#### INFORMATION COLLECTION REQUEST FOR PREVENTION OF SIGNIFICANT DETERIORATION AND NONATTAINMENT NEW SOURCE REVIEW (40 CFR PART 51 AND 52)

by

Carrie Wheeler
Operating Permits Group (C504-03)
Air Quality Policy Division
Office of Air Quality Planning and Standards
Office of Air and Radiation
United States Environmental Protection Agency
RTP, North Carolina 27711

## INFORMATION COLLECTION REQUEST FOR

#### PREVENTION OF SIGNIFICANT DETERIORATION AND NONATTAINMENT NEW SOURCE REVIEW (40 CFR PART 51 AND 52)

#### **TABLE OF CONTENTS**

		Page
1.	IDENTIFICATION OF THE INFORMATION COLLECTION	1
	1(a) TITLE OF THE INFORMATION COLLECTION REQUEST (ICR)	1
	1(b) ABSTRACT/EXECUTIVE SUMMARY 1(c) PAPERWORK REDUCTION ACT REQUIREMENTS	1 2
2.	NEED FOR AND USE OF THE COLLECTION 2(a) NEED/AUTHORITY FOR THE COLLECTION 2(b) PRACTICAL UTILITY/USERS OF THE DATA	2 2 3
3.	NONDUPLICATION, CONSULTATIONS AND OTHER COLLECTION CRITERIA 3(a) NONDUPLICATION 3(b) PUBLIC NOTICE REQUIRED PRIOR TO ICR SUBMISSION TO OMB 3(c) CONSULTATIONS 3(d) EFFECTS OF LESS FREQUENT COLLECTION 3(e) GENRAL GUIDELINES 3(f) CONFIDENTIALITY 3(g) SENSITIVE QUESTIONS	4 4 4 5 5 6 6
4.	THE RESPONDENTS AND THE INFORMATION REQUESTED  4(a) RESPONDENTS/STANDARD INDUSTRIAL CLASSIFICATION (SIC) CODES  4(b) INFORMATION REQUESTED 4(b)(1) DATA ITEMS, INCLUDING RECORD KEEPING REQUIREMENTS 4(b)(2) RESPONDENT ACTIVITIES	6 6 7 7 8
5.	THE IFNORMATION COLLECTED – AGENCY ACTIVITIES, COLLECTION METHODOLOGY, AND INFORMATION MANAGEMENT  5(a) STATE AND LOCAL AGENCY ACTIVITIES  5(b) COLLECTION METHODOLOGY AND MANAGEMENT	8 8 8
	5(c) SMALL ENTITY FLEXIBILITY	9

	5(c)(1) MEASURES TO AVERT IMPACTS ON SMALL ENTITIES	9
	5(c)(2) MEASURES TO MITIGATE IMPACTS ON SMALL ENTITIES	10
5(d)		10
ESTI	MATING THE BURDEN AND COST OF THE COLLECTION	10
		10
` '		11
-(-)		11
		12
	MAINTENANCE COSTS	
	6(b)(iii)CAPITAL/START-UP OPERATING AND MAINTENANCE	13
		13
6(c)	ESTIMATING AGENCY BURDEN AND COST	13
` '	ESTIMATING THE RESPONDENT UNIVERSE AND TOTAL	14
` /	BURDEN AND COSTS	
6(e)	BOTTOM LINE BURDEN HOURS AND COSTS TABLES	15
` ′	6(e)(i) RESPONDENT TALLY	15
		15
6(f)	REASONS FOR CHANGE IN BURDEN	15
6(g)	BURDEN STATEMENT	16
endix	A: INFORMATION REQUIREMENTS	21
	ESTITE 6(a) 6(b) 6(c) 6(d) 6(e) 6(f) 6(g)	5(c)(2) MEASURES TO MITIGATE IMPACTS ON SMALL ENTITIES 5(d) COLLECTION SCHEDULE  ESTIMATING THE BURDEN AND COST OF THE COLLECTION 6(a) ESTIMATING RESPONDENT BURDEN 6(b) ESTIMATING RESPONDENT COSTS 6(b)(i) ESTIMATING LABOR COSTS 6(b)(ii) ESTIMATING CAPITAL AND OPERATIONS AND MAINTENANCE COSTS 6(b)(iii)CAPITAL/START-UP OPERATING AND MAINTENANCE (O&M) COST 6(b)(iv)ANNUALIZING CAPITAL COSTS 6(c) ESTIMATING AGENCY BURDEN AND COST 6(d) ESTIMATING THE RESPONDENT UNIVERSE AND TOTAL BURDEN AND COSTS 6(e) BOTTOM LINE BURDEN HOURS AND COSTS TABLES 6(e)(i) RESPONDENT TALLY 6(e)(ii) THE AGENCY TALLY 6(f) REASONS FOR CHANGE IN BURDEN

#### LIST OF TABLES

		Page
4-1	Primary NSR Respondents by SIC Code	7
6-1	Industry Respondent Burden and Costs	17
6-2	State and Local Agency Burden and costs	18
6-3	Agency Burden and Costs	19
6-4	NSR Program Information Collection Burden Summary	20

#### 1. IDENTIFICATION OF THE INFORMATION COLLECTION

#### 1(a) TITLE OF THE INFORMATION COLLECTION REQUST (ICR)

This report is entitled <u>Prevention of Significant Deterioration and Nonattainment New Source Review</u>, EPA ICR number 1230.23, OMB control number 2060-0003.

#### 1(b) ABSTRACT/EXECUTIVE SUMMARY

The analyses in this document have been performed in support of a renewal of the New Source Review (NSR) Program Information Collection Request (ICR) (Office of Management and Budget (OMB) Control Number 2060-0003; EPA Number 1230.23). The regulations covered under this ICR are contained in parts 51 and 52 of Title 40 of the *Code of Federal Regulations* (*CFR*). These requirements govern the 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" of the Clean Air Act (CAA). The types of information collection activities addressed in this ICR are those necessary for the preparation and submittal of construction permit applications and the issuance of final permits. Specific burden-producing activities are listed in Appendix A. The administrative, reporting, and record keeping burden for industry respondents (permit applicants), State and local implementing agencies and the Environmental Protection Agency are summarized in Table 6-4.

The NSR Program ICR was last renewed in November, 2004. Since this renewal of this ICR, the estimated number of respondents has increased by 51 as a result of the decision by the U.S. Court of Appeals for the D.C. Circuit to vacate the Clean Units and Pollution Control Project Exclusion provisions of the NSR Program. *See New York v. EPA*, 413 F. 3d 3 (D.C. cir. 2005).

The EPA is proceeding with implementation of the PM<sub>2.5</sub> NSR program and these changes were addressed in a revised ICR completed in May, 2008<sup>1</sup>. For sources that must obtain major NSR permits, the change in burden increased 38,875 hours. For the reviewing authorities, the increase in burden is 16,107 hours. Relative to the entire currently approved 2004 NSR Program ICR, this represents about a one percent increase in average annual burden.

The 2007 renewal ICR for the NSR programs estimated the burden at approximately \$487 million per year for 150,821 respondents. The change (net increase) in burden estimate is partially due to use of current labor rates for the respondents and EPA ("Agency") as well as an increase in respondents subject to NSR after the Clean Units and Pollution Control Project Exclusion provisions were vacated. Consequently the estimated burden for the program is about 3.5 million hours to industry with a cost of \$302 million and about 2.4 million hours to permitting agencies with a cost of \$185 million, for a total respondent cost of \$487 million per

 $<sup>^{1}</sup>$  U.S. Environmental Protection Agency, Office of Air Quality Planning and Standards Information Collection Request for changes to 40 CFR Part 51 and 52 Prevention of Significant Deterioration and Nonattainment New Source Revew: Final Rule for Implementation of the New Source Review (NSR) Program for Particulate Matter Less Than 2.5 Micrometers (PM<sub>2.5</sub>). October 2007.

year. The costs are based on an annual average of 282 Part C major NSR permit applications (industrial respondents), 519 Part D major NSR permit applications, and 74,591 minor NSR actions. The Agency expects its costs will be \$785,000 per year. The hourly labor costs for respondents were re-estimated as described in section (6)(b) to account for increases in the labor rates from 2004 to 2007.

Table 6-1 identifies the changes in hourly rates and total hours to estimate industry's cost per source for each type of permit. The estimated total cost to industry is approximately \$302 million. On a per source (response) basis, these costs are approximately \$125,000 for each Part C permit, \$62,600 for each Part D permit, and \$3,100 for each minor NSR permit. The Part C per permit cost includes a direct cost of \$11.4 million for 34 permit applicants who must conduct preconstruction air quality monitoring.

#### 1(c) PAPERWORK REDUCTION ACT REQUIREMENTS

For any existing rule, § 3507(g) of the Paperwork Reduction Act (PRA) limits the amount of time that a Director may approve a collection of information to three years. Consequently, the annual burden estimates are calculated for the three-year period beginning May, 2008 and ending May, 2011.

Except for information collections in notices of proposed rules or those exempted under the emergency processing provisions of 44 U.S.C. § 3507(j), the PRA requires EPA to solicit comments on each proposed information collection, including the renewal or modification of any existing ICR. This ICR renewal and its supporting statement were publicly noticed in the Federal Register to solicit comments on the data, analyses, and conclusions. Revisions to this supporting statement are complete and the ICR will be submitted to OMB for approval.

The information that this ICR covers is required for the submittal of a complete permit application for the construction or modification of all major new stationary sources of pollutants in attainment and nonattainment areas, as well as for applicable minor stationary sources of pollutants. EPA certifies that the information collection is necessary for the proper performance of EPA's functions, and that it has practical utility; is not unnecessarily duplicative of information EPA otherwise can reasonably access; and reduces, to the extent practicable and appropriate, the burden on persons providing the information to or for EPA.

#### 2. NEED FOR AND USE OF THE COLLECTION

#### 2(a) NEED/AUTHORITY FOR THE COLLECTION

Section 110 of the Clean Air Act (CAA) requires all States to submit an implementation plan which contains a preconstruction review program for all major 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 major construction. Section 110(a)(2)(C) of the CAA requires that no new or modified stationary source, in conjunction with existing source

emissions in the same area, can interfere with the attainment or maintenance of the National Ambient Air Quality Standards (NAAQS). It further requires that no source can construct without securing a permit to ensure that the objectives of Parts C and D of the CAA are met.

Part C of Title I of the CAA outlines specific construction requirements for new and modified sources constructing in areas that do not violate the NAAQS. These requirements are more commonly referred to as the prevention of significant deterioration (PSD) rules, which require a prospective major new or modified source to: (1) demonstrate that the NAAQS and increments will not be exceeded, (2) ensure the application of best available control technology (BACT), and (3) protect Federal Class I areas from adverse impacts, including adverse impacts on air quality related values (AQRVs).

Similarly, Part D of Title I of the CAA specifies requirements for major new and modified sources constructing in areas designated as nonattainment for a NAAQS pursuant to Section 107 of the CAA. The Part D provisions also apply to major source permitting in the Northeast Ozone Transport Region as established under Section 184 of the CAA. The Part D rules generally require a prospective major construction project to: (1) ensure the application of controls which will achieve the lowest achievable emission rate (LAER), (2) certify that all major sources in a State which are owned or controlled by the same person (or persons) are in compliance with all air emissions regulations, and (3) secure reductions in existing source emissions to comply with specific statutory offset ratios and are otherwise, equal to, or greater than those reductions necessary to show attainment and maintenance of the applicable NAAQS (offsets).

#### 2(b) PRACTICAL UTILITY/USERS OF THE DATA

Before the owner or operator of a facility can commence construction or modification of its source, it must comply with all applicable construction permit requirements. The owner or operator of a stationary source must develop or collect all relevant information not otherwise available to the Federal, State, or local permitting authority (PA). The PA reviews the application materials submitted by the owner or operator and either declares the permit application complete for processing or provides the owner or operator guidance on how to correct the deficiencies in the application. If the application has deficiencies, the applicant collects any additional data identified by the PA so that the permit application can be deemed "complete." Although sufficient information must be submitted by the applicant before its permit can be classified as complete, some additional clarifying information can be submitted at a later date by the applicant to assist the PA in processing the permit application.

For major sources to be constructed or modified in attainment areas, the PA uses the permit application information to determine: (1) whether the source will cause or contribute to a violation of the NAAQS and air quality increments, (2) if the technology the source is proposing is BACT, and (3) whether the source's emissions will adversely affect any Federal Class I areas, including AQRVs in these areas. For major sources to be constructed or modified in nonattainment areas, the permit application information is used by the PA to determine whether: (1) the source will apply LAER, (2) the source will have secured the required emissions offsets,

and (3) the source has demonstrated that all other of its major sources in the same State are in compliance with all applicable air emissions regulations.

Once the application is complete, the PA makes a preliminary determination regarding the approvability of the permit application. This determination, along with the application and supporting information, is made available to the public for at least 30 days. The PA must then respond to public comments and take action on the final permit. Typically a final action must be taken on a permit by the PA within one year of receipt of a complete application.

In addition, the public and other permit applicants may use some of the data collected. EPA operates a RACT/BACT/LAER Clearinghouse (RBLC)¹ which contains many BACT and LAER determinations to aid applicants and reviewers in identifying reasonable and available control technologies. The Clean Air Act Amendments require that the BACT or LAER information in each permit must be gathered by the PA and submitted for entry into the RBLC database as a reference for making future control technology determinations. Annual reports containing RBLC update information are also available to the public through the National Technical Information Service.

#### 3. NONDUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA

#### 3(a) NONDUPLICATION

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 EIS's 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(b) PUBLIC NOTICE REQUIRED PRIOR TO ICR SUBMISSION TO OMB

The first public notice of this ICR renewal was published in the November, 30, 2007 Federal Register (FR). No comments were received by the closing date, January, 29, 2008. However, active consultation conducted for the ICR is discussed in section 3(c).

#### 3(c) CONSULTATIONS

The RBLC is available on the OAQPS Technology Transfer Network. Access to the RBLC on the TTN is via a computer through Internet access – <a href="http://cfpub.epa.gov/rblc/htm/bl02.cfm">http://cfpub.epa.gov/rblc/htm/bl02.cfm</a>. For assistance in accessing the TTN, contact the TTN Help Desk at (919) 541-4814 in Research Triangle Park, North Carolina, 1:00 p.m. to 5:00 p.m. Eastern Time. <a href="http://www.epa.gov/ttn/">http://www.epa.gov/ttn/</a>

This ICR is a renewal of the existing ICR for the NSR program. It incorporates the base elements of the program which have not been changed for this renewal plus the vacated provisions for the Clean Units and Pollution Control Project Exclusion. Extensive consultation through public hearings and stakeholder meetings with environmental groups; industry; and state, local, and federal agency representatives were conducted previously for the rules included in this ICR. Also, EPA contacted the National Association of Clean Air Agencies (NACAA), and received comments from three of its members in January 2008. Consistent with NACAA's input during that consultation period, changes have been made to the burden estimates for certain activities performed by permitting authorities. This is described more fully in section 6(a).

#### 3(d) EFFECTS OF LESS FREQUENT COLLECTION

The Act defines the rate of reporting by sources, states, and local entities. Consequently, less frequent collection is not possible.

#### 3(e) GENERAL GUIDELINES

OMB's general guidelines for information collections must be adhered to by all Federal Agencies for approval of any rulemaking's collection methodology. In accordance with the requirements of 5 CFR 1320.5, the Agency believes:

- 1. The NSR regulations do not require periodic reporting more frequently than semiannually.
- 2. The NSR regulations do not require respondents to participate in any statistical survey.
- 3. Written responses to Agency inquiries are not required to be submitted in less than thirty days.
- 4. Special consideration has been given in the design of the NSR program to ensure that the requirements are, to the greatest extent possible, the same for Federal requirements and those reviewing authorities who already have preconstruction permitting programs in place.
- 5. Confidential, proprietary, and trade secret information necessary for the completeness of the respondent's permit are protected from disclosure under the requirements of §503(e) and §114(c) of the Act.
- 6. The NSR regulations do not require more that one original and two copies of the permit application, update, or revision to be submitted to the Agency.
- 7. Respondents do not receive remuneration for the preparation of reports required by the Act or parts 51 or 52.
- 8. To the greatest extent possible, the Agency has taken advantage of automated methods of reporting.
- 9. The Agency believes the impact of NSR regulations on small entities to be insignificant and not disproportionate.

The recordkeeping and reporting requirements contained in the current NSR program and the changes made in this rulemaking do not exceed any of the Paperwork Reduction Act guidelines contained in 5 CFR 1320.5, except for the guideline which limits retention of records by

respondents to three years. The Act requires both respondents and State or local agencies to retain records for a period of five years. The justification for this exception is found in 28 U.S.C. 2462, which specifies five years as the general statute of limitations for Federal claims in response to violations by regulated entities. The decision in <u>U.S. v. Conoco, Inc.</u>, No. 83-1916-E (W.D. Okla., January 23, 1984) found that the five year general statute of limitations applied to the Clean Air Act.

#### 3(f) CONFIDENTIALITY

Confidentiality is not an issue for the NSR program. In accordance with Title V, Section 503 (e), the information that is to be submitted by sources as a part of their permit application and update, applications for revisions, and renewals is a matter of public record. To the extent that the information required for the completeness of a Federal permit is proprietary, confidential, or of a nature that it could impair the ability of the source to maintain its market position, that information is collected and handled according to EPA's policies set forth in Title 40, Chapter 1, Part 2, Subpart B--Confidentiality of Business Information (see 40 CFR 2). States typically have similar provisions.

#### 3(g) SENSITIVE QUESTIONS

The consideration of sensitive questions, (i.e., sexual, religious, personal or other private matters), is not applicable to the NSR program. 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(a) RESPONDENTS/STANDARD INDUSTRIAL CLASSIFICATION (SIC) CODES

Table 4-1 lists the industrial groups the EPA expects will contain the majority of the industrial respondents affected by the NSR program. These categories were chosen because of their historic relative incidence in seeking NSR permits as established in prior ICRs and confirmed by a nationwide air pollutant emission inventory developed by the EPA in 1986-87. These industries have been used as the basis for impact analysis since that inventory.

Table 4-1. Most Numerous Industrial Respondents by Industrial Group

Industry Group	SIC	$NAICS^{\dagger}$
Steam Electric Plants	491	221111, 22112, 22113, 221119, 221121, 221122
Petroleum Refining	291	32411
Chemical Processes	281	325181, 32512, 325131, 325182, 211112, 325998, 331311, 325188
Natural Gas Transport	492	48621, 22121, 48621
Pulp Mills	261	32211, 322121, 322122, 32213
Paper Mills	262	322121, 322122
Automobile Manufacturing	371	336111, 336112, 33612, 336211, 336992, 336322, 33633, 33634, 33635, 336399, 336212, 336213
Pharmaceuticals	283	325411, 325412, 325413, 325414

 $^\dagger 1997$  North American Industry Classification System

The respondents also include State and local air regulatory agencies. Because of the national scope of the NSR program, these governmental respondents are in all 50 States.

#### 4(b) INFORMATION REQUESTED

#### 4(b)(1) DATA ITEMS, INCLUDING RECORD KEEPING REQUIREMENTS

Tables A-1 and A-2 of Appendix A summarize the respondent data and information requirements which owners or operators of major sources must include in PSD and nonattainment NSR construction permit applications. The tables also include the appropriate references in 40 CFR part 51 for the data and information requirements that govern the way States implement NSR programs. For each reference in Part 51, corresponding language will be found in part 52. In this ICR analysis, the minor source burden is for owners or operators of minor sources to submit information to demonstrate that they are exempt from the major source construction permit requirements. Once exempt from major source requirements of either PSD or Nonattainment NSR, owners or operators will not have to comply with all of the respective requirements shown in Appendix A, Tables A-1 and A-2.

#### 4(b)(2) RESPONDENT ACTIVITIES

Table 6-1 lists the activities, burden, and estimated costs of the NSR activities required under 40 CFR parts 51 and 52. These activities include three broad categories: Preparation and Planning; Data Collection and Analysis; and Permit Application. Within each of these categories, further subdivision of a source's activities can be found. The Agency anticipates it will take 282 Part C major sources an average of approximately 866 hours to complete each NSR application, for a total of 244,212 hours. Each of the 519 Part D NSR sources will require an average of 642 hours, or a total of approximately 333,198 hours each year, to complete Part D NSR applications. Each minor source will require 40 hours to complete its NSR application requirements, for a total of 2,983,640 hours.

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

#### 5(a) STATE AND LOCAL AGENCY ACTIVITIES

Table A-3 of Appendix A summarizes the data and information requirements which State and local agencies must meet. Table A-3 also shows the Part 51 references for the data and information requirements specified. The appropriate language from the CAA, 40 CFR 51 and 40 CFR 52 for State and local agencies is also included.

#### 5(b) COLLECTION METHODOLOGY AND MANAGEMENT

The owners and operators of new or modified stationary sources affected by the NSR regulations will be responsible for submitting construction permit applications to the PA. The PA will log in permit applications, store applications in a central filing location at the PA, notify the Federal Land Manager (FLM) and provide a copy of the application (if applicable), and transmit copies of each application to EPA. Once construction permits have been approved, the reviewing authority will submit control technology information to EPA's RBLC database. Because the construction permits and associated control technology determinations are performed on a case-by-case basis, the regulations will not contain additional forms that owners or operators would have to fill out and submit to the PA. States will likely use their current permit application forms for NSR purposes.

Qualified personnel who work for the PA will perform permit reviews and check the quality of data submitted by the applicant on a case-by-case basis. The applicant will be required to submit information on how the data were obtained (*e.g.*, indicate whether emissions data were obtained through the use of emissions factors or test data) and how the calculations were performed. The PA personnel will check data quality by reviewing test data and checking engineering calculations, and by reviewing control technology determinations for similar sources. The RBLC and other sources will be reviewed for information on control technology determinations made for sources similar to the sources included in the permit application. Confidential information submitted by the applicant will be handled by the permit reviewing authority's confidential information handling procedures. The public will be provided the opportunity to review a permit application and other materials relevant to the PA's decision on issuing the permit, including FLM findings, by obtaining a copy from the permit reviewing authority or by attending the public hearing. The NSR regulations will not require information through any type of survey.

Table 6-2 lists the State and local agency burden and costs associated with the major NSR permitting rule, as modified by the final NSR Reform rule changes. As is the case with the respondents, State and local agencies that approve NSR permits will only have start-up costs for any given permit. Consequently, while the State or local agency will approve many permits each year, the annual burden for that function is simply equal to the burden found in any one year.

#### 5(c) SMALL ENTITY FLEXIBILITY

The Regulatory Flexibility Act (RFA) requires regulatory agencies, upon regulatory action, to assess that actions potential impact on small entities (businesses, governments, and small non-governmental organizations) and report the results of the assessments in (1) an Initial Regulatory Flexibility Analysis (IRFA), (2) a Final Regulatory Flexibility Analysis (FRFA), and (3) a Certification. For ICR approval, the Agency must demonstrate that it "has taken all practicable steps to develop separate and simplified requirements for small businesses and other small entities" (5 CFR 1320.6(h)). In addition, the agencies must assure through various mechanisms that small entities are given an opportunity to participate in the rulemaking process.

A Regulatory Flexibility Act Screening Analysis (RFASA) developed as part of a 1994 draft Regulatory Impact Analysis (RIA) and incorporated into the September 1995 ICR renewal

analysis reported an initial regulatory flexibility screening analysis showed that the changes to the NSR program due to the 1990 Clean Air Act amendments would not have an adverse impact on small entities.<sup>2</sup> This analysis encompassed the entire universe of applicable major sources that were likely to also be small-businesses. The Agency estimates there are approximately 50 "small business" major sources.<sup>3</sup> Because the administrative burden of the NSR program are the primary source of the NSR program's regulatory costs, the analysis estimated a negligible "cost to sales" (regulatory cost divided by the business category mean revenue) ratio for this source group. Currently, there is no economic basis for a different conclusion at this time.

#### 5(c)(1) MEASURES TO AVERT IMPACTS ON SMALL ENTITIES

The Agency may not, under any circumstances, exempt a major source of air pollution. Since the impacts of NSR regulations which may impact small entities are predominantly to major sources, little room exists for regulatory flexibility to avert the impact of the proposed rulemaking on small entities through exemption.

#### 5(c)(2) MEASURES TO MITIGATE IMPACTS ON SMALL ENTITIES

Even though the NSR program is not anticipated to have an adverse impact on a significant number of small businesses, measures are in place to assist in those incidental exceptions. Implementation of small business stationary source technical and environmental compliance assistance programs, as called for in section 507 of the Act (at the Federal and State levels) can reduce the reporting burden of small entities which are subject to major NSR. These programs may significantly alleviate the economic burden on small sources by establishing: 1) programs to assist small businesses with determining what Act requirements apply to their sources and when they apply, and 2) guidance on alternative control technology and pollution prevention for small businesses.

#### 5(d) COLLECTION SCHEDULE

Respondents are not subjected to a collection schedule per se under NSR permitting regulations of parts 51 and 52. In general, each affected source is required to submit an application as a prerequisite to receiving a construction permit. Preparation of a construction permit application is a one-time-only activity for each project involving construction of a new source or modification of an existing source. The applicable SIP typically states the time period that is necessary to process a permit application and issue a permit; consequently, a prospective source would be obliged to work backward from the hopeful commencement of construction to determine the optimum submittal date for the application. The NSR permit regulations will not require periodic reporting or surveys.

#### 6. ESTIMATING THE BURDEN AND COST OF THE COLLECTION

<sup>&</sup>lt;sup>2</sup>3 "Economic Assessment of the Impacts of Part C and D Regulatory Changes," June 2, 1994.

The definition for "small business" employed for all SIC categories in this analysis was any business employing fewer than 500 employees.

#### 6(a) ESTIMATING RESPONDENT BURDEN

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. The burden estimate should be composed of (1) a total capital and start-up cost component annualized over its useful life; (2) a total operation, maintenance and purchases of services component. Each component should be divided into burden borne directly by the respondent and any services that are contracted out.

Table 6-1 identifies the average burden by activity for the industrial respondents. Note that only 34 of the 282 Part C (PSD) permit applications require preconstruction air quality monitoring. The \$1.06 million increase in direct costs for preconstruction monitoring from the 2007 ICR for the  $PM_{2.5}$  NSR Program Final Rule is due solely to the application of a 1.09 adjustment factor to obtain a 2007 value.

The average burden for preparing and submitting minor NSR permit applications reflects a range of estimated burden from 8 to 120 hours, depending on the nature of the permit action required. The average assumes the following average burdens for different types of permit actions (percent of total actions in parentheses): 40 hours for new minor sources, new synthetic minor sources, and synthetic-based modifications (30%); 8 hours for true minor modifications (30%); 120 hours for netting-based minor modifications (20%); and 8 hours for minor/administrative permit revisions (20%).

Table 6-2 identifies the average burden by activity for the State and local respondents. Estimates are greater than the 2007 ICR for the PM<sub>2.5</sub> NSR Program Final Rule, in part because of the vacature of the Clean Units and Pollution Control Project Exclusion provision. Additional changes were made pursuant to consultation with NACAA to more accurately reflect the burdens of the highlighted activities. As this table looks at average amount of time spent actively working on these activities, numbers are going to vary from permitting authority to permitting authority; any time required by the source participation is accounted for separately in Table 6-1.

Consultation responders indicated that the time required to complete the Part D (nonattainment) permit process is greater than our estimate of 109 hours due to the amount of time required to address the offset requirement and associated paperwork necessary for the transfer of offsets. We agree that demonstrating offsets does require time; however, we interpret these comments to be towards the wrong dataset. As indicated in Table 6-1, the time required to demonstrate offsets is accounted for in the industrial respondent burden and cost.

When examining the average application approval burden estimate – comments indicated a range of 10-80 hours, depending on the specific permit. We recognize that some permits will

require more time for application approval, while others require less. Our estimate falls within this range; therefore, the estimated average burden per permit for application approval remains 40 hours.

Comments also indicate that the length of time required for a minor permit can vary from 40-100 hours per permit. We agree that the complexity of the source can at times require a greater number of hours than the average 30 we estimated. However, as with the source burden listed above, the range can vary from 8-120 hours. Thus, our estimate of 30 hours seems reasonable to reflect the average burden for a minor permit.

Finally, it was suggested that the preliminary burden estimate should be somewhere in the range of 140-160 hours for a Part C permit. Numbers will vary for preliminary determination, and for these two permitting authorities, an average of 150 hours is more reasonable. However, for some of the 112 permitting authorities the average hours required may be much lower. We acknowledge that this activity can take more time than originally estimated; therefore, the average number of burden hours for this activity increased from 24 to 36 hours per permit.

#### 6(b) ESTIMATING RESPONDENT COSTS

6(b)(i) Estimating Labor Costs

In this ICR, the entire burden for most respondents (and the Agency) is treated as a labor cost. The one exception is for 34 of the 282 Part C (PSD) permit applications that require preconstruction air quality monitoring. This one-time cost includes pre-application monitoring of air quality via contract services. The explanation for the absence of capital and operations and maintenance costs for the remaining respondents appears below in sections 6(b)(ii) and 6(b)(iii). There is only an annual value of the costs of the ICR burden, which is equal to the cost of the first yearly outlay. The same annual ICR burden and cost are reported for each year because the EPA projects that the yearly average number of permit applications will be constant over the term of the ICR.

In order to improve the accuracy of burden estimates, this renewal ICR uses 2007 values with the wage rate methods established in the July, 1997 renewal ICR. The 1997 renewal was the source for the extrapolated values used in the 2001 and 2004 renewal ICRs. The single exception is the estimate of pre-construction ambient air quality costs, which were adjusted from the 2007 ICR for the  $PM_{2.5}$  NSR Program Final Rule.

The labor rate used to calculate the industrial respondents' labor cost is \$97.61/hr. The industrial labor rate was obtained from Table 2 in the Bureau of Labor Statistics (BLS) survey "Employer Costs for Employee Compensation," September 2007<sup>2</sup>. To determine the rate per hour, a 110% overhead was assumed. The resultant rate equals \$97.61/hr.

<sup>&</sup>lt;sup>2</sup>5 Industrial Labor Rates obtained from "Employer Costs for Employee Compensation, Table 2: Employment Costs for Civilian Workers by Occupational and Industry Group," U.S. Dept. of Commerce, BLS, September 2007.

Following the same assumptions as the 2007 ICR for the  $PM_{2.5}$  NSR Program Final Rule, 34 of the industrial respondents submitting Part C (PSD) permit applications will conduct preconstruction ambient air quality monitoring<sup>3</sup>. The average cost for this activity is estimated to be \$335,165, which is the inflation-adjusted figure used in the October 2007 ICR. The adjustment factor is 1.09, the factor used to adjust the industry's labor rate.

The labor rate used to calculate the State and local respondents' labor cost is \$77.22/hr. This rate was also obtained from the BLS survey<sup>4</sup>. Assume 100% overhead for State and Local Agency Labor. Table 6-2 presents the State and local agency respondents' burden and costs. Their annual cost is equal to the cost of the first year outlay, which recurs each year.

#### 6(b)(ii) Estimating Capital and Operations and Maintenance Costs

Even if an applicant is a brand new company and the prospective source is a "greenfield" source (the EPA estimates less than one percent of the combined number of major and minor industrial respondents fit that description) most, and perhaps all, of the equipment needed to prepare permit applications (for example, the computers and basic software) will be part of the source's business operation inventory. Furthermore, much of the data and regulatory and policy information for making technology determinations and even models for performing ambient air impact analyses are available in electronic form from several different EPA bulletin boards for just the communication charges, which are typically absorbed in routine business overhead expenses.

Since the purchase of capital equipment is believed to be an insignificant factor in permit application preparation, the EPA assumes the operation, maintenance, or services for same are negligible. Further, once a permit is issued, there is no operations and maintenance cost associated with it. It remains unaltered unless the source or the permitting authority discovers specific reasons to reexamine it and change any conditions or specifications. If purely administrative, the changes are handled exclusively by the permitting authority. If changes have the potential for environmental consequences, the action may be significant enough to be counted as a separate and new application, to which a new burden and cost may be ascribed.

#### 6(b)(iii) Capital/Start-up Operating and Maintenance (O&M) Costs

Capital/start-up and O&M costs are non-labor related costs. One-time capital/start-up costs are incurred with the purchase of durable goods needed to provide information. According to the Paperwork Reduction Act, capital/start-up cost should include among other items, preparations for collecting information such as purchasing computers and software, monitoring,

<sup>&</sup>lt;sup>3</sup>6 U.S. Environmental Protection Agency, Office of Air Quality Planning and Standards. Information Collection Request for changes to 40 CFR Part 51 and 52 Prevention of Significant Deterioration and Nonattainment New Source Revew: Final Rule for Implementation of the New Source Review (NSR) Program for Particulate Matter Less Than 2.5 Micrometers (PM<sub>2.5</sub>). October 2007.

<sup>&</sup>lt;sup>4</sup>7 State and Local Respondent Labor Rates obtained from "Employer Costs for Employee Compensation, Table 4: Employment Costs for State and Local Government Workers by Occupational and Industry Group," U.S. Dept. of Commerce, BLS, September 2007.

sampling, drilling, and testing equipment. As a practical matter, these costs are not typical of the costs associated with preparing a major source permit application. For the same reason, the O&M costs associated with start-up capital equipment are zero for most of the sources for this ICR. However, as shown in Table 6-1, 34 of the 282 Part C (PSD) permit applications require preconstruction air quality monitoring, which costs \$11,396,000. This one-time cost includes pre-application monitoring of air quality via contract services.

#### 6(b)(iv) Annualizing Capital Costs

Typically annualized capital cost would be derived from a discounted net present value of the stream of costs that would occur over the life of the permit, or the ICR, whichever is shorter. However, in the case of NSR, there are only labor costs for preparing and processing permit applications. Labor costs are expensed when incurred and not amortized. Therefore, the capital costs for NSR permitting are zero.

#### 6(c) ESTIMATING AGENCY BURDEN AND COST

Staff in EPA's regional offices typically review major NSR permits. The EPA expects its review of NSR permits to comprise the tasks listed in Table 6-3. The cost estimate uses a "loaded" labor rate of \$43.17/hr. The rate reflects the assumption that the staff reviewing permits are classified as Grade 12 Step 1. The corresponding salary is loaded with benefits at the rate of 60%.<sup>7</sup>

#### 6(d) ESTIMATING THE RESPONDENT UNIVERSE AND TOTAL BURDEN AND COST

For the purpose of estimating burden in this ICR, the respondent universe is defined by the annual number of permit applications prepared by major and minor sources, and the annual number of permit applications processed by State and local agencies. We began with the baseline data found in the current ICR (265 Part C, 488 Part D, 74,609 minor NSR) change, from that baseline, we then made several adjustments to reflect the expected effect of the U.S. Court of Appeals for the D.C. Circuit decision to vacate the Clean Units and Pollution Control Project Exclusion provision, as well as consultation with members of NACAA.

This analysis uses the 112 reviewing authorities count used by other permitting ICRs and the appropriate source count for individual permit-related items (e.g., attending pre-application meetings with the source). The resulting number of respondents for this ICR renewal is then estimated to be as follows:

- 1. 282 Part C (PSD) permit applications prepared by industry.
- 2. 519 Part D (nonattainment) permit applications prepared by industry.
- 3. 74,951 minor NSR permit applications prepared by industry.
- 4. 282 Part C (PSD) permit applications processed by State and local agencies.

<sup>&</sup>lt;sup>7</sup>8 The annual salary for Grade 12 Step 1 in the 2007 General Schedule is \$56,301 (<a href="http://www.opm.gov/oca/07tables/html/gs.asp">http://www.opm.gov/oca/07tables/html/gs.asp</a>). Division by 2080 hrs/hr yields the hourly rate used in this supporting statement.

- 5. 519 Part D (nonattainment) permit applications processed by State and local agencies.
- 6. 74,951 minor NSR permit applications processed by State and local agencies.

For each category of permit application, the total number of respondents is twice the number of permit applications. In addition, each reviewing authority must submit changes to its existing SIP program or demonstrate that its existing programs are at least equivalent to EPA's new requirements. This SIP revision is a one-time burden that will occur during the three-year period. Therefore, the average annual number of such revisions is 37.33 per year. This increases the total number of reviewing authority responses to 838 annually.

The total annual effort for industrial respondents submitting Part C (PSD) permit applications is 244,212 hours, and the corresponding annual cost is \$35,233,000. The total annual effort for industrial respondents submitting Part D (nonattainment) permit applications is 333,198 hours, and the corresponding annual cost is \$32,523,000. The total annual effort for industrial respondents submitting minor NSR permits is 2,983,640 hours, and the corresponding annual cost is \$234,138,000. For industrial respondents, the overall total annual effort is 3,561,050 hours and \$301,895,000.

The total annual effort for State and local respondents processing Part C (PSD) permit applications is 84,882 hours, and the corresponding annual cost is \$6,555,000. The total annual effort for State and local respondents processing Part D (nonattainment) permit applications is 65,913 hours, and the corresponding annual cost is \$5,090,000. The total annual effort for State and local respondents processing minor NSR permits is 2,237,730 hours, and the corresponding annual cost is \$172,798,000. State and local respondents also will spend approximately 1,493 hours for SIP revisions due to the  $PM_{2.5}$  Implementation Final Rule, for an annual cost of \$115,000. For the State and local respondents, the overall total annual effort is 2,390,018 hours and \$184,557,000.

#### 6(e) BOTTOM LINE BURDEN HOURS AND COST TABLES

6(e)(i) Respondent Tally

Table 6-4 summarizes the estimated burden and cost to industry respondents, State and local agency respondents, and the EPA for submittal and processing of NSR permit applications and the issuance of the permits. It also includes the cost to the respective respondents and reviewing agencies for nonapplicability findings, which preclude sources from further major source requirements. For industrial and State and local agency respondents, the overall total annual burden is 5,951,068 hours and \$486,452,000.

#### 6(e)(ii) The Agency Tally

The total annual effort for the Agency for processing Part C (PSD) permit applications is 4,230 hours, and the corresponding annual cost is \$183,000. The total annual effort for the Agency for processing Part D (nonattainment) permit applications is 8,304 hours, and the corresponding annual cost is \$358,000. The total annual effort for the Agency for processing

minor NSR permits is 5,650 hours, and the corresponding annual cost is \$244,000. For the Agency, the overall total annual effort is 18,184 hours and \$785,000.

#### 6(f) REASONS FOR CHANGE IN BURDEN

The burden has changed due in part to a change in the labor rates. As explained in section 6(b)(i) in order to improve the accuracy or burden estimates, the rates were recalculated using 2007 values and following the same methodology established in the July 10, 1997 renewal ICR.

Also contributing to the increase in burden has been an increase in the number of respondents due to the U.S. Court of Appeals for the D.C. Circuit decision to vacate the Clean Units and Pollution Control Project Exclusion provision of the NSR Program. As a result, there are an additional 51 respondents.

Finally, the burden per permit for Part C major NSR permit applications increased based on active consultation with NACAA, conducted in January, 2008. The burden per permit for Part D and minor NSR permits are unchanged from the 2007 ICR for NSR PM<sub>2.5</sub> Implementation Final Rule.

#### 6(g) BURDEN STATEMENT

The average annual burden on an industrial respondent submitting a Part C (PSD) permit application is 866 hours. The average annual burden on an industrial respondent submitting a Part D (nonattainment) permit application is 642 hours. The average annual burden on an industrial respondent submitting a minor NSR permit application is 40.

The average annual burden on a State or local agency respondent processing a Part C (PSD) permit application is 301 hours. The average annual burden on a State or local agency respondent processing a Part D (nonattainment) permit application is 127. The average annual burden on a State or local agency respondent processing a minor NSR permit application is 30.

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, verifying, processing, maintaining, 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 No. EPA-HQ-OAR-2004-0081, 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, DC. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Air Docket is (202) 566-1742. An electronic version of the public docket is available at www.regulations.gov. This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. Once 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, DC 20503, Attention: Desk Office for EPA. Please include the EPA Docket ID No. EPA-HQ-OAR-2004-0081 and OMB control number 2060-0003 in any correspondence.

Table 6-1. Industrial Respondent Burden and Cost (Annual)						
Activity	Units	Hours per Unit	Annual Hours	Annual Cost (\$1000)		
I. Part C (PSD)				<u> </u>		
A. Preparation and Planning						
Determination of Compliance Requirements	282	170	47,940	\$4,679		
Obtain Guidance on Data Needs	282	120	33,840	\$3,303		
Preparation of BACT Analysis	282	102	28,764	\$2,808		
B. Data Collection and Analysis						
Air Quality Modeling	282	200	56,400	\$5,505		
Determination of Impact on Air Quality Related Values	282	100	28,200	\$2,753		
Post-construction Air Quality Monitoring	282	50	14,100	\$1,376		
C. Permit Application						
Preparation and Submittal of Permit Application	282	60	16,920	\$1,652		
Public Hearings	282	24	6,768	\$661		
Revisions to Permit	282	40	11,280	\$1,101		
D. Subtotal Burden		866	244,212	\$23,838		
E. Direct Costs for Pre-construction Air Quality Monitoring	34			\$11,396		
F. Total Costs				\$35,233		
II. Part D (Non-attainment)						
A. Preparation and Planning						
Determination of Compliance Requirements	519	150	77,850	\$7,599		
Obtain Guidance on Data Needs	519	100	51,900	\$5,066		
B. Data Collection and Analysis						
Preparation of LAER Engineering Analysis	519	52	26,988	\$2,634		
Demonstrate Offsets	519	52	26,988	\$2,634		
Prepare Analysis of Alternative Sites, Processes, etc.	519	60	31,140	\$3,040		
Air Quality Modeling	519	130	67,470	\$6,586		
C. Permit Application						
Preparation and Submittal of Permit Application	519	49	25,431	\$2,482		
Public Hearings	519	25	12,975	\$1,266		
Revisions to Permit	519	24	12,456	\$1,216		
D. Total		642	333,198	\$32,523		
III. Minor NSR						
A. Preparation and Submittal of Minor NSR Permit Application	74,591	40	2,983,640	\$234,138		
IV. GRAND TOTAL	75,392		3,561,050	\$301,895		

Hours						
A. Attend Preapplication Meetings       282       36       10,152       \$784         B. Answer Respondent Questions       282       20       5,640       \$436         C. Log In and Review Data Submissions       282       16       4,512       \$348         D. Request Additional Information       282       8       2,256       \$174         E. Analyze for and Provide Confidentiality Protection       282       24       6,768       \$523         F. Prepare Completed Applications for Processing       282       38       10,716       \$827         G. File and Transmit Copies       282       8       2,256       \$174         H. Prepare Preliminary Determination       282       8       2,256       \$174         H. Prepare Notices for and Attend Public Hearings       282       40       11,280       \$871         J. Application Approval       282       48       13,536       \$1,045         K. Notification of Applicant of PA Determination       282       8       2,256       \$174         L. Submittal of Information on BACT/LAER to RBLC       282       19       5,358       \$414         M. Total       301       84,882       \$6,555         II. Part D (Non-attainment)       519       7       3,633 </th						
B. Answer Respondent Questions         282         20         5,640         \$436           C. Log In and Review Data Submissions         282         16         4,512         \$348           D. Request Additional Information         282         8         2,256         \$174           E. Analyze for and Provide Confidentiality Protection         282         24         6,768         \$523           F. Prepare Completed Applications for Processing         282         38         10,716         \$827           G. File and Transmit Copies         282         8         2,256         \$174           H. Prepare Preliminary Determination         282         36         10,152         \$784           H. Prepare Notices for and Attend Public Hearings         282         40         11,280         \$871           J. Application Approval         282         48         13,536         \$1,045           K. Notification of Applicant of PA Determination         282         8         2,256         \$174           L. Submittal of Information on BACT/LAER to RBLC         282         19         5,358         \$414           M. Total         301         84,882         \$6,555           II. Part D (Non-attainment)         7         3,633         \$281						
C. Log In and Review Data Submissions         282         16         4,512         \$348           D. Request Additional Information         282         8         2,256         \$174           E. Analyze for and Provide Confidentiality Protection         282         24         6,768         \$523           F. Prepare Completed Applications for Processing         282         38         10,716         \$827           G. File and Transmit Copies         282         8         2,256         \$174           H. Prepare Preliminary Determination         282         36         10,152         \$784           I. Prepare Notices for and Attend Public Hearings         282         40         11,280         \$871           J. Application Approval         282         48         13,536         \$1,045           K. Notification of Applicant of PA Determination         282         8         2,256         \$174           L. Submittal of Information on BACT/LAER to RBLC         282         19         5,358         \$414           M. Total         301         84,882         \$6,555           II. Part D (Non-attainment)         519         7         3,633         \$281           B. Answer Respondent Questions         519         7         3,633         \$281						
D. Request Additional Information         282         8         2,256         \$174           E. Analyze for and Provide Confidentiality Protection         282         24         6,768         \$523           F. Prepare Completed Applications for Processing         282         38         10,716         \$827           G. File and Transmit Copies         282         8         2,256         \$174           H. Prepare Preliminary Determination         282         36         10,152         \$784           I. Prepare Notices for and Attend Public Hearings         282         40         11,280         \$871           J. Application Approval         282         48         13,536         \$1,045           K. Notification of Applicant of PA Determination         282         8         2,256         \$174           L. Submittal of Information on BACT/LAER to RBLC         282         19         5,358         \$414           M. Total         301         84,882         \$6,555           II. Part D (Non-attainment)         519         7         3,633         \$281           B. Answer Respondent Questions         519         7         3,633         \$281           B. Answer Respondent Questions         519         10         5,190         \$401						
E. Analyze for and Provide Confidentiality Protection         282         24         6,768         \$523           F. Prepare Completed Applications for Processing         282         38         10,716         \$827           G. File and Transmit Copies         282         8         2,256         \$174           H. Prepare Preliminary Determination         282         36         10,152         \$784           I. Prepare Notices for and Attend Public Hearings         282         40         11,280         \$871           J. Application Approval         282         48         13,536         \$1,045           K. Notification Approval         282         8         2,256         \$174           L. Submittal of Information on BACT/LAER to RBLC         282         19         5,358         \$414           M. Total         301         84,882         \$6,555           II. Part D (Non-attainment)         301         84,882         \$6,555           II. Part D (Non-attainment)         519         7         3,633         \$281           B. Answer Respondent Questions         519         7         3,633         \$281           B. Answer Respondent Questions         519         10         5,190         \$401           D. Request Additional Info						
F. Prepare Completed Applications for Processing         282         38         10,716         \$827           G. File and Transmit Copies         282         8         2,256         \$174           H. Prepare Preliminary Determination         282         36         10,152         \$784           I. Prepare Notices for and Attend Public Hearings         282         40         11,280         \$871           J. Application Approval         282         48         13,536         \$1,045           K. Notification of Applicant of PA Determination         282         8         2,256         \$174           L. Submittal of Information on BACT/LAER to RBLC         282         19         5,358         \$414           M. Total         301         84,882         \$6,555           II. Part D (Non-attainment)         8         7         3,633         \$281           B. Answer Respondent Questions         519         7         3,633         \$281           B. Answer Respondent Questions         519         10         5,190         \$401           C. Log In and Review Data Submissions         519         10         5,190         \$401           D. Request Additional Information         519         4         2,076         \$160 <t< td=""></t<>						
G. File and Transmit Copies         282         8         2,256         \$174           H. Prepare Preliminary Determination         282         36         10,152         \$784           I. Prepare Notices for and Attend Public Hearings         282         40         11,280         \$871           J. Application Approval         282         48         13,536         \$1,045           K. Notification of Applicant of PA Determination         282         8         2,256         \$174           L. Submittal of Information on BACT/LAER to RBLC         282         19         5,358         \$414           M. Total         301         84,882         \$6,555           II. Part D (Non-attainment)         519         7         3,633         \$281           B. Answer Respondent Questions         519         7         3,633         \$281           B. Answer Respondent Questions         519         10         5,190         \$401           C. Log In and Review Data Submissions         519         10         5,190         \$401           D. Request Additional Information         519         4         2,076         \$160           E. Analyze for and Provide Confidentiality Protection         519         4         2,076         \$160						
H. Prepare Preliminary Determination         282         36         10,152         \$784           I. Prepare Notices for and Attend Public Hearings         282         40         11,280         \$871           J. Application Approval         282         48         13,536         \$1,045           K. Notification of Applicant of PA Determination         282         8         2,256         \$174           L. Submittal of Information on BACT/LAER to RBLC         282         19         5,358         \$414           M. Total         301         84,882         \$6,555           II. Part D (Non-attainment)         519         7         3,633         \$281           B. Answer Respondent Questions         519         10         5,190         \$401           C. Log In and Review Data Submissions         519         10         5,190         \$401           D. Request Additional Information         519         4         2,076         \$160           E. Analyze for and Provide Confidentiality Protection         519         4         2,076         \$160           F. Prepare Completed Applications for Processing         519         4         2,076         \$160           G. File and Transmit Copies         519         4         2,076         \$160 </td						
I. Prepare Notices for and Attend Public Hearings         282         40         11,280         \$871           J. Application Approval         282         48         13,536         \$1,045           K. Notification of Applicant of PA Determination         282         8         2,256         \$174           L. Submittal of Information on BACT/LAER to RBLC         282         19         5,358         \$414           M. Total         301         84,882         \$6,555           II. Part D (Non-attainment)         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***         ***<						
J. Application Approval   282   48   13,536   \$1,045     K. Notification of Applicant of PA Determination   282   8   2,256   \$174     L. Submittal of Information on BACT/LAER to RBLC   282   19   5,358   \$414     M. Total   301   84,882   \$6,555     II. Part D (Non-attainment)     A. Attend Preapplication Meetings   519   7   3,633   \$281     B. Answer Respondent Questions   519   10   5,190   \$401     C. Log In and Review Data Submissions   519   10   5,190   \$401     D. Request Additional Information   519   4   2,076   \$160     E. Analyze for and Provide Confidentiality Protection   519   4   2,076   \$160     F. Prepare Completed Applications for Processing   519   16   8,304   \$641     G. File and Transmit Copies   519   4   2,076   \$160     H. Prepare Preliminary Determination   519   10   5,190   \$401     C. Log In and Review Data Submissions   519   16   8,304   \$641     G. File and Transmit Copies   519   4   2,076   \$160     H. Prepare Preliminary Determination   519   10   5,190   \$401     C. Log In and Review Data Submissions   519   10   5,190   \$401     C. Log In and Review Data Submissions   519   10   5,190   \$401     D. Request Additional Information   519   10   5,190   \$401						
K. Notification of Applicant of PA Determination         282         8         2,256         \$174           L. Submittal of Information on BACT/LAER to RBLC         282         19         5,358         \$414           M. Total         301         84,882         \$6,555           II. Part D (Non-attainment)         519         7         3,633         \$281           B. Answer Respondent Questions         519         10         5,190         \$401           C. Log In and Review Data Submissions         519         10         5,190         \$401           D. Request Additional Information         519         4         2,076         \$160           E. Analyze for and Provide Confidentiality Protection         519         4         2,076         \$160           F. Prepare Completed Applications for Processing         519         16         8,304         \$641           G. File and Transmit Copies         519         4         2,076         \$160           H. Prepare Preliminary Determination         519         10         5,190         \$401						
L. Submittal of Information on BACT/LAER to RBLC       282       19       5,358       \$414         M. Total       301       84,882       \$6,555         II. Part D (Non-attainment)         A. Attend Preapplication Meetings       519       7       3,633       \$281         B. Answer Respondent Questions       519       10       5,190       \$401         C. Log In and Review Data Submissions       519       10       5,190       \$401         D. Request Additional Information       519       4       2,076       \$160         E. Analyze for and Provide Confidentiality Protection       519       4       2,076       \$160         F. Prepare Completed Applications for Processing       519       16       8,304       \$641         G. File and Transmit Copies       519       4       2,076       \$160         H. Prepare Preliminary Determination       519       10       5,190       \$401						
L. Submittal of Information on BACT/LAER to RBLC       282       19       5,358       \$414         M. Total       301       84,882       \$6,555         II. Part D (Non-attainment)         A. Attend Preapplication Meetings       519       7       3,633       \$281         B. Answer Respondent Questions       519       10       5,190       \$401         C. Log In and Review Data Submissions       519       10       5,190       \$401         D. Request Additional Information       519       4       2,076       \$160         E. Analyze for and Provide Confidentiality Protection       519       4       2,076       \$160         F. Prepare Completed Applications for Processing       519       16       8,304       \$641         G. File and Transmit Copies       519       4       2,076       \$160         H. Prepare Preliminary Determination       519       10       5,190       \$401						
II. Part D (Non-attainment)         A. Attend Preapplication Meetings       519       7       3,633       \$281         B. Answer Respondent Questions       519       10       5,190       \$401         C. Log In and Review Data Submissions       519       10       5,190       \$401         D. Request Additional Information       519       4       2,076       \$160         E. Analyze for and Provide Confidentiality Protection       519       4       2,076       \$160         F. Prepare Completed Applications for Processing       519       16       8,304       \$641         G. File and Transmit Copies       519       4       2,076       \$160         H. Prepare Preliminary Determination       519       10       5,190       \$401						
A. Attend Preapplication Meetings       519       7       3,633       \$281         B. Answer Respondent Questions       519       10       5,190       \$401         C. Log In and Review Data Submissions       519       10       5,190       \$401         D. Request Additional Information       519       4       2,076       \$160         E. Analyze for and Provide Confidentiality Protection       519       4       2,076       \$160         F. Prepare Completed Applications for Processing       519       16       8,304       \$641         G. File and Transmit Copies       519       4       2,076       \$160         H. Prepare Preliminary Determination       519       10       5,190       \$401						
B. Answer Respondent Questions       519       10       5,190       \$401         C. Log In and Review Data Submissions       519       10       5,190       \$401         D. Request Additional Information       519       4       2,076       \$160         E. Analyze for and Provide Confidentiality Protection       519       4       2,076       \$160         F. Prepare Completed Applications for Processing       519       16       8,304       \$641         G. File and Transmit Copies       519       4       2,076       \$160         H. Prepare Preliminary Determination       519       10       5,190       \$401						
C. Log In and Review Data Submissions519105,190\$401D. Request Additional Information51942,076\$160E. Analyze for and Provide Confidentiality Protection51942,076\$160F. Prepare Completed Applications for Processing519168,304\$641G. File and Transmit Copies51942,076\$160H. Prepare Preliminary Determination519105,190\$401						
D. Request Additional Information51942,076\$160E. Analyze for and Provide Confidentiality Protection51942,076\$160F. Prepare Completed Applications for Processing519168,304\$641G. File and Transmit Copies51942,076\$160H. Prepare Preliminary Determination519105,190\$401						
E. Analyze for and Provide Confidentiality Protection51942,076\$160F. Prepare Completed Applications for Processing519168,304\$641G. File and Transmit Copies51942,076\$160H. Prepare Preliminary Determination519105,190\$401						
F. Prepare Completed Applications for Processing519168,304\$641G. File and Transmit Copies51942,076\$160H. Prepare Preliminary Determination519105,190\$401						
G. File and Transmit Copies         519         4         2,076         \$160           H. Prepare Preliminary Determination         519         10         5,190         \$401						
H. Prepare Preliminary Determination 519 10 5,190 \$401						
I. Prepare Notices for and Attend Public Hearings 519 18 9.342 \$721						
, ,						
J. Application Approval 519 21 10,899 \$842						
K. Notification of Applicant of PA Determination 519 2 1,038 \$80						
L. Submittal of Information on BACT/LAER to RBLC 519 21 10,899 \$842						
M. Total 127 65,913 \$5,090						
III. Minor NSR						
Total for Preparation and Submittal of Minor NSR Permit Application 74,591 30 2,237,730 \$172,798						
IV. SIP Revisions						
Revision of SIP 37 40 1,493 \$115						
IV. GRAND TOTAL 75,429 2,390,018 \$184,557						

Table 6-3. Agency Burden and Cost (Annual)						
Activity  Hours  Hours  per Annual Cos Activity  Units Unit Hours (\$1000						
I. Part C (PSD)						
A. Review and Verify Applicability Determination	282	2	564	\$24		
B. Review Control Technology Determination	282	4	1,128	\$49		
C. Evaluate Air Quality Monitoring	282	4	1,128	\$49		
D. Evaluate Alternative and Secondary Impact Analysis	282	2	564	\$24		
E. Evaluate Class I Area Analysis	282	2	564	\$24		
F. Administrative Tasks	282	1	282	\$12		
G. Total		15	4,230	\$183		
II. Part D (Non-attainment)						
A. Review and Verify Applicability Determination	519	2	1,038	\$45		
B. Review Control Technology Determination	519	4	2,076	\$90		
C. Evaluate Offsets	519	1	519	\$22		
D. Evaluate Air Quality Monitoring	519	5	2,595	\$112		
E. Evaluate Alternative and Secondary Impact Analysis	519	3	1,557	\$67		
F. Administrative Tasks	519	1	519	\$22		
G. Total		16	8,304	\$358		
III. Minor NSR						
Review Synthetic/Netting-Based Minor NSR Permits	2,825	2	5,650	\$244		
IV. GRAND TOTAL         3,626         33         18,184         \$785						

Table 6-4. NSR Program Information Collection Burden Summary								
Total				Per Unit				
		Part C (PSD)	Part D (Non- attainment)	Minor NSR	Cumulative Total	Part C (PSD)	Part D (Non- attainment)	Minor NSR
Num	ber of Respondents <sup>a</sup>	563	1,038	149,182	150,821 <sup>a+b</sup>			
	Industry	244,212	333,198	2,983,640	3,561,050	866	642	40
Respondent	State/Local	84,882	65,913	2,237,730	2,390,018	301	127	30
Burden Hours	Industry and State/ Local Agency Totals	329,094	399,111	5,221,370	5,951,068	1,167	769	70
Federal (Ager	ncy) Burden	4,230	8,304	5,650	18,184	15	16	2
Program Grar	nd Total Burden	333,324	407,415	5,227,020	5,969,252			
	Industry Labor <sup>d</sup>	\$23,838	\$32,523	\$234,138	\$290,499	\$84.65	\$62.64	\$3.14
	Other Direct Costs <sup>e</sup>	\$11,396	\$0	\$0	\$11,396	\$335.17	\$0.00	\$0.00
Respondent Annual Cost	Total Industry Costs	\$35,233	\$32,523	\$234,138	\$301,895	\$125.12	\$62.64	\$3.14
(\$1000 <sup>)c</sup>	State/Local Costs <sup>f</sup>	\$6,555	\$5,090	\$172,798	\$184,557	\$23.28	\$9.80	\$2.32
	Industry and State/Local Agency Totals	\$41,788	\$37,613	\$406,936	\$486,452			
Agency Annual Costs (\$1000)		\$183	\$358	\$244	\$785	\$0.65	\$0.69	\$0.00
Program Grand Total Costs (\$1000)		\$41,970	\$37,972	\$407,180	\$487,237	\$149.04	\$73.14	\$5.46

<sup>(</sup>a) Number of respondents is twice the number of permitting actions for a given category due to (1) the applicant preparing the application and (2) the permitting agency reviewing and issuing the permit.

<sup>(</sup>b) Each of the 112 reviewing authorities must submit one SIP revision to conform their major NSR programs to the revised rules. The average annual number of such revisions is 112/3 = 37.33 per year.

<sup>(</sup>c) All costs are in thousands of current (2007) dollars. All costs represent one-time permit application costs.

<sup>(</sup>d) The EPA estimates that 30% of the in-house hourly burden may be contracted, but because it is at the discretion of the applicant, the cost has not been converted to direct cost. Furthermore EPA assumes the labor rate would remain the same, in which case there is no impact on total annual costs.

<sup>(</sup>e) These direct costs are for 34 (approximately 13%) PSD sources at \$335,165 per source, for pre-application monitoring of air quality via contract services. This cost is not incurred by Part D permit applicants.

<sup>(</sup>f) Per unit cost for PSD permits reflects the direct cost for pre-application monitoring averaged over all PSD permits. The estimated 34 sources that require preconstruction monitoring are estimated to incur a total cost of \$419,697 per application. The others will incur \$84,532.

#### APPENDIX A

INFORMATION REQUIREMENTS

# TABLE A-1. INDUSTRY RESPONDENT DATA AND INFORMATION REQUIREMENTS FOR

#### PREPARING PART C (PSD) CONSTRUCTION PERMITS

Current Requirements	Regulation Reference
Description of the nature, location, design capacity, and typical operating	40 CFR 51.166(n)(2)(I)
schedule	
Detailed schedule for construction	40 CFR 51.166(n)(2)(ii)
Description of continuous emission reduction system, emission estimates,	40 CFR 51.166(n)(2)(iii)
and other information needed to determine that BACT is used	
Air quality impact, meteorological, and topographical data	40 CFR 51.166(n)(3)(I)
Nature and extent of, and air quality impacts of general commercial,	40 CFR 51.166(n)(3)(ii)
residential, industrial, and other growth in area of source	
Use of air quality models to demonstrate compliance with NAAQS and	40 CFR 51.166(k)&(l)
increment	
A demonstration that the benefits of the proposed source significantly	Not a current requirement,
outweigh the environmental and social costs imposed as a result of its	but is a 1990 Act
location, construction, or modification	Requirement §173(a)(5)
I C ACDIV. Cl. I	40 CED 54 4CC( )(4)
Information necessary to determine impact on AQRVs in Class I areas	40 CFR 51.166(n)(4)
Air quality monitoring data	40 CFR 51.166(m)
Impairment of visibility, soils, and vegetation	40 CFR 51.166(o)(1)
Air quality impact resulting from general commercial, residential,	40 CFR 51.166(o)(2)
industrial, and other growth associated with source	
Written notice of proposed relocation from portable source	40 CFR 51.166(I)(4)(iii)
	(d)
Description of the location, design construction, and operation of	40 CFR 51.160(c)(2)
building, structure, facility, or installation	
Description of the nature and amounts of emissions to be emitted	40 CFR 51.160(c)(1)

Description of the air quality data and dispersion or other air quality 40 CFR 51.160(f) modeling used

Sufficient information to ensure attainment and maintenance of NAAQS 40 CFR 51.160(c)-(e), 40 CFR 51.161-163

# Table A-2: INDUSTRY RESPONDENT DATA AND INFORMATION REQUIREMENTS FOR PREPARING PART D (NONATTAINMENT NSR) CONSTRUCTION PERMITS

Requirements	Regulation Reference
Documentation that LAER is being applied	40 CFR 51.165(a)(2); 40CFR part 51, Appendix S, Section IV.A; 40 CFR 52.24(k)
Documentation that all sources owned or operated by same person are in compliance	40 CFR 51.165(a)(2); 40 CFR part 51, Appendix S, Section IV.A; 40 CFR 52.24(k)
Documentation that sufficient emissions reductions are occurring to comply with specific offset requirements and to ensure RFP	40 CFR 51.165(a)(3); 40 CFR part 51, Appendix S, Section IV.A; 40 CFR 52.24(k)
Documentation that benefits of proposed source significantly outweigh the environmental and social costs imposed as a result of its location, construction, or modification	40 CFR 51.165(a)(2)
Description of the location, design construction, and operation of building, structure, facility, or installation	40 CFR 51.160(c)(2)
Description of the nature and amounts of emissions to be emitted Description of the air quality data and dispersion or other air quality modeling used	40 CFR 51.160(c)(1) 40 CFR 51.160(f)
Sufficient information to ensure attainment and maintenance of NAAQS	40 CFR 51.160(c)-(e) 40 CFR 51.161 40 CFR 51.162 40 CFR 51.163

# TABLE A-3. PERMITTING AGENCY DATA AND INFORMATION REQUIREMENTS

Requirement	Regulation Reference
Early FLM notification and opportunity to participate in meetings	40 CFR 51.166(p)(1)(ii)
Submission of all permit applications to EPA	40 CFR 51.166(q)(1)
Submission of notice of application, preliminary determination, degree of increment consumption, and opportunity for public comment	40 CFR 51.166(q)(2)(iv)
Submission to FLM of permit applications	40 CFR 51.166(p)(1)
Submission of written request to exempt sources from review	40 CFR 52.21(I)(4)(vi)
Written request for use of innovative control technology	40 CFR 51.166(s)
Establishing and operating a permitting program for all new sources	40 CFR 51.160
Provide notice to EPA of all permits	40 CFR 51.161(d)
Provide for public comment for all NSR permits	40 CFR 51.161