

Supporting Statement
for
Information Collection Request

Recordkeeping and Reporting Requirements
Modification of Baselines for Gasoline Produced or Imported
for Use in Hawaii, Alaska and U.S. Territories
40 CFR Part 80, subpart D

EPA ICR 1591.18

Compliance and Innovative Strategies Division
Office of Transportation and Air Quality
U.S. Environmental Protection Agency

PART A OF THE SUPPORTING STATEMENT

1. IDENTIFICATION OF THE INFORMATION COLLECTION

1(a) Title And Number of the Information Collection

Modification of Baselines for Gasoline Produced or Imported for Use in Hawaii, Alaska and U.S. Territories. Current OMB control number is 2060-0277. The EPA number for this modification is 1591.18.

1(b) Short Characterization/Abstract

Section 211(k) of the Clean Air Act (Act) mandates that reformulated gasoline (RFG) which meets various requirements be exclusively sold in nine statutory control areas and in other ozone nonattainment areas that “opt-in” to the RFG program. The Act also requires EPA to regulate the production and sale of conventional gasoline (non-RFG) throughout the rest of the country. Refiners and importers of gasoline are required to demonstrate compliance by conducting sampling and testing of the gasoline and reporting the results to EPA’s Office of Transportation and Air Quality. The burden and cost estimates in this ICR are those costs associated with modifications to the final rule establishing standards and requirements for RFG and conventional gasoline pursuant to § 211(k) of the Act. Previous ICRs have covered start up costs and other recordkeeping, reporting, and testing requirements associated with the final RFG rule.

This action modifies the RFG rule to allow refiners and importers of gasoline intended for sale in Hawaii, Alaska, The Commonwealth of Puerto Rico and The Virgin Islands the option to change their compliance calculation method for purposes of demonstrating compliance with the requirements for conventional gasoline. Specifically, this action provides an alternative compliance method for refiners and importers who, under the current regulations, are required to produce or import gasoline that is actually cleaner than that required under the Act. This action will lower compliance costs and provide greater flexibility for the affected parties without compromising the environmental goals of the RFG/conventional gasoline program. This action includes modest recordkeeping and reporting requirements for those refiners and importers who choose to change their compliance calculation method. Specifically, refiners and importers must submit a petition to EPA requesting the change and they must retain records which show that the gasoline was produced or imported for use in one of the affected areas.

2. NEED FOR AND USE OF THE COLLECTION

2(a) Need/Authority For The Collection

The basic need and authority for the collection of information have been established in the ICR for the RFG final rule. The Act specifically provides that recordkeeping and reporting requirements are among the tools EPA may use in enforcement of the provisions of § 211(k) and also provides that EPA must develop an enforceable scheme. Sections 114 and 208 of the Act authorize EPA to require recordkeeping and reporting regarding enforcement of the provisions of Title II of the Act. The additional information collection required in this modification to the RFG final rule is necessary to ensure that sources comply with the standards and limitations of the rules for conventional gasoline.

2(b) Practical Utility/Users Of The Data

The practical utility and use of the collection of information under the RFG rule generally have been established in the ICR for the RFG final rule.

The information collection requirements associated with the provisions in this action are necessary enforcement mechanisms for monitoring compliance with the regulations for conventional gasoline.

EPA's Office of Enforcement and Compliance Assurance and EPA's Office of Air and Radiation, Office of Transportation and Air Quality, will be the governmental users of the information contained in this information collection.

3. Nonduplication, Consultations, And Other Collection Criteria

3(a) Nonduplication

The information collection is not unnecessarily duplicative of information otherwise reasonably accessible to the Agency and is not available from other sources. The type of collection activities associated with this modification to the RFG rule are approved under the ICR for the final RFG rule.

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

Notice of the proposed information collection changes to the RFG regulations resulting from this rulemaking was included in the preamble to the Notice of Proposed Rulemaking.

3(c) Consultations

Representatives from the affected industry provided input during the development of this modification to the RFG rule.

Public comments on this action are addressed in the final rulemaking package.

3(d) Effects Of Less Frequent Collection

This information collection includes submission of a one-time petition. If the relevant information were not collected, EPA would not be able to monitor compliance with the standards for conventional gasoline where parties take advantage of the flexibility allowed under this rulemaking.

3(e) General Guidelines

The general guidelines for the collection of information pursuant to the RFG rule are approved in the ICR for the final RFG rule.

3(f) Confidentiality

Any information submitted to EPA for which a claim of confidentiality is made will be safeguarded according to EPA regulations at 40 CFR 2.201 et. seq.

3(g) Sensitive Questions

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

4. THE RESPONDENTS AND THE INFORMATION REQUESTED

4(a) Respondents/SIC Codes

Respondents are refiners (2911) and importers (5172) of conventional gasoline. The information required to be retained is generated and currently maintained by refiners and importers in the normal course of business. Without the required information, EPA would be unable to ensure compliance with the conventional gasoline requirements. The information collection required to be submitted in the petition under this action is necessary for EPA to approve the respondent's change in compliance calculation method.

4(b) Information Requested

(i) Data Items, Including Record keeping Requirements

Refiners and importers who choose to change their compliance calculation method in accordance with the provisions of this rule are required to submit a one-time petition to EPA requesting the change. In addition, respondents are required to retain records which indicate that the gasoline produced or imported was intended for use in one of the affected areas.

(ii) Respondent Activities

The information collection activities for recordkeeping and reporting, in general, are as described in the approved ICR for the RFG final rule. The activities associated

with this rule change include a one-time petition requesting the change in compliance calculation method, and retention of business records which establish that the gasoline was intended for use in one of the affected areas. Under the RFG rule, records are required to be kept for five years.

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

5(a) Agency Activities

The Agency is required to review petitions submitted under this rulemaking. The burden on the Agency will increase only slightly as a result of this activity.

5(b) Collection Methodology And Management

There are no significant changes to the collection methodologies in the ICR for the RFG final rule anticipated as a result of this modification to the RFG regulations.

5(c) Small Business Flexibility

This action corrects certain inconsistencies in the regulations which currently may have a negative impact on some small business refiners and importers who produce or import gasoline for use in the affected areas. This action also provides flexibility for these refiners and importers.

5(d) Collection Schedule

The collection schedule contained in the ICR for the RFG final rule applies to the information collection in this action.

6. ESTIMATING THE ANNUAL BURDEN AND COST OF THE COLLECTION

6(a) Estimating Respondent Burden

Three labor categories are involved with this rulemaking: managerial (includes legal and professional review), technical, and clerical. The labor mix for each hour for the activity in this ICR is assumed to be about 0.10 hours managerial, 0.70 hours technical, and 0.20 hours clerical.

The increased recordkeeping/reporting burden on refiners and importers who choose to petition EPA under this rule is estimated to be minimal. EPA estimates that 20 hours would be spent on each petition and that a total of 10 petitions would be submitted industry-wide. The recordkeeping requirement associated with this action is expected to

result in no additional burden, as the information required is generally included in business documents normally retained by refiners and importers.

6(b) Estimating Respondent Costs

Employer costs associated with this ICR are estimated to be:

Managerial \$108 per hour
 Technical \$71 per hour
 Clerical \$49 per hour

Assuming this labor mix for the information collection activity described above, this gives an average labor cost of about \$70 per hour for the activity associated with this rulemaking.

The cost of submitting a petition under this rule would be \$1,400, per respondent.

There are no capital/start-up costs associated with this information collection.

6(c) Estimating Agency Burden

Agency labor costs are based on a GS-13 level for an Environmental Protection Specialist (EPS). The hourly cost to EPA is calculated by multiplying the annual pay rate times 1.6 (overhead factor) and dividing by 2,080 (the number of work hours per year). For a median GS-13 level salary, based on an assumption of \$90,000 per year, the average hourly rate would be \$69. There are no capital costs for the Agency associated with the requirements of this ICR. It is estimated that 1.0 hour per petition will be required to review petitions received pursuant to this rule. The estimated burden hours and costs for the Agency are given in the table below:

Collection Activity	Burden Hours per Incidence	Frequency	Annual Burden Hours	Annual Cost (\$69/petition)
1) Activities associated with reviewing petitions submitted pursuant to this rule	1	10	10	\$690

6(d) Estimating The Respondent Universe And Total Burden And Costs

The total annual information collection burden on industry associated with this rule is estimated to be 200 hours. The total annual respondent cost associated with this rule is estimated to be \$14,000.

6(e) Bottom Line Burden Hours And Costs Table

The bottom line burden hours and costs for the respondents is given in the table below:

Information Collection Activity	Mgr. Hr/Yr (\$108/hr)	Tech. Hr/Yr (\$71/hr)	Cler. Hr/Yr (\$49/hr)	Resp. Hr/Yr	Resp. Cost/Yr	Capital Startup Cost	O&M Cost	No. of Resp.	Total Hr/Yr	T
Petition EPA	2.0	14.0	4.0	20.0	\$1,400	0	N/A	10	200	\$

6(f) Reason For Change In Burden

These changes to the existing ICR for the RFG final rule are necessary to provide the option afforded to refiners and importers under this action and to provide adequate enforcement tools. The analysis in previous sections discusses as necessary the changes from the current ICR.

6(g) Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 20 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-2003-0010, which is available for online viewing at www.regulations.gov, or in person viewing at the Air and Radiation Docket and Information Center in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue, NW, Washington, D.C. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Air and Radiation Docket and Information Center is (202) 566-1742. An electronic version of the public docket is available at

www.regulations.gov. This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. When in the system, select “search,” then key in the Docket ID Number identified above. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, D.C. 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID Number EPA-HQ-OAR-2003-0010 and OMB Control Number 2060-0277 in any correspondence.

PART B OF THE SUPPORTING STATEMENT

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