

INFORMATION COLLECTION REQUEST
FOR CHANGES TO
THE PART 70 OPERATING PERMIT REGULATIONS,
THE PART 71 OPERATING PERMIT REGULATIONS,
AND
THE PARTS 51 and 52 PREVENTION OF SIGNIFICANT DETERIORATION AND
NONATTAINMENT NEW SOURCE REVIEW REGULATIONS
FOR FLEXIBLE AIR PERMITS

EPA ICRS Nos.
1587.08 for Part 70
1713.07 for Part 71
1230.20 for Parts 51 and 52

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1 Identification of the Information Collection

1.1 Title This document fulfills the Agency's requirements under the Paperwork Reduction Act (PRA) to determine the regulatory burden associated with the promulgation of new regulations intended to clarify and provide more certainty about how sources and permitting authorities can use flexible air permitting approaches under the title I NSR Program and the title V Operating Permit Program to authorize additions of new capacity and different operations of existing equipment. It has been assigned EPA tracking numbers 1587.08, 1713.07, and 1230.20 because it affects three existing, approved collections. The title of this Information Collection Request (ICR) is "Information Collection Request for Changes to the Part 70 Operating Permit Regulations, the Part 71 Operating Permit Regulations, and the Parts 51 and 52 Prevention of Significant Deterioration and Nonattainment New Source Review Regulations for Flexible Air Permits." This ICR modifies the following three approved collections: ICR #1587.07 titled "State Operating Permit Regulations (40 CFR part 70)"; ICR #1713.06 titled "Federal Operating Permit Regulations (40 CFR part 71)"; and ICR #1230.19 titled "Prevention of Significant Deterioration and Nonattainment New Source Review (40 CFR Parts 51 and 52)." The present ICR calculates the *incremental burden and cost of flexible permits* as they relate to the baseline burden and cost estimated across these three ICRs.

1.2 Description Historically, title V of the Clean Air Act requires States to develop and implement a program for issuing operating permits to all sources that fall under the Act's definition of major and certain other non-major sources that are subject to Federal air quality regulations. The Act further requires EPA to develop regulations that establish the minimum requirements for those State operating permit programs and to oversee their implementation. The EPA regulations setting forth requirements for the State operating permit programs were codified at 40 CFR part 70 on July 21, 1992. In addition, the Act requires EPA to administer an operating permit program in any State that fails to develop and operate an acceptable program, as well as those areas outside the jurisdiction of any State. The Federal operating permit program was codified at 40 CFR part 71 on July 1, 1996.

The major New Source Review (NSR) Program regulates emissions increases due to new major sources and modifications at existing major sources in an effort to achieve and maintain the National Ambient Air Quality Standards (NAAQS). Amendments enacted in 1990 to title I of the Clean Air Act included changes to State and Federal programs for preconstruction review and permitting of major new and modified sources pursuant to part C "Prevention of Significant Deterioration" (PSD) and part D "Program Requirements for Nonattainment Areas" (NA NSR). The EPA regulations setting forth requirements for the PSD and NA NSR programs are codified at 40 CFR parts 51 and 52. In December

2002, EPA finalized the NSR Improvement Rule with regulations for plantwide applicability limits (PALs), 67 FR 80186. The Act also requires States to implement a minor NSR program to address emissions from new sources and modifications that are too small to be subject to major NSR (i.e., PSD and NA NSR). The EPA regulations for these programs are codified in 40 CFR part 51.

In response to our experience in and evaluation of flexible permitting techniques used in the last decade on a pilot permit basis, and comments, discussions and recommendations from the public and stakeholders, the EPA is proposing to revise regulations in the operating permits program to facilitate use of these flexible permitting techniques. This rulemaking proposes several changes to the operating permits and major NSR programs by:

- \$ Clarifying the scope of alternative operating scenarios (AOSs), which were already included in the part 70/71 regulations but generally have been interpreted and implemented narrowly;
- \$ Adding a definition for “approved replicable methodology” (ARM) in the part 70/71 regulations to clarify the acceptability of operating permit terms that allow a source to carry out calculations for compliance and applicability purposes in a prescribed manner without the need for a permit revisions; and
- \$ Adding provisions for “Green Groups” to the major NSR regulations allowing a source to obtain a Green Group permit for a section of the facility, which provides advance approval for a range of physical and operational changes without further NSR review.

In addition, the preamble to this rulemaking discusses advance approval of physical and operational changes under State minor NSR programs. We are not proposing any revisions to the regulations governing such programs.

The following activities, which will occur during the period of this, ICR include those activities that EPA estimates represent incremental increases and decreases in burden associated with flexible permitting.

Parts 70 and 71

- Flexible permitting sources applying for permit renewal
- Permitting authorities and EPA renewing permits
- Newly subject flexible permitting sources submitting permit applications
- Permitting authorities and EPA reviewing applications for new permits
- Flexible permitting sources working with permitting authorities and EPA to prepare draft permits
- EPA reviewing new or renewal permits issued by permitting authorities

- Permitting authorities and EPA collaborating to support sources in the development of their permits
- Flexible permitting sources not needing to submit applications for permit revisions
- Permitting authorities and EPA not needing to process permit revisions
- Permitting authorities revising their part 70 programs, where necessary

Parts 51 and 52

- Permitting authorities working with their respective States to make appropriate modifications to their State Implementation Plans (SIPs)
- Flexible permitting sources applying for PSD or NA NSR permits
- Permitting authorities and EPA reviewing flexible permitting sources' applications for PSD and NA NSR permits
- Flexible permitting sources applying for minor NSR permits including advance approvals and/or plantwide applicability limitations (PALs)
- Permitting authorities reviewing flexible permitting sources' applications for minor NSR permits including advance approvals and/or PALs
- Flexible permitting sources not needing to apply for minor NSR permits
- Permitting authorities not needing to process minor NSR permits
- Flexible permitting sources avoiding subsequent PSD and NA NSR permits during the permit term
- Permitting authorities and EPA avoiding processing subsequent PSD and NA NSR permits during the permit term

All of these data are made available for public review and comment. The activities to carry out these tasks are considered mandatory and necessary for implementation of titles I and V and the proper operation of the NSR and operating permits programs. The information will also be available for public inspection at any time in the offices of the permitting authorities.

The Agency anticipates total direct cost savings to subject sources attributable to the changes to the part 70 permit program for flexible air permits for the three years of the ICR to be approximately \$24 million. This represents the direct administrative cost savings for an estimated 5,321 sources, of approximately \$4,510 per source or 144 hours per source during the period of this ICR. The Agency estimates the cost savings of the changes to the part 70 permit program for flexible air permits for the three years of the ICR to permitting authorities to be approximately \$9.3 million, or \$1,750 in cost savings due to 48 fewer burden hours per source (or \$83,000 cost savings attributable to 2,258 hours saved per permitting authority). The Agency assumes that 90 percent of State and local part 70 programs already provide the legal authority necessary to issue flexible permits. The Agency estimates costs to the Federal Government due to the changes to the part 70 permit program for the three years of the ICR of

approximately \$1.2 million, or \$226 attributable to approximately 6 hours more worked per source.

The Agency anticipates total direct cost savings to subject sources attributable to the changes to the part 71 permit program for flexible air permits for the three years of the ICR to be approximately \$146,000. These represent the direct administrative cost savings for an estimated 31 sources, or approximately \$4,710 per source during the period of this ICR or 148 hours saved per source. Under the part 71 program, EPA is the only permitting authority. In this function, the Agency estimates the Federal cost savings of the changes to the part 71 permit program for flexible air permits for the three years of the ICR to be approximately \$56,500, or \$1,800 in cost savings due to 49 fewer burden hours per source (or \$56,500 cost savings attributable to 1,526 hours saved by the single Federal permitting authority).

The Agency anticipates total direct cost savings to subject sources attributable to the changes to the parts 50 and 51 PSD/NSR program for flexible air permits for the three years of the ICR to be approximately \$11.6 million. These represent the direct administrative costs for the estimated 1,774 sources, or approximately \$6,500 in cost savings per source during the period of this ICR, or 100 fewer burden hours per source. The Agency estimates the cost savings of the changes to the parts 50 and 51 PSD/NSR program for flexible air permits for the three years of the ICR to permitting authorities to be approximately \$9.7 million, or \$5,500 in cost savings attributable to 147 fewer burden hours per source (or \$86,600 attributable to 2,335 fewer hours worked per permitting authority). The Agency estimates Federal costs for changes to the parts 50 and 51 PSD/NSR program for the three years of the ICR will be approximately \$237,500 to review minor and major NSR permits during the term of this ICR, or \$134 in costs attributable to about 4 more burden hours per source (or \$237,500 attributable to 6,560 more hours worked by the Agency, which is the lone Federal entity).

2 Need and Use of the Collection

2.1 **Need/Authority** In implementing title V of the Act and EPA's part 70 operating permits regulations, State and local permitting authorities must develop programs and submit them to EPA for approval (section 502(d)). Sources subject to the program must prepare operating permit applications and submit them to the permitting authority within one year after approval of the program by EPA (section 503). Permitting authorities will then issue permits (section 503(c)) and thereafter enforce, revise, and renew those permits at least every five years (section 502(b)(5)). Permit applications and proposed permits will be provided to, and are subject to review by, EPA (section 505(a)). The permit and all information submitted by a source shall be available for public review except for confidential information, which will be protected from disclosure (section 503(e)), and the public shall be given public notice of, and an opportunity for comment on, permit actions (section 502(b)(6)). Sources will submit monitoring reports semi-annually and compliance certification reports annually to the permitting authorities (section 503(b)(2)). The EPA has the responsibility to oversee implementation of the program (section 502(c)). Sources seeking flexible air permits are subject to the same requirements. This ICR will address only the incremental burden and cost associated with flexible permits.

**for the
Collection**

Section 110 of the CAA requires all States to submit an implementation plan which contains a preconstruction review program for all new or modified stationary sources, including any provisions necessary for this program to meet the specific requirements of parts C and D of title I of the CAA related to construction of major sources and modifications. Part C, also known as the prevention of significant deterioration (PSD) rules, outlines specific construction requirements for new and modified sources constructing in attainment areas; and part D, also known as NA NSR rules, provides requirements for sources constructing in nonattainment areas. The PSD rules require a demonstration of best available technology (BACT) and that the NAAQS and increments will not be exceeded, and the protection of Federal Class I areas from adverse impacts. The NSR rules require a demonstration of lowest achievable emission rate (LAER), a certification that all major sources owned by the same entity are in compliance, and compliance with specific statutory offset ratios. The requirements of the CAA for minor NSR programs require much less prescriptive, requiring only that States assure that new minor sources and minor modifications do not cause or contribute to violation of the NAAQS. This ICR will address the incremental burden and cost associated with flexible permit sources that seek minor a NSR, NA NSR,

or PSD permit and also avoid future minor NSR, NA NSR, and PSD permit processing.

2.2

Utility/Users of the Data

Practical The burden estimates included in this ICR include the total incremental burden of implementing the parts 70 and 71 operating permits program and parts 51/52 New Source Review program for flexible air permits. For the three-year period covered by this ICR, all State part 70 operating permit programs (including those portions of States for which an operating permits program is being implemented by a local agency) have been submitted to EPA and have been granted full approval. The EPA part 71 program covers Indian country sources and source on the Outer Continental Shelf. All State and local agencies have approved minor NSR and NA NSR programs, but several States have not developed PSD programs; these States have been delegated authority to implement the Federal PSD program of part 52 (referred to as “delegated States”). The EPA implements the part 52 program in Indian country. When the proposed rulemaking is finalized, all State and local agencies will need to submit conforming revisions to their title I NA NSR programs to their respective EPA Regional Offices for review and approval to implement Green Group permits. States with their own approved PSD programs (referred to as “SIP-approved States”) will also need to revise their title I PSD programs. Based on our experience with flexible permit pilots, we anticipate that most permitting authorities will be able to issue flexible part 70 permits under their existing title V operating permits program without revision. (None of the permitting authorities taking part in the pilot permitting projects were precluded from issuing flexible permits by their part 70 programs.) Nevertheless, in order to estimate the burden to permitting authorities, we assume that 10 percent of permitting authorities will need to revise their part 70 programs. These permitting authorities will be required to submit their proposed revisions to their respective EPA Regional Offices for review and approval. We invite comment on our assumption that 10 percent of permitting authorities will have to revise their part 70 programs to be able to issue flexible permits as proposed.

For major sources to be constructed or modified in attainment or nonattainment areas, the owner or operator of a facility must submit an NSR or PSD application to the permitting authority. Once the application is complete, the permitting authority makes a preliminary determination regarding the approvability of the permit application and makes this determination, along with the application and supporting information, available to the public for at least 30 days. The public then has an opportunity to comment on the provisions of the flexible permit, the permitting authority will respond to public comments, and take action on the final permit.

2.3

Considerations

Caveats and The information included in this ICR is based upon the best data sources available to the Agency at this time. However, incomplete information regarding how many sources may seek, and be eligible for, flexible permits, and sampling limitations imposed upon the Agency by the Paperwork Reduction Act necessitated a certain amount of extrapolation and “best-guess” estimations by Agency experts. Consequently, the reader should not consider the conclusions to be an exact representation of the level of burden or cost that will occur during the three years of this ICR. Instead, this ICR should be considered a directionally correct assessment of the impact the flexible air permitting approach of the operating permit program will have over the next three years.

Throughout this ICR, the reader will observe estimated values that show accuracy to the single hour or dollar. Because this ICR estimates the expected impact of the flexible air permitting approaches on the operating permit and NSR programs, reporting values at the single unit value may be misleading. In most situations, the proper way to present estimated data would be to determine an appropriate level of precision and truncate values accordingly, usually in terms of thousands or millions of units. To avoid the loss of information through rounding, however, this ICR reports all values at the single unit level and reminds the reader that there is no implied precision inherent in this style of reporting of the impact the flexible air permitting approach of the operating permit and NSR programs will have over the next three years.

Finally, readers should note that many of the increases in burden under the proposed rulemaking will occur in the first three years of implementation, which are covered by this ICR, while many of the decreases in burden will continue beyond the period covered by this ICR. Consequently, this ICR does not present the full net burden reduction that is expected to be achieved by this rulemaking.

3 Non-Duplication, Consultation, and Other Collection Criteria

3.1 Non-Duplication While much of the information requested under this ICR existed prior to the creation of the operating permits program, an operating permit for flexible air permits is a compilation of existing requirements; the purpose being to bring all requirements applicable to a source into one document. The intent of this compilation is to (1) resolve any questions of applicability at the time of permit issuance, (2) provide certainty to sources as to their obligations, and (3) provide the public access to a source's obligations and compliance status. The Agency has no leeway to not require such previously existing information under this ICR since consolidation of the information into the operating permit and providing public access is the whole purpose of the statute.

The information collection activities required under the NSR regulations are not routinely performed elsewhere by EPA. However, similar information may be collected during the development of certain environmental impact statements (EIS). In such cases, regulations and policies require that information collected for EISs and NSR programs be coordinated to the maximum extent possible so as to minimize duplicating the collection of data. Some of the required information also may already be available from States or other federal agencies. However, even when these data are available, they are not generally adequate to address completely the relevant NSR requirements.

3.2 Requirements

Public Notice

A public comment period will be provided after proposal, during which all affected parties will be given the opportunity to comment on the proposed changes. All received comments will be considered, and some may be reflected in the development of the final regulatory language.

3.3 Consultations In preparing this ICR, EPA relied on information gathered for developing ICR #1587.06 titled "Information Collection Request for Part 70 Operating Permit Regulations;" ICR #1713.05 titled "Information Collection Request for Part 71 Operating Permit Regulations;" ICR #2074.01 titled "Information Collection Request for Changes to the 40 CFR Parts 51 and 52 PSD and NSR Applicability Requirements for Modifications to Existing Sources;" and ICR #1230.17 titled "Information Collection Request for 40 CFR Parts 51 and 52 Prevention of Significant Deterioration and Nonattainment New Source Review." EPA also employed information obtained from an in-depth review of six pilot flexible permits. After conducting our review, EPA issued a report setting forth the results of the analysis. A copy of the report as well as individual pilot permit reviews can be found at: <http://www.epa.gov/ttn/oarpg/t5pgm.html>.

- 3.4** **Frequent Collection** **Effects of Less** In general, the information collections included in this ICR are one-time submittals per activity (e.g., permit application, permit issuance, permit renewal). The exceptions to this are avoided significant and minor permit modifications under the operating permit program, which EPA estimates at one significant modification per source per five years and two to nine minor modifications per source per year; avoided minor NSR permits under the NSR program, which EPA estimates at zero to seven per source per year; and avoided PSD/NSR permits under the NSR program, which EPA estimates at one per source per five years. See section 6.3 of this ICR for more information on these estimates.
- 3.5** **Guidelines** **General** None of the reporting or recordkeeping requirements violate any of the regulations established by OMB at 5 CFR 1320.5. Parts 51, 52, 70, and 71 require retention of all monitoring data and support information and all permit applications, proposed permits, and final permit records for a period of 5 years. These records are necessary to fulfill the intent of titles I and V to assure compliance with applicable requirements. Questions regarding the obligations of a source and its status of compliance can be resolved through such records.
- 3.6** **Confidentiality** All information, other than confidential business information, relating to the permitting of sources under the operating permit and NSR programs and related to compliance monitoring are required by section 503(e) of the Act to be subject to public review at all times. Section 70.4(b)(3)(viii) requires the permitting authority to make available to the public any permitting information except that entitled to protection from disclosure under section 114(c) of the Act. Protected information may be required to be submitted directly to EPA. Such information will be stored in EPA's Confidential Business Information office.
- 3.7** **Questions** **Sensitive** The consideration of sensitive questions (i.e., sexual, religious, personal or other private matters) is not applicable to the NSR or operating permit programs. The information gathered for purposes of establishing an operating permit for a source do not include personal data on any owner or operator.

4 The Respondents and the Information Requested

4.1 Respondents Respondents to this information collection come from two groups: permitting authorities (PAs) and sources required to obtain an operating permit and/or NSR permit.

All States are required by title V to develop a part 70 operating permits program. In many instances, local agencies administer a program in their jurisdiction in lieu of the State and are thereby subject to the same program requirements as States. In total, there are 112 State, territorial, and local agencies administering operating permits programs. Approximately twelve PAs have already been involved in developing flexible air permits for operating permit sources as part of EPA's pilot program. For sources located in Indian country and the Outer Continental Shelf, and when permitting authorities fail to administer the part 70 operating permit program, EPA issues part 71 Federal operating permits.

Under title V, all major stationary sources must obtain an operating permit. However, not all major sources will be interested in pursuing a flexible air permit. Based on EPA's pilot experience, sources most likely to benefit from comprehensive flexible permitting techniques (e.g., Green Groups and advance approval of changes subject to minor NSR) include those facilities with short time-to-market demands; the need to accommodate rapid shifts of product lines, processes, and production levels; active manufacturing programs that require rapid and iterative changes to operations and equipment; upcoming renovation or expansion projects; and active pollution prevention programs with continuous process improvements. Additional sources are likely to benefit from simpler flexible permitting techniques, such as alternative operating scenarios (AOSs) and approved replicable methodologies (ARMs) that do not involve NSR.

Information provided to the EPA by permitting authorities indicates that there were 17,434 sources subject to the operating permit program as of December 2003, and the Agency estimates that 50 new sources become subject each year.¹ Thus, when the period covered by this ICR begins (calendar year 2008), EPA estimates that there will be 17,634 sources subject to State and local part 70 programs. EPA estimates that there are 105 part 71 sources.² This results in an estimated total of 17,739 title V sources (i.e., the sum of part 70 and part 71 sources).

¹ United States Environmental Protection Agency. *Information Collection Request for Part 70 Operating Permit Regulations*. ICR No. 1587.06. November 2004, pages 8 and 13.

² United States Environmental Protection Agency. *Information Collection Request for Part 71 Federal Operating Permit Regulations*. ICR No. 1713.05. November 2004, page 11.

To determine the overall number of major sources likely to benefit from a flexible permit, EPA conducted the following analysis. EPA identified 4,669 major air sources from the AIRS (Aerometric Information Retrieval System) database that match the SIC codes identified in Table 1. EPA selected these SIC codes based on the types of sources that took part in or inquired about pilots. (Such sources benefit from the more comprehensive flexible permits.) This represents approximately 26 percent of the total estimated sources subject to the operating permit program (i.e., 4,669 potential flexible permit sources divided by 17,739 total parts 70/71 operating permit sources). We do not believe that all sources in these source categories share the characteristics of the pilot sources, and therefore estimate that 10 percent of all sources will seek comprehensive flexible permits involving a Green Group or minor NSR advance approval. We further estimate that an additional 20 percent of all sources will seek simpler flexible permits that do not involve NSR. See section 6.1 and Table 5 for more detailed information on the universe of respondents.

Industry Group	SIC	NAICS
Aerospace Manufacturing	372	336411, 336412, 332912, 336411, 335413
Automobile Manufacturing	371	336111, 336112, 336712, 336211, 336992, 336322, 336312, 33633, 33634, 33635, 336399, 336212, 336213
Industrial Organic Chemicals	286	325191, 32511, 325132, 325192, 225188, 325193, 32512, 325199
Converted Paper and Paperboard Products	267	322221, 322222, 322223, 322224, 322226, 322231, 326111, 326112, 322299, 322291, 322232, 322233, 322211
Magnetic Tape Manufacturing	369	334613
Petroleum Refining	291	32411
Other Coating Operations	226, 229, 251, 252, 253, 254, 267, 358, 363	313311, 313312, 314992, 33132, 337122, 337121, 337124, 337215, 337129, 37125, 337211, 337214, 337127, 322221, 322222, 322226, 335221, 335222, 335224, 335228, 333312, 333415, 333319
Paper Mills	262	322121, 322122
Pharmaceutical Manufacturing	283	325411, 325412, 325413, 325414
Printing and Publishing	275	323114, 323110, 323111, 323113, 323112, 323115, 323119
Semiconductors	367	334413
Specialty Chemical Batch Processes	282, 283, 284, 285, 286, 287, 289, 386	3251, 3252, 3253, 3254, 3255, 3256, 3259, except 325131 and 325181.

4.2 Requested Information This ICR reflects all information collection activities associated with the changes to parts 70 and 71 operating permit programs and parts 51 and 52 NSR program arising from flexible air permits. Following are lists of the data items submitted by sources and permitting authorities and program activities performed by permitting authorities and sources. These lists include only those items and activities that represent the incremental burden impact associated with flexible air permitting.

4.2.1 Submitted Data Items Table 2 lists the data items submitted by sources and permitting authorities that are relevant to flexible permitting and pursuant to the requirements of the parts 70 and 71 operating permit program and parts 51/52 NSR program.

Table 2		
Data Items Submitted		
Citation	Data Item	Recipient(s)
Sources		
Parts 70/71	Application for permits and permit renewals	EPA and Permitting Authorities
	Significant Permit Modifications	
	Minor Permit Modifications	
Parts 51/52	Minor NSR Application	
	PSD Application	
	NSR Application	
Permitting Authorities		
Part 70	Application for permits and permit renewals	EPA
	Draft/proposed permits or permit renewals	
	Final permits	
	Revisions to part 70 program (first year only)	
Parts 51/52	PSD Application	
	NSR Application	
	Revisions to SIP (first year only)	

4.2.2

Activities Table 3 lists activities relevant to flexible permitting and pursuant to the requirements of parts 70/71 operating permit program and parts 51/52 NSR program.

Table 3		
Activities		
Citation	Activities Relevant Under Traditional Permitting Scenario	Activities Relevant Under Flexible Permitting Scenario
Sources		
Parts 70/71	Permit Application	Permit Application
	Draft Permit Preparation	Draft Permit Preparation
	Permit Renewal	Permit Renewal
	Significant Permit Modifications	Significant Permit Modifications
	Minor Permit Modifications	
Parts 51/52	Minor NSR	Minor NSR
	PSD	PSD
	NA NSR	NA NSR
Permitting Authorities		
Part 70	Permit Application Review	Permit Application Review
	Draft Permit Preparation	Draft Permit Preparation
	Permit Renewal Preparation	Permit Renewal Preparation
	Interaction with EPA	Interaction with EPA
	Review of Significant Permit Modifications	Review of Significant Permit Modifications
	Review of Minor Permit Modifications	
		Revisions to part 70 program (first year only)
Parts 51/52	Review of minor NSR permit applications	
	Review of PSD permit applications	
	Review of NA NSR permit applications	
		Revisions to SIP (first year only)

Table 3		
Activities		
Citation	Activities Relevant Under Traditional Permitting Scenario	Activities Relevant Under Flexible Permitting Scenario
EPA		
Part 70	Proposed Permit Review	Proposed Permit Review
	Interaction with Permitting Authorities	Interaction with Permitting Authorities
	Review of Significant Permit Modifications	Review of Significant Permit Modifications
		Review of part 70 revisions (second year only)
Part 71	Permit Application Review	Permit Application Review
	Draft Permit Preparation	Draft Permit Preparation
	Permit Renewal Preparation	Permit Renewal Preparation
	Review of Significant Permit Modifications	Review of Significant Permit Modifications
	Review of Minor Permit Modifications	
Parts 51/52	Review of minor NSR permits	Review of minor NSR permits
	Review of PSD permits	Review of PSD permits
	Review of NA NSR permits	Review of NA NSR permits
		Review of SIP revisions (second year only)

5 The Information Collected - Collection Methodology and Information Management

- 5.1 **Collection** The Agency will receive proposed permits or permit revisions in hard copy
Methodology or electronically, depending on permitting authority capability.
Each EPA
and Regional Office has determined with their permitting authorities the most
Management efficient system to exchange information. There is no need to maintain complete files of permit actions for public access since these are maintained by permitting authorities.
- 5.2 **Small Entity** EPA anticipates that small entities will not be seeking flexible air permits.
Flexibility Therefore, in accordance with the analytical requirements established under the Regulatory Flexibility Act (RFA) and the Small Business Regulatory Enforcement Fairness Act (SBREFA), the Agency has determined that there are no adverse effects to be identified *vis a vis* small entities and small businesses.
- 5.3 **Collection** Table 4 below lists the items identified in section 4.2.1 and their schedule
Schedule for submission.

Table 4			
Schedule for Data Items Submitted			
Citation	Data Item	Schedule	Recipient(s)
Sources			
Part 70	Application for permits and permit renewals	New permit applications: within one year after a source becomes subject to the program. Permit renewal applications: at least six months prior to the permit's expiration.	EPA and Permitting Authorities
	Significant Permit Modifications	No schedule; at each source's discretion.	
Parts 51/52	PSD Application	No schedule; at each source's discretion dependent upon its anticipated construction commencement date.	EPA and Permitting Authorities
	NSR Application		
Permitting Authorities			
Part 70	Application for permits and permit renewals	Submitted with the proposed permit or permit revision.	EPA
	Draft/proposed permits or permit renewals	Submitted when state wants to commence EPA review period.	
	Final permits	Recommended soon after it is issued, but no formal deadline.	
	Revisions to part 70 program (first year only)	No schedule. For the purposes of this ICR, EPA assumes that 11 permitting authorities (i.e., 10 percent of the 112) will modify their part 70 program in the ICR's first year.	
Parts 51/52	Revisions to SIP (first year only)	No schedule. For the purposes of this ICR, EPA assumes that all 112 permitting authorities will modify their SIP in the ICR's first year.	

6 Estimating the Burden and Cost of the Collection

6.1 **Estimating** There are 112 permitting authorities within the United States. Forty-nine states operate as permitting authorities, with California employing 34 local air quality management organizations in lieu of a statewide permitting authority. Puerto Rico, the Virgin Islands, and Washington D.C. all have operating permit programs, and there are 26 county or regional permitting authorities within states that operate in a manner similar to that of California. There are a similar number of State and local reviewing authorities under minor and major NSR.

the Number of Respondents

As described in section 4.1, EPA adopts the number of title V sources identified in the part 70 and part 71 operating permits ICRs. EPA estimates that 10 percent of the total 17,739 existing sources subject to title V (i.e., approximately 1,774 sources) will obtain a comprehensive flexible permit (a “Tier 1” permit) over the course of the three-year ICR period. We define a Tier 1 flexible permit as one that involves advance approval of physical or operational changes at the source, utilizing either (1) a Green Group (which must be issued through major NSR), or (2) a combination of minor NSR advance approvals with a PAL or an emissions cap on potential emissions. We further estimate that an additional 20 percent of all existing sources and new sources subject to title V (a total of approximately 3,578 sources) will seek simpler flexible permits that incorporate alternative operating scenarios (AOSs) and/or approved replicable methodologies (ARMs), but not advance approval under major or minor NSR (“Tier 2” permits). Table 5 presents EPA’s estimate of the number of sources that will be issued Tier 1 and Tier 2 flexible permits in each year of the three-year ICR period.

Table 5**Number of Title V Sources Obtaining a Flexible Permit**

Year	TIER 1				TIER 2			Total	
	Green Groups		Minor NSR		Total Tier 1	Existing Sources	New Sources		Total Tier 2
	PSD	NA NSR	AAs¹	NAAAs²					
2008	45	0	222	222	489	1,064	9	1,073	1,223
2009	155	45	222	221	643	1,242	11	1,253	2,065
2010	154	45	221	222	642	1,242	10	1,252	2,064
TOTAL	354	90	665	665	1,774	3,548	30	3,578	5,352

¹ Sources in attainment areas.² Sources in nonattainment area.

The figures in Table 5 are based on a number of assumptions. The following assumptions pertain to Tier 1 permits:

- Approximately 25 percent of Tier 1 permits will be Green Group permits; approximately 75 percent will be minor NSR/PAL/emissions cap permits. This assumption is based on the fact that most of the pilot permits were of the latter type.
- Of Green Group permits, approximately 80 percent will be PSD permits. Under the NA NSR Green Group regulations, sources must obtain offsets up front for the full amount of the emissions increases allowed under the Green Group permit although the emissions increases may occur up to 10 years later or not at all. This makes Green Groups less attractive in nonattainment areas.
- Of the minor NSR/PAL/emissions cap Tier 1 permits, approximately half will be issued to sources in attainment areas and half to sources in nonattainment areas. This estimate roughly mirrors the percentage of the U.S. population that lives in ozone attainment and nonattainment areas; there is no regulatory factor pushing in either direction.
- All permitting authorities will have to revise their NA NSR programs, and those with SIP-approved PSD programs will have to revise these programs, to add provisions for Green Groups before they can issue any Green Group permits. These permitting authorities will revise their SIPs in the first year of the three-year ICR period and begin issuing Green Group permits in the second year. Thus, no Green Group permits will be issued under NA NSR in the first year of the ICR, and Green Group permits will only be issued under PSD in those areas subject to the Federal PSD program (i.e., delegated States, Indian country, and the Outer Continental Shelf). As indicated in the November 2002 ICR for the NSR Improvement regulations, we assume that 38 percent of sources are subject to the Federal PSD program.³
- No permitting authorities will need to revise their SIPs to be able to issue minor NSR/PAL/emissions cap Tier 1 permits. All permitting authorities will begin issuing such permits in the first year covered by this ICR.
- Where there is no need for enabling SIP revisions, the permits will be issued in equal numbers in each year covered by the ICR. This is the case for the minor NSR/PAL/emissions cap Tier 1 permits. Where permitting is constrained by the need for enabling SIP revisions in the first year, the number of permits will increase in the second and third years to reach the projected total for the entire

³United States Environmental Protection Agency. *Information Collection Request for Changes to the 40 CFR Parts 51 and 52 PSD and NSR Applicability Requirements for Modifications to Existing Sources*. ICR No. 2074.01. November 2002, page 19.

three-year period of the ICR. This is the case for Green Group permits.

- Based on the preceding assumptions, EPA estimates that there will be 45 Green Group permits issued in the first year covered by this ICR. This was determined as follows. An estimated total of 444 Green Group permits will be issued in the three years of this ICR (i.e., 25 percent of the estimated total of 1,774 Tier 1 permits). In the absence of any constraints, 148 Green Group permits would be issued (i.e., one third of the 444 total Green Group permits). However, Green Group permits will be issued only through PSD permits (80 percent of all Green Group permits) in areas subject to the Federal program (38 percent of PSD sources). This results in 45 Green Group permits in the first year ($148 \times 0.8 \times 0.38 \approx 45$). The 103 sources that are unable to obtain Green Group permits in the first year will get them instead in the second and third years.

The following assumptions pertain to the estimated numbers of Tier 2 permits in each of the three years covered by this ICR:

- Of the 17,739 existing sources subject to title V at the outset of the three-year period covered by this ICR, 20 percent (about 3,548) will obtain Tier 2 permits during the period. Of the 50 new sources that become subject to title V each year, 20 percent will have Tier 2 features included in their initial permits (i.e., 10 per year for a total of 30 over the three-year period of the ICR).
- Ninety percent of permitting authorities will be able to issue Tier 2 permits without revising their part 70 programs; 10 percent will determine that their program must be revised. We estimate these percentages based on the fact that all permitting authorities involved in the pilot permits were able to issue such permits without rulemaking, but believe it possible that some permitting authorities may believe that program revisions are required to enable such permits. The permitting authorities that revise their part 70 programs will do so in the first year of the three-year ICR period and begin issuing Tier 2 flexible permits in the second year.
- As noted above for Tier 1 permits, where there is no need for enabling program revisions, the permits will be issued in equal numbers in each year covered by the ICR. Where permitting is constrained by the need for enabling program revisions in the first year, the number of permits will increase in the second and third years to reach the projected total for the entire three-year period of the ICR.
- Based on the preceding assumptions, EPA estimates that will be about 1,073 Tier 2 permits issued in the first year (to 1,064 existing sources and 9 new sources). This represents 90 percent of the sources that would like to obtain such permits in the first year,

accounting for the estimated 10 percent of permitting authorities that undertake revisions to their part 70 programs prior to issuing Tier 2 permits. Those sources that are unable to obtain Tier 2 permits in the first year are assumed to get such permits in the second or third year covered by this ICR.

6.2 **Estimating** Burden means the total time, effort, or financial resources expended by
Burden persons to generate, maintain, retain, disclose or provide information to or for a Federal agency. This includes the incremental time to develop a flexible air operating permit for facilities interested in pursuing this option; as well as the incremental time spent by permitting authorities and EPA to develop and ensure compliance with the flexible permit. The Agency estimates incremental burden based on its experience with the flexible permitting pilot initiative and an in-depth review of six pilot flexible permits.

6.2.1 **Estimating** To estimate the incremental source burden associated with flexible air
Source Burden permit preparation and applications, EPA assumes that flexible permits fall into two tiers of permitting. As discussed previously in section 6.1, the so-called “Tier 1” flexibility provisions are more complicated (i.e., include either a Green Group issued under major NSR or a combination of minor NSR advance approvals and a PAL or cap on potential emissions). Accordingly, the Tier 1 permits entail a burden under the NSR program to obtain the necessary NSR permit. The estimated burden for these NSR permits varies depending on whether the permit is a Green Group permit or a minor NSR permit, and depending on whether the source is located in an attainment area or nonattainment area for the pollutant(s) involved. EPA’s estimates of the NSR permitting burden associated with such permits are presented in Tables 6 and 7. As shown in the tables, for a PSD or NA NSR Green Group permit, we estimate a relatively small increase in burden over the current burden for a PSD or NA NSR permit. In the case of a minor NSR permit for a Tier 1 permit, we estimate a significant increase over the current burden for a minor NSR permit, which is 40 hours.⁴ We believe that in this situation, the permitting process and burden for minor NSR permits for Tier 1 permits will be more similar to major NSR permits than to typical minor NSR permits.

In addition to the NSR permitting burden, we estimate that each source will incur an incremental burden of 160 hours to add the NSR permit terms and conditions to its title V permit and to supplement these requirements with terms and conditions to address any other applicable

⁴ United States Environmental Protection Agency. *Information Collection Request for 40 CFR Parts 51 and 52 Prevention of Significant Deterioration and Nonattainment New Source Review*. ICR No. 1230.17. January 2005, page 17.

requirements and to create AOSs and ARMs as necessary, thereby creating a Tier 1 flexible air permit. This may occur either through a significant permit modification (SPM) or at the time of permit renewal. (New sources are not eligible for Green Group permits, and we believe it unlikely that new sources will pursue Tier 1 permits through minor NSR since new sources typically are permitted and built to handle foreseeable growth.) The current burden assigned to an SPM is 80 hours,⁵ but we believe that 160 hours is a better estimate for a complicated, Tier 1 permit. We estimate a similar incremental burden for adding Tier 1 permit terms and conditions at the time of title V permit renewal.

EPA estimates that there will be significant burden reduction after issuance of Tier 1 flexible air permits. We estimate that each source with a Tier 1 permit will avoid one major NSR permit action in the five years following issuance of the Tier 1 permit. Each source also will avoid the SPM that otherwise would have been required to add the major NSR permit terms and conditions to its title V permit. In addition, we estimate that each source with a Tier 1 permit will avoid seven minor NSR permit actions per year, and the seven title V minor permit modifications (MPMs) that it would have otherwise needed to add the minor NSR permit terms and conditions to its title V permit. Finally, we estimate that each source with a Tier 1 permit will avoid two additional MPMs each year for changes at the source that do not involve minor or major NSR. Table 8 presents the incremental burden reduction for each type of permit action avoided as a result of a flexible permit.

The so-called “Tier 2” flexible air permits involve less complicated title V permit terms and conditions (e.g., AOSs for known process changes, ARMs). They do not include advance approval under minor or major NSR, and therefore do not result in any incremental burden increases or decreases under the NSR program. EPA estimates that each source will incur an incremental burden of 80 hours to add Tier 2 flexibility features to its title V permit, thereby creating a Tier 2 flexible air permit. For existing sources, this may be accomplished either with an SPM or at the time of permit renewal. New sources may incorporate Tier 2 flexibility at initial permit issuance. After a source obtains a Tier 2 flexible permit, we estimate that it avoids two MPMs per year.

The preceding burden estimates are based on EPA’s experience with pilot permits. We believe that our estimates of incremental burden reduction are conservative in that our evaluation of six flexible permit pilots describes the range of permit actions avoided from five for one facility to 150 for another facility.

⁵ United States Environmental Protection Agency. *Information Collection Request for Part 70 Operating Permit Regulations*. ICR No. 1587.06. November 2004, page 16.

Table 6			
Source Respondent Burden Hours Under Parts 51/52 NSR Regulations for Tier 1 Permits in Attainment Areas			
Activity	Current Burden per PSD Permit¹	Burden per Green Group PSD Permit	Burden per Minor NSR/ PAL/Cap Permit
Preparation and Planning			
Determination of Compliance Requirements	170	170	170
Obtain Guidance on Data Needs	120	120	120
Preparation of BACT Engineering Analysis	85	127	40
Data Collection and Analysis			
Air Quality Modeling	200	200	70
Determination of Impact on Air Quality Related Values	100	100	0
Post-construction Air Quality Monitoring	50	50	0
Permit Application			
Preparation and Submittal of Permit Application	50	50	50
Public Hearings	24	39	39
Revisions to Permit	40	40	40
TOTAL	839	896	529
¹ United States Environmental Protection Agency. <i>Information Collection Request for 40 CFR Parts 51 and 52 Prevention of Significant Deterioration and Nonattainment New Source Review</i> . ICR No. 1230.17. January 2005, page 17.			

Table 7

**Source Respondent Burden Hours Under Parts 51/52 NSR Regulations for Tier 1 Permits
in Nonattainment Areas**

Activity	Current Burden per NA NSR Permit¹	Burden per Green Group NA NSR Permit	Burden per Minor NSR/PAL/Cap Permit
Preparation and Planning			
Determination of Compliance Requirements	150	150	150
Obtain Guidance on Data Needs	100	100	100
Data Collection and Analysis			
Preparation of LAER Engineering Analysis	40	40	20
Demonstrate Offsets	40	40	0
Prepare Analysis of Alternative Sites, Processes, etc.	60	60	0
Air Quality Modeling	100	100	20
Permit Application			
Preparation and Submittal of Permit Application	38	38	38
Public Hearings	25	40	40
Revisions to Permit	24	24	24
TOTAL	577	592	392

¹ United States Environmental Protection Agency. *Information Collection Request for 40 CFR Parts 51 and 52 Prevention of Significant Deterioration and Nonattainment New Source Review*. ICR No. 1230.17. January 2005, page 17.

Table 8			
Source Incremental Burden Hour Reductions by Activity Avoided			
Activity Avoided	Current Burden^{1,2}	Flexible Permitting Burden	Incremental Burden Reduction
Parts 70/71: Operating Permit Regulations			
Significant Permit Modification	80	0	-80
Minor Permit Modification	40	0	-40
Parts 51/52			
Minor NSR Permit	40	0	-40
PSD Permit	839	0	-839
NA NSR Permit	577	0	-577
¹ Parts 70/71 current burdens from <i>Information Collection Request for Part 70 Operating Permit Regulations</i> . ICR No. 1587.06. United States Environmental Protection Agency. November 2004, page 16. ² Parts 51/52 current burdens from <i>Information Collection Request for 40 CFR Parts 51 and 52 Prevention of Significant Deterioration and Nonattainment New Source Review</i> . ICR No. 1230.17. United States Environmental Protection Agency. January 2005, page 17.			

Additional assumptions or purposes of estimating burden reductions:

- Sources with Tier 1 permits avoid one major NSR permit and one associated SPM per five years. For purposes of the three years covered by this ICR, we assume that 20 percent of sources will avoid a major NSR permit and SPM for each year that they have a Tier 1 permit. Thus, of sources that receive a Tier 1 permit in the first year under this ICR, 60 percent will avoid a major NSR permit and SPM over the course of the three years covered by this ICR (i.e., 20 percent per year). Forty percent of the sources that receive Tier 1 permits in the second year and 20 percent of the third year sources will avoid a major NSR permit and SPM during the three years covered by this ICR.
- Sources with Tier 1 permits avoid 7 minor NSR permits and 9 MPMs in each full year after receiving the Tier 1 permit. In the year that sources receive a Tier 1 permit, we assume that they avoid an average of 3 minor NSR permits and 4 MPMs to account for the fact that the Tier 1 permit could be issued at any point in the year. Similarly, for sources with Tier 2 permits, we assume that they avoid 1 MPM in the year that they receive the permit and 2 MPMs for each full year after that.

6.2.2

Permitting Authority Burden

Estimating To estimate the incremental permitting authority burden associated with

flexible permits, we begin again with the burden associated with the NSR permits that underlie Tier 1 flexible air permits. As discussed in section 6.2.1, there are four types of such NSR permits – Green Group PSD permits, minor NSR permits in attainment areas, Green Group NA NSR permits, and minor NSR permits in nonattainment areas. EPA’s estimate of the burden associated with these permitting actions, as compared with the current burden for PSD and NA NSR permits, is presented in Tables 9 and 10.

To complete a Tier 1 flexible permit, we estimate that permitting authority will incur an incremental burden of 120 hours to incorporate the NSR permit terms and conditions into the source’s title V permit along with necessary additional title V flexibility terms and conditions. This title V permit action may occur through an SPM or at the time of permit renewal. The current burden associated with an SPM is 60 hours, but we believe that intricacies of Tier 1 permits will require additional effort.

After the added burden associated with issuing flexible permits, permitting authorities will experience a significant burden reduction as a result of major and minor NSR permits and the associated title V SPMs and MPMs that will subsequently be avoided. See section 6.2.1 above for a discussion of EPA’s estimate of the numbers of each such permitting action that will be avoided by Tier 1 sources and, therefore, their permitting authorities. See Table 11 for our estimate of the incremental burden reduction for permitting authorities when each type of permit is avoided. The same assumptions regarding the timing of burden reductions presented at the end of section 6.2.1 apply also to permitting authorities.

EPA estimates that permitting authorities will incur an incremental burden of 60 hours for each source to which they issue a Tier 2 flexible air permit under title V. For existing sources, this may be accomplished either with an SPM or at the time of permit renewal. New sources may incorporate Tier 2 flexibility at initial permit issuance. After a source obtains a Tier 2 flexible permit, we estimate that it, and the permitting authority, avoid two MPMs per year.

EPA estimates that State and local permitting authorities will require 40 hours to prepare modifications to their SIPs to add Green Group NSR provisions. In addition, we estimate that 10 percent of permitting authorities (i.e., 11 agencies) will determine that they need to revise their part 70 rules in order to be able to issue flexible title V permits. We estimate that this also will require 40 hours. In both cases, we estimate that the permitting authorities will complete their SIP and part 70 program revisions in the first year covered by this ICR.

Table 9**State and Local Permitting Authority Respondent Burden Hours Under Parts 51/52 NSR Regulations for Tier 1 Permits in Attainment Areas**

Activity	Current Burden per PSD Permit¹	Burden per Green Group PSD Permit	Burden per Minor NSR/PAL/Cap Permit
Attend Preapplication Meetings	36	45	36
Answer Respondent Questions	20	25	20
Log In and Review Data Submissions	16	16	12
Request Additional Information	8	8	6
Analyze for and Provide Confidentiality Protection	24	24	18
Prepare Completed Applications for Processing	32	40	32
File and Transmit Copies	8	8	8
Prepare Preliminary Determination	24	30	24
Prepare Notices for and Attend Public Hearings	40	55	55
Application Approval	40	50	40
Notification of Applicant of PA Determination	8	8	8
Submittal of Information on BACT / LAER to RBLC	16	16	0
TOTAL	272	325	259

¹ United States Environmental Protection Agency. *Information Collection Request for 40 CFR Parts 51 and 52 Prevention of Significant Deterioration and Nonattainment New Source Review*. ICR No. 1230.17. January 2005, page 18.

Table 10**State and Local Permitting Authority Respondent Burden Hours Under Parts 51/52 NSR Regulations for Tier 1 Permits in Nonattainment Areas**

Activity	Current Burden per NA NSR Permit¹	Burden per Green Group NA NSR Permit	Burden per Minor NSR/PAL/Cap Permit
Attend Preapplication Meetings	7	9	7
Answer Respondent Questions	10	12	10
Log In and Review Data Submissions	8	8	6
Request Additional Information	4	4	3
Analyze for and Provide Confidentiality Protection	4	4	3
Prepare Completed Applications for Processing	12	15	12
File and Transmit Copies	4	4	4
Prepare Preliminary Determination	8	10	8
Prepare Notices for and Attend Public Hearings	18	33	33
Application Approval	16	20	16
Notification of Applicant of PA Determination	2	2	2
Submittal of Information on BACT / LAER to RBLC	16	16	0
TOTAL	109	137	104

¹ United States Environmental Protection Agency. *Information Collection Request for 40 CFR Parts 51 and 52 Prevention of Significant Deterioration and Nonattainment New Source Review*. ICR No. 1230.17. January 2005, page 18

Table 11			
State and Local Permitting Authority Incremental Burden Hour Reductions by Activity Avoided			
Activity Avoided	Current Burden^{1,2}	Flexible Permitting Burden	Incremental Burden Reduction
Part 70: Operating Permit Regulations			
Significant Permit Modification	60	0	-60
Minor Permit Modification	20	0	-20
Parts 51/52			
Minor NSR Permit	30	0	-30
PSD Permit	272	0	-272
NA NSR Permit	109	0	-109
¹ Parts 70/71 current burdens from <i>Information Collection Request for Part 70 Operating Permit Regulations</i> . ICR No. 1587.06. United States Environmental Protection Agency. November 2004, page 16. ² Parts 51/52 current burdens from <i>Information Collection Request for 40 CFR Parts 51 and 52 Prevention of Significant Deterioration and Nonattainment New Source Review</i> . ICR No. 1230.17. United States Environmental Protection Agency. January 2005, page 18.			

6.2.3

Estimating The EPA provides oversight to the NSR program, reviewing major NSR permits and selected minor NSR permits. Our estimate of the burden incurred by the Agency associated with the review of the NSR permits underlying Tier 1 flexible air permits is presented in Table 12.

EPA

Burden

The EPA also provides oversight to the State and local permitting authorities' part 70 programs. We estimate that that the Agency will incur an average incremental burden of 20 hours in this role for each Tier 1 part 70 permit flexible permit. This total includes 16 hours to review each such permit action (versus 8 hours to review a typical SPM). In addition, EPA typically consults with permitting authorities on about 25 percent of SPMs. We estimate that for Tier 1 permits such consultations will require 16 hours (versus 8 hours for a typical SPM). Thus, consultations will average about 4 hour per Tier 1 permit.

After Tier 1 flexible permit have been issued, EPA will experience incremental burden reductions associated with the major and minor NSR permits and SPMs and MPMs that the sources with Tier 1 permits will avoid in the ensuing years. See Table 13 for our estimate of the

incremental burden reduction for EPA when each type of permit is avoided. See section 6.2.1 above for a discussion EPA's estimate of the numbers of each such permitting action that will be avoided by Tier 1 sources. The same assumptions regarding the timing of burden reductions presented at the end of section 6.2.1 apply also to EPA.

EPA estimates that the Agency will incur incremental burden averaging 10 hours for each Tier 2 flexible permit issued under part 70. This is comparable to the existing burden for an SPM (8 hours) plus an average of 2 hours per permit incurred for consultations with the permitting authority (consulting on 25 percent of the permits; 8 hours per consultation). After a source obtains a Tier 2 flexible permit, we estimate that it, and the Agency, avoid action on two MPMs per year.

The EPA also will be required to review and approve the SIP NSR revisions and part 70 program revisions submitted by the permitting authorities. We estimate that they relatively minor changes will require 5 hours of Agency review for each. All permitting authorities (112) will submit SIP revisions for NSR, while we estimate that 10 percent will (11) will submit part 70 program revisions. The EPA will incur a one-time burden to review these revisions in the second year of this ICR.

In addition to EPA's oversight role under part 70, the Agency acts as a permitting authority under part 71. In this role, EPA will experience the same level of burden for each permitting action that is discussed above in section 6.2.2. EPA currently administers part 71 permits for approximately 105 existing sources. Thus, approximately 11 (i.e., 10 percent) are estimated to obtain Tier 1 flexible permits during the three years covered by this ICR, and approximately 21 (i.e., 20 percent) are estimated to obtain Tier 2 flexible permits during the period.

Table 12

Agency Burden Hours Under Parts 51/52 NSR Regulations for Tier 1 Permits

Activity	Current Burden per Major NSR Permit¹	Burden per Green Group Permit	Burden per Minor NSR/PAL/Cap Permit
Attainment Areas			
Review and Verify Applicability Determination	2	2	2
Review Control Technology Determination	3	4	2
Evaluate Air Quality Monitoring	4	4	0
Evaluate Alternative and Secondary Impact Analysis	2	2	2
Evaluate Class I Area Analysis	2	2	0
Administrative Tasks	1	1	1
TOTAL	14	15	7
Nonattainment Areas			
Review and Verify Applicability Determination	2	2	2
Review Control Technology Determination	3	4	2
Evaluate Offsets	1	1	0
Evaluate Air Quality Monitoring	4	4	0
Evaluate Alternative and Secondary Impact Analysis	2	2	2
Administrative Tasks	1	1	1
TOTAL	13	14	7
¹ United States Environmental Protection Agency. <i>Information Collection Request for 40 CFR Parts 51 and 52 Prevention of Significant Deterioration and Nonattainment New Source Review</i> . ICR No. 1230.17. January 2005, page 18			

Table 13			
Agency Incremental Burden Hour Reductions by Activity Avoided			
Activity Avoided	Current Burden ^{1,2}	Flexible Permitting Burden	Incremental Burden Reduction
Part 70: Operating Permit Regulations			
Significant Permit Modification	10	0	-10
Minor Permit Modification	1	0	-1
Parts 51/52			
Minor NSR Permit ³	1	0	-1
PSD Permit	14	0	-14
NA NSR Permit	13	0	-13
¹ Parts 70/71 current burdens from <i>Information Collection Request for Part 70 Operating Permit Regulations</i> . ICR No. 1587.06. United States Environmental Protection Agency. November 2004, page 17. ² Parts 51/52 current burdens from <i>Information Collection Request for 40 CFR Parts 51 and 52 Prevention of Significant Deterioration and Nonattainment New Source Review</i> . ICR No. 1230.17. United States Environmental Protection Agency. January 2005, page 19. ³ Synthetic/netting-based minor NSR permits; about 4 percent of total minor NSR permits.			

6.3 Estimating Costs

6.3.1

Source Costs

Estimating The purpose of this ICR is to estimate the incremental change in burden and cost as compared to the three approved collections that the flexible air permits rulemaking will affect. For this reason, EPA adopts the source wage rates estimated in the approved collections for that portion of the incremental burden that affects each respective collection. That is, we apply the source wage rate in the part 70 ICR renewal to the part 70 incremental burden hours, the part 71 wage rate to the part 71 incremental burden hours, and the parts 51/52 wage rate to the parts 51/52 incremental burden hours. These hourly wages are as follows:

- Part 70: \$32/hr based on in-house labor for all permitting task except the initial permit applications. For the initial permit application, which applies only to new sources obtaining a Tier 2 permit, the wage rate is \$111/hr.
- Part 71: Same as part 70 rates.
- Parts 51/52: \$65.50 based on a mix of contractor labor and in-house labor for all tasks.

Section 6.2.1 above describes the incremental burden for each flexible permitting source. Table 14 below includes the total burden and cost and the average annual burden and cost for Tier 1 and Tier 2 permits and for each program (parts 51/52, part 70, and part 71)

- 6.3.2 Estimating Permitting Authority and Agency Burden**
- To best compare the incremental impacts to the existing, approved collections, EPA adopts the permitting authority wage rates estimated in the respective approved collections. Similarly, we adopt the labor rates for EPA used in each of these existing, approved ICRs. These rates are as follows:
- Part 70: \$37/hr for both permitting authorities and EPA.
 - Part 71: Same as part 70 rates.
 - Parts 51/52: \$43.53 for permitting authorities; \$36.21 for EPA.

Sections 6.2.2 and 6.2.3 above describe the incremental burden associated with flexible permitting for permitting authorities and EPA. Tables 15 and 16 below include the permitting burden in hours and costs for permitting authorities and EPA.

Table 14

Source Burden and Cost, 2008-2010

Information Collection Activity	Incremental Burden (hr/activity)	No. of Respondents/Frequency			Labor Cost (\$/hr)	Total Hours	Total Cost (\$)	Annual Hours	Annual Cost (\$)
		2008	2009	2010					
TIER 1 FLEXIBLE PERMITS									
Parts 51/52: NSR Regulations									
Green Group – PSD	896	45	155	154	65.50	317,184	20,775,552	105,728	6,925,184
Minor NSR – AA	529	222	222	221	65.50	351,785	23,041,918	117,262	7,680,639
Green Group – NA NSR	592	0	45	45	65.50	53,280	3,489,840	17,760	1,163,280
Minor NSR - NAA	392	222	221	222	65.50	260,680	17,074,540	86,893	5,691,513
PSD avoided (1 in 5 yrs) ¹	-839	160	151	75	65.50	-323,854	-21,212,437	-107,951	-7,070,812
NAA NSR avoided (1 in 5 yrs) ²	-577	133	106	54	65.50	-169,061	-11,073,496	-56,354	-3,691,165
Minor NSR avoided (7/yr) ³	-40	8,313	6,430	1,926	65.50	-666,760	-43,672,780	-222,253	-14,557,593
NSR SUBTOTAL						-176,746	-11,576,863	-58,915	-3,858,954
Parts 70/71: Title V Regulations									
Tier 1 Flexible Air Permit	160	489	643	642	32	283,840	9,082,880	94,613	3,027,627
SPM avoided (1 in 5 yrs) ⁴	-80	294	257	128	32	-54,320	-1,738,240	-18,107	-579,413
MPM avoided (9/yr) ⁵	-40	10,758	8,359	2,568	32	-867,400	-27,756,800	-289,133	-9,252,267
TITLE V SUBTOTAL						-637,880	-20,412,160	-212,627	-6,804,053
TIER 1 TOTAL						-814,626		-271,542	
TIER 2 FLEXIBLE PERMITS									
Parts 70/71: Title V Regulations									
Tier 2 Flexible Permit – new sources	80	9	11	10	111	2,400	266,400	800	88,800
Tier 2 Flexible Permit – existing sources	80	1,064	1,242	1,242	32	283,840	9,082,880	94,613	3,027,627
MPM avoided (2/yr) ⁶	-40	5,365	3,759	1,252	32	-415,040	-13,281,280	-138,347	-4,427,093
TIER 2 TOTAL – Parts70/71						-128,800	-3,932,000	-42,933	-1,310,667

Table 14

Source Burden and Cost, 2008-2010

Information Collection Activity	Incremental Burden	No. of Respondents/Frequency			Labor Cost	Total Hours	Total Cost (\$)	Annual Hours	Annual Cost (\$)
		2008	2009	2010					
TOTALS BY PROGRAM									
Parts 51/52: NSR Regulations						-176,746	-11,576,863	-58,915	-3,858,954
Parts 70/71: Title V Regulations						-766,680	-24,344,160	-255,560	-8,114,720
Part 70 alone ⁷						-775,880	-24,198,095	-254,027	-8,066,032
Part 71 alone ⁷						-4,600	-146,065	-1,533	-48,688

¹ 2008: (Green Group PSD + minor NSR AA) x 0.6. 2009 uses 0.4 factor, 2010 uses 0.2.

² 2008: (Green Group NAA NSR + minor NSR NAA) x 0.6. 2009 used 0.4; 2010 uses 0.2.

³ 1st year of permit, average of 3 minor NSR permits avoided (to account for when in the year the Tier 1 permit was issued). Source permitted in 2008 avoids 17 minor NSR permits over the course of the 3-year ICR.

⁴ 2008: Total Tier 1 permits x 0.6. 2009 uses 0.4 factor, 2010 uses 0.2.

⁵ 1st year of permit, average of 4 MPMs avoided (to account for when in the year the Tier 1 permit was issued). Source permitted in 2008 avoids 22 MPMs over the course of the 3-year ICR.

⁶ 1st year of permit, average of 1 MPM avoided (to account for when in the year the Tier 2 permit was issued). Source permitted in 2008 avoids 5 MPMs over the course of the 3-year ICR.

⁷ Calculated using ratio of part 71 permits to all title V permits (105/17,739 = 0.006) to apportion the total for parts 70/71 to part 70 and part 71.

Table 15

Permitting Authority Burden and Cost, 2008-2010

Information Collection Activity	Incremental Burden (hr/activity)	No. of Respondents/Frequency			Labor Cost (\$/hr)	Total Hours	Total Cost (\$)	Annual Hours	Annual Cost (\$)
		2008	2009	2010					
TIER 1 FLEXIBLE PERMITS									
Parts 51/52: NSR Regulations									
Green Group – PSD	325	45	155	154	43.53	115,050	5,008,127	38,350	1,669,376
Minor NSR – AA	259	222	222	221	43.53	172,235	7,497,390	57,412	2,499,130
Green Group – NA NSR	137	0	45	45	43.53	12,330	536,725	4,110.0	178,908
Minor NSR - NAA	104	222	221	222	43.53	69,160	3,010,535	23,053	1,003,512
PSD avoided (1 in 5 yrs)	-272	160	151	75	43.53	-104,992	-4,570,302	-34,997	-1,523,434
NAA NSR avoided (1/5yrs)	-109	133	106	54	43.53	-31,937	-1,390,218	-10,646	-463,406
Minor NSR avoided (7/yr)	-30	8,313	6,430	1,926	43.53	-500,070	-21,768,047	-166,690	-7,256,016
SIP revisions	40	112	0	0		4,480	195,014	1,493	65,005
NSR SUBTOTAL						-263,744	-11,480,776	-87,915	-3,826,925
Parts 70/71: Title V Regulations									
Tier 1 Flexible Air Permit	120	489	643	642	37	212,880	7,876,560	70,960	2,625,520
SPM avoided (1 in 5 yrs)	-60	294	257	128	37	-40,740	-1,507,380	-13,580	-502,460
MPM avoided (9/yr)	-20	10,758	8,359	2,568	37	-433,700	-16,046,900	-144,567	-5,348,967
Part 70 revisions (10%) ¹	40	11	0	0	37	440	16,280	147	5,427
TITLE V SUBTOTAL						-261,560	-9,677,720	-87,187	-3,225,907
TIER 1 TOTAL						-525,304		-175,101	
TIER 2 FLEXIBLE PERMITS									
Parts 70/71: Title V Regulations									
Tier 2 Flexible Permit – new sources	60	9	11	10	37	1,800	66,600	600	22,200
Tier 2 Flexible Permit – existing sources	60	1,064	1,242	1,242	37	212,880	7,876,560	70,960	2,625,520
MPM avoided (2/yr)	-20	5,365	3,759	1,252	37	-207,520	-7,678,240	-69,173	-2,559,413
TIER 2 TOTAL – Parts70/71						7,160	264,920	2,387	88,307
TOTALS BY PROGRAM									
Parts 51/52: NSR Regulations						-261,560	-9,677,720	-87,187	-3,225,907
Parts 70/71: Title V Regulations						-254,400	-9,412,800	-84,800	-3,137,600
Part 70 alone						-252,874	-9,356,323	-84,291	-3,118,774
Part 71 alone ²						-1,526	-56,477	-509	-18,826

¹EPA assumes that 10% of permitting authorities will determine that part 70 program revisions are necessary.

² These values represent EPA burden and costs in its role as the part 71 permitting authority. It is calculated based on the ratio of part 71 permits to all title V permits as explained in Note 7 on Table 14. These values are reproduced in Table 16.

See the notes on Table 14 for explanation of other calculations.

Table 16

Agency Burden and Cost, 2008-2010

Information Collection Activity	Incremental Burden (hr/activity)	No. of Respondents/Frequency			Labor Cost (\$/hr)	Total Hours	Total Cost (\$)	Annual Hours	Annual Cost (\$)
		2008	2009	2010					
TIER 1 FLEXIBLE PERMITS									
Parts 51/52: NSR Regulations – oversight									
Green Group – PSD	15	45	155	154	36.21	5,310	192,275	1,770	64,092
Minor NSR – AA	7	222	222	221	36.21	4,655	168,558	1,552	56,186
Green Group – NA NSR	14	0	45	45	36.21	1,260	45,625	420	15,208
Minor NSR - NAA	7	222	221	222	36.21	4,655	168,558	1,552	56,186
PSD avoided (1 in 5 yrs)	-14	160	151	75	36.21	-5,404	-195,679	-1,801	-\$65,226
NAA NSR avoided (1/ 5 yrs)	-13	133	106	54	36.21	-3,809	-137,924	-1,270	-45,975
Minor NSR avoided (7/yr) ¹	-1	333	257	77	36.21	-667	-24,143	-222	-8,048
Reviewing SIP revisions	5	0	112	0	36.21	560	20,278	187	6,759
NSR SUBTOTAL						6,560	237,546	2,187	79,182
Part 70: Title V Regulations - oversight									
Tier 1 Flexible Air Permit	20	489	643	642	37	35,480	1,312,760	11,827	437,587
SPM avoided (1 in 5 yrs)	-10	294	257	128	37	-6,790	-251,230	-2,263	-83,743
MPM avoided (9/yr)	-1	10,758	8,359	2,568	37	-21,685	-802,345	-7,228	-267,448
Part 70 revisions (10%)	5	0	11	0	37	55	2,035	18	678
TITLE V SUBTOTAL						7,005	259,185	2,335	86,395
TIER 1 TOTAL						13,565		4,522	
TIER 2 FLEXIBLE PERMITS									
Part 70: Title V Regulations - oversight									
Tier 2 Flexible Permit – new	10	9	11	10	37	300	11,100	100	3,700
Tier 2 Flexible Permit – existing	10	1,064	1,242	1,242	37	35,480	1,312,760	11,827	437,587
MPM avoided (2/yr)	-1	5,365	3,759	1,252	37	-10,376	-383,912	-3,459	-127,971
TIER 2 TOTAL – Parts70/71						25,404	939,948	8,468	313,316

Table 16

Agency Burden and Cost, 2008-2010

Information Collection Activity	Incremental Burden	No. of Respondents/Frequency			Labor Cost	Total Hours	Total Cost (\$)	Annual Hours	Annual Cost (\$)
		2008	2009	2010					
PART 71: PERMITTING AUTHORITY ROLE									
Part 71 permitting for Tier 1 and Tier 2 flexible permits ²						-1,526	-56,477	-509	-18,826
TOTALS BY PROGRAM									
Parts 51/52: NSR Oversight						6,560	237,546	2,187	79,182
Part 70: Title V Oversight						32,409	1,199,133	10,803	399,711
Part 71: Permitting authority ²						-1,526	-56,477	-509	-18,826
¹ EPA typically reviews only about 4% of minor NSR permits, where they involve synthetic minors or netting. Thus, the overall number of such permits is multiplied by this factor. ² These values are calculated as 0.6% of the permitting authority burden and cost for all title V permits based on the ratio of part 71 permits to all title V permits (see Table 15). See the notes on Tables 14 and 15 for explanation of other calculations.									

6.3.3 Bottom Line Burden Hours and Costs

Tables 6 through 13 display the activities of the parts 70/71 and parts 51/52 program for flexible permits for sources, permitting authorities, and the Federal government. Tables 14, 15, and 16 display the costs associated with each of these categories. Table 17 below summarizes the estimated incremental burden and costs for sources, permitting authorities, and the Federal government for implementation of flexible air permitting approaches under the title I NSR Program and the title V Operating Permit Program for the years 2008 through 2010.

2008-2010		
Respondent	Total Hours	Total Cost
Sources	(943,000)	(\$36 million)
Permitting Authorities	(514,000)	(\$19 million)
EPA	37,000	\$1.4 million

6.4 Changes in the Burden

The activities associated with implementing flexible permits under parts 70/71 and parts 51/52 represent incremental increases and decreases in the burdens associated with conventional permitting. Tables 6 through 13 provide, for sources, permitting authorities, and EPA, detailed burden hour increases and decreases by activity.

6.5 Burden Statement

It is impractical to attempt to delineate burden by respondent and activity due to uncertainties associated with the number of potential respondents, the variation in the circumstances for each respondent, and the varied nature of the activities of the program. Following is the apportioned burden for each respondent. This is derived from the total permitting authority hourly burden divided by the number of permitting authorities, and similarly for sources.

Table 18 Burden Statement Costs (Cost Savings)			
	Number of Respondents	2008-2010 Total Burden (Cost Savings)	2008-2010 Burden per Respondent (Cost Savings)
Part 70			
Sources	5,321	(\$24 million)	(\$4,510)
Permitting Authorities	112	(\$9.3 million)	(\$83,000)
Federal	1	\$1.2 million	\$1.2 million
Part 71			
Sources	31	(\$146,000)	(\$4,710)
Federal	1	(\$56,500)	(\$56,500)
Parts 50 and 51			
Sources	1,774	(\$11.6 million)	(\$6,500)
Permitting Authorities	112	(\$9.7 million)	(\$86,600)
Federal	1	\$237,500	\$237,500

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-2004-0087, 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-2004-0087 and OMB Control Number 2060-0336, 2060-0243, or 2060-0003 in any correspondence.