Number of Middle-Tier CIUs With Reduced Monitoring** - The percentage of Middle-Tier CIUs that will become subject to reduced compliance reporting requirements is based on data carried forward from the assumptions in the recalculation of the entire pretreatment program, which was done as part of the Streamlining Rule ICR (EPA ICR No. 0002.12) and is explained at the beginning of this section. on compliance reporting requirements in eight POTW programs. These data showed that 71% of small CIUs were required to monitor more than twice per year. It was assumed that compliance reporting requirements continued for these 71%. Twenty-nine percent (1 – 71%) were assumed reduce monitoring frequency to once per year. The percentage is applied to the number derived in Item 8.
10. **Number of State-Run POTW Pretreatment Programs in 40 CFR 403.10(e) States** - This number was estimated by dividing the total number of SIUs regulated by States/EPA (and not by approved POTW Pretreatment Programs) by the average number of SIUs per approved pretreatment program. The methodology for estimating this number was carried forward from the Streamlining Rule ICR (EPA ICR No. 0002.12).
11. **Total Number of Approved Programs** - This number is derived from Permit Compliance System (PCS) data, as obtained from a February 2007 query, GPRA data from December 2006, and input from EPA headquarters and regional staff responsible for overseeing the pretreatment program.
12. **Number of 40 CFR 403.10(e) States** - Five: Alabama, Connecticut, Mississippi, Nebraska, and Vermont.
13. **Number of States with POTWs that are Eligible to Receive Excellence Award** - 30, which is the total number of approved, authorized state with pretreatment programs (35) minus the five 40 CFR 403.10(e) states.
14. **Number of States with Approved Pretreatment Programs** - 35, per EPA Headquarters.
- 15.-16 **Number and Percentage of SIUs with POTWs as Control Authority** – These numbers are derived from Permit Compliance System (PCS) data, as obtained from a February 2007 query, GPRA data from December 2006, and input from EPA headquarters and regional staff responsible for overseeing the pretreatment program.
- 17.-18 **Number and Percent of SIUs with State/EPA as Control Authority** - These number are derived from Permit Compliance System (PCS) data, as obtained from a February 2007 query, GPRA data from December 2006, and input from EPA headquarters and regional staff responsible for overseeing the pretreatment program. It includes SIUs in 40 CFR 403.10(e) States, as well as SIUs regulated by States/EPA in non-pretreatment cities.
19. **Percentage of SIUs Resampling** - This assumption is carried forward from the recalculation of the entire pretreatment program, which was done as part of the Streamlining Rule ICR (EPA ICR No. 0002.12) and is explained at the beginning of this section.

20. **Hourly Rate for Federal Employees** - The hourly employment cost of federal employees was determined using methodology established in previous ICRs. According to the U.S. Office of Personnel Management, January 2007 General Schedule (2007-GS), the average annual salary of a government employee at the GS-9, Step 10 level is \$54,155. At 2,080 hours per year, the hourly wage would be \$26.04. Assuming overhead costs of 50 percent, or \$13.02 per hour, the fully loaded cost of employment for a federal employee would be \$39.06.
21. **Hourly Rate for State Employees** - The average hourly rate for municipal employees as determined by the Bureau of Labor Statistics in the Employer Costs for Employee Compensation, *Table 3- Employer costs per hour worked for employee compensation and costs as a percent of total compensation: state and local government, by selected characteristics (September 2006)*, adjusted to a December 2006 dollars using the December 2006 Employment Cost Index (ECI). A 50 percent overhead rate was added to this rate to arrive at an hourly rate of \$38.21.
22. **Hourly Rate for POTW Employees** - The average hourly rate for municipal employees, which account for all POTW costs, as determined by the U.S. Department of Labor, Bureau of Labor Statistics, is \$25.68 (including overhead). Updated rates are derived from the U.S. Department of Labor, Bureau of Labor Statistics, in a table entitled *May 2005 National Industry-Specific Occupational Employment and Wage Estimates* and adjusted to December 2006 dollars using the December 2006 ECI.
23. **Hourly Rate for Private Sector Employees** - This average hourly rate for private sector employees is consistent with rates used in other recent OWM ICR submittals and represents the labor rate for IUs. Labor Rate was updated to 2006 dollars.
24. **Number of New Source CIUs** - Assumed a 2 percent annual increase in the number of operational CIUs. This assumption is based on US Census Bureau data and is carried forward from the recalculation of the entire pretreatment program, which was done as part of the Streamlining Rule ICR (EPA ICR No. 0002.12) and is explained at the beginning of this section.
- 25-26. **Number and Percentage of POTWs with EPA as Approval Authority** - These numbers are derived from Permit Compliance System (PCS) data, as obtained from a February 2007 query, GPRA data from December 2006, and input from EPA headquarters and regional staff responsible for overseeing the pretreatment program. This is based on the number of POTWs in non-approved states.
- 27-28. **Number and Percentage of POTWs with State as Approval Authority** - These numbers are derived from Permit Compliance System (PCS) data, as obtained from a February 2007 query, GPRA data from December 2006, and input from EPA headquarters and regional staff responsible for overseeing the pretreatment program. This is based on the number of POTWs in approved states.
29. **Number of POTWs projected to develop a Pretreatment Program during the life of this ICR** – Based on projections from EPA regional offices.
30. **Removal Credit Approval Requests** – EPA estimates four respondents per year. Based on projections from EPA regional offices.