

**SUPPORTING STATEMENT  
ENVIRONMENTAL PROTECTION AGENCY**

**NESHAP for Polyether Polyol Production (40 CFR Part 63, Subpart PPP) (Renewal)**

**1. Identification of the Information Collection**

**1(a) Title of the Information Collection**

NESHAP for Polyether Polyol Production (40 CFR Part 63, Subpart PPP) (Renewal), EPA ICR Number 1811.06, OMB Control Number 2060-0415

**1(b) Short Characterization/Abstract**

The National Emissions Standards for Hazardous Air Pollutants for Polyether Polyols Production, (40 CFR part 63 subpart PPP) was proposed on June 1, 1999 and published January 30, 2002. These regulations apply to both new and existing facilities that engage in the manufacture of polyether polyols (which also include polyether mono-ols) and emit hazardous air pollutants (HAP). Owners or operators of polyether polyols production facilities to which this regulation is applicable must choose one of the compliance options described in the rule or install and monitor a specific control system that reduces HAP emissions to the compliance level. The respondents are also subject to sections of 40 CFR part 63 subpart A.

All existing sources must be in compliance with the requirements of Subpart PPP within three years of the effective date (promulgation date) of standards for an affected source. All new sources must be in compliance with the requirements of Subpart PPP upon startup or the promulgation date of standards for an affected source, whichever is later. Compliance is assumed through initial performance testing or design analysis, as appropriate, and ongoing compliance is demonstrated through parametric monitoring. Types of parameters monitored are incinerator temperature, scrubber flow rate, carbon adsorber regeneration frequency as well as others. The appropriate parameter to monitor depends on the type of control device with the owner or operator chooses to comply.

The polyether polyol universe consists of 82 existing facilities that would be subject to the major source provisions specified under subpart PPP. We anticipate that all of these facilities will conduct all monitoring, inspection, recordkeeping, and reporting (MIRR) requirements. Based on these estimates, the total MIRR cost of the rulemaking for the NESHAP for Subpart PPP is estimated to be \$1,040,942 annually for the next three years. See Section 6 for more details.

The Office of Management and Budget (OMB) approved the currently active Information Collection Request (ICR) without any "Terms of Clearance."

## **2. Need for and Use of the Collection**

### **2(a) Need/Authority for the Collection**

The Clean Air Act (Act) provides authority to the Agency to establish standards to control air pollution and to ensure compliance with promulgated regulations through adequate recordkeeping and reporting by the affected industries (i.e., respondents). The regulations include the New Source Performance Standards (NSPS) under section 111 of the Act, the National Emission Standards for Hazardous Air Pollutants (NESHAP) which includes the original NESHAP standards and the more recent Maximum Achievable Control Technology (MACT) or NESHAP-MACT standards under section 112 of the Act, and emission guidelines for the designated types incinerators under section 129 of the Act.

### **2(b) Practical Utility/Users of the Data**

The recordkeeping and reporting requirements in the standard(s) are used by regulatory agencies, the public and the regulated community for a variety of reasons including the determination of the respondent's compliance status, analytical studies to demonstrate compliance trends, and evaluations regarding the efficacy of the promulgated regulations.

The required recordkeeping and reporting are also used to: 1) certify compliance with the regulations; 2) determine the respondent's compliance with the designated emission limitation(s); 3) notify regulatory agencies when a standard is violated; 4) evaluate continuous compliance through the use of emission or operational parameter monitors; and 5) ensure that plant personnel are following the required procedures and are periodically trained, as indicated.

## **3. Non-duplication, Consultations, and Other Collection Criteria**

### **3(a) Non-duplication**

The standards do not require the duplication in the collection and reporting of information. If the subject standards have not been delegated, the information is sent directly to the appropriate Environmental Protection Agency (EPA) regional office. Otherwise, the information is sent directly to the delegated state or local agency. If a state or local agency has adopted its own similar standards to implement the Federal standards, a copy of the report submitted to the state or local agency can be sent to the Administrator in lieu of the report required by the Federal standards.

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

An announcement of a public comment period for the renewal of this ICR was published in the Federal Register (73 FR 31088) on May 30, 2008. No comments were received on the burden published in the Federal Register.

### **3(c) Consultations**

Upon review of the standard, information available and the data, the Agency has determined the recordkeeping and reporting requirements in the “Active” ICR is fully supported and necessary to fulfill the requirements of the Clean Air Act (CAA). Any pertinent comments received since the last ICR renewal including those submitted in response to the first Federal Register notice announcing the renewal of this ICR, have been reviewed, and it has been determined that no further consultations with industry are necessary to calculate the burden for this renewal. It should be noted that the respondents, the industry trade association(s) and other interested parties were provided an opportunity to comment on the burden associated with the standard as it was being developed.

### **3(d) Effects of Less Frequent Collection**

The effect of less frequent collection would be a decrease in the margin of assurance that facilities are achieving the emission reductions mandated by the CAA through the promulgation of the applicable regulations. In addition, the likelihood of detecting the poor operation and maintenance of control equipment decreases and the detection of noncompliance becomes problematic.

### **3(e) General Guidelines**

Neither the reporting nor recordkeeping requirements violate the regulations established by Office of Management and Budget (OMB) at 5 CFR part 1320, section 1320.5. However, most NESHAP standards and a few NSPS standards require records to be kept more than three years. In general, these standards require the respondents to maintain all records, including reports and notifications, for five years. The five-year record retention requirement is consistent with the permit program at 40 CFR part 70, and the five-year statute of limitations on which the permit program is based.

The retention of records for five years allows EPA to establish the compliance history of the respondent for purposes of determining the appropriate level of enforcement action. Historically, EPA notes that the most flagrant violations have extended beyond a five-year period. If records are retained for less than five years, EPA would be deterred from pursuing the most flagrant violations due to the destruction of records documenting noncompliance.

### **3(f) Confidentiality**

Any information submitted to the Agency for which a claim of confidentiality is made will be safeguarded according to the Agency policies set forth in Title 40, chapter 1, part 2, subpart B - Confidentiality of Business Information (CBI) (see 40 CFR 2; 41 FR 36902, September 1, 1976; amended by 43 FR 40000, September 8, 1978; 43 FR 42251, September 20, 1978; 44 FR 17674, March 23, 1979).

### 3(g) Sensitive Questions

The recordkeeping and reporting requirements do not contain sensitive questions.

## 4. The Respondents and the Information Requested

### 4(a) Respondents, SIC and NAICS Codes

The Standard Industrial Classification (SIC) code(s) and corresponding North American Industry Classification System (NAICS) for the respondents are listed below.

<i>Regulation</i>	<i>SIC Codes</i>	<i>NAICS Codes</i>
National Emission Standards for Hazardous Air Pollutant Emissions for Polyester Polyol Production (40 CER 63, Subpart PPP)	2834, 2869	325613, 325199

This table is not meant to be exhaustive, but rather provides a guide for readers regarding the entities likely to be regulated by this standard. To determine whether the standard applies to a particular entity, please see the applicability provisions in the standard.

### 4(b) Information Requested

#### (i) Data Items

A source must make the following reports:

Reports for National Emission Standards for Hazardous Air Pollutant Emissions for Polyether Polyols Production	
Notification of Applicability	63.9(a)
Construction/reconstruction notification	63.5(d) & 63.1439(b)(2)
Initial notifications	63.1439(e)(3)
Notification of Actual startup	63.5(b)(4)
Notification of Performance Test	63.1437(e)(4)
Initial performance test results	63.7(g), 63.1439(e)(5), & (e)(6)
Rescheduled initial performance test	63.1437(a)(4)

Compliance status	63.1430(g) & 63.1439(e)(5)
Physical or operational change	63.1 63.1420g)(4), 63.1439(e)(7(iii), & 63.1430(i)
Periodic start-up, shutdown, malfunction reports	63.10(d)(5)
Periodic reports	63.1439(e)(4)

A source must maintain the following records:

Recordkeeping for 40 CFR, Part 63.1439, Subpart PPP	
Start-ups, shutdowns, malfunctions, periods where the	63.1439(b)(1)
All reports and notifications from Table above	
Record of applicability	63.10(b)(3) & 63.1420(b)(1)(i)
Records for sources with continuous monitoring systems	63.1430(c), (d), (e), & (f)
Records are required to be retained for 5 Years.	63.1439(a)

### Electronic Reporting

At the present, many respondents to CAA standards use monitoring equipment that automatically records parameter data. Although personnel at the affected facility must evaluate the data, this internal automation has significantly reduced the burden associated with monitoring and recordkeeping at the plant site.

Also regulatory agencies, in cooperation with the respondents, continue to create reporting systems to transmit data electronically. However, electronic reporting systems are still not widely used. At this time, it is estimated that approximately 20 percent of the respondents use electronic reporting.

### **(ii) Respondent Activities**

Respondent Activities
Read instructions.
Install, calibrate, maintain, and operate continuous parametric monitoring system (CPMS) for the appropriate control device.

Perform initial performance test and repeat performance tests if necessary.
Write the notifications and reports listed in Table 1.
Enter information required to be recorded in Table 1.
Submit the required reports developing, acquiring, installing, and utilizing technology and systems for the purpose of collecting, validating, and verifying information.
Develop, acquire, install, and utilize technology and systems for the purpose of processing and maintaining information.
Develop, acquire, install, and utilize technology and systems for the purpose of 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.
Transmit, or otherwise disclose the information.

At the present, many respondents to CAA standards use monitoring equipment that automatically records parameter data. Although personnel at the affected facility must evaluate the data, this internal automation has significantly reduced the burden associated with monitoring and recordkeeping at the plant site.

## **5. The Information Collected: Agency Activities, Collection Methodology, and Information Management**

### **5(a) Agency Activities**

EPA conducts one or more of the activities provided in Table 2 in connection with the acquisition, analysis, storage, and distribution of the required information. These tables are introduced in Section 6(c) of this ICR.

### **5(b) Collection Methodology and Management**

The required data and reports can be evaluated on-site by conducting a partial compliance evaluation, full compliance evaluation or inspection, or thru an off-site review of compliance monitoring records and reports. Evaluation reports and inspection results are maintained by the Agency or delegated authority.

The results of these evaluations are entered into the Air Facility Subsystem (AFS) which is operated and maintained by EPA's Office of Compliance. AFS is EPA's database for the collection, maintenance, and retrieval of compliance data for approximately 125,000 industrial and government-owned facilities. EPA uses the AFS for tracking air pollution compliance and

enforcement by local and state regulatory agencies, EPA regional offices and EPA headquarters. EPA and delegated authorities can retrieve and analyze the data.

### **5(c) Small Entity Flexibility**

A majority of the respondents are large entities (i.e., large businesses). However, the impact on small entities (i.e., small businesses) was taken into consideration during the development of the regulation. Due to technical considerations involving the process operations and the types of control equipment employed, the recordkeeping and reporting requirements are the same for both small and large entities. The Agency considers these requirements the minimum needed to ensure compliance and, therefore, cannot reduce them further for small entities. To the extent that larger businesses can use economies of scale to reduce their burden, the overall burden will be reduced. In the Economic Impact Analysis for the Proposed Polyether Polyols Production NESHAP, 31 percent of the parent companies affected by proposed action were estimated to be small entities as defined by the Small Business Administration. The Agency assumes that 31 percent of the 82 facilities affected by this ICR, or 25 facilities, are small entities.

### **5(d) Collection Schedule**

The specific frequency for each information collection activity within this request is shown in Table 1: Nationwide Industry Burden for Major Sources, attached.

## **6. Estimating the Burden and Cost of the Collection**

Table 1 documents the computation of individual burdens for the recordkeeping and reporting requirements applicable to the industry. The individual burdens are expressed under standardized headings believed to be consistent with the concept of burden under the Paperwork Reduction Act. Where appropriate, specific tasks and major assumptions have been identified. Responses to this information collection are mandatory.

The 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.

### **6(a) Estimating Respondent Burden**

The respondent burden is shown in Table 1. The labor hours in Table 1 are based on Agency studies and background documents from the development of the regulation, Agency knowledge and experience with the standard, the previously approved ICR, and any comments received.

### **6(b) Estimating Respondent Costs**

#### **(i) Estimating Labor Costs**

This ICR uses the following labor rates:

Managerial	\$96.41 (\$45.91 + 110%)
Technical	\$82.74 (\$39.40 + 110%)
Clerical	\$42.25 (\$20.12 + 110%)

These rates are from the United States Department of Labor, Bureau of Labor Statistics, September 2004, "Table 2: Civilian Workers, by Occupational and Industry Group." The rates are from Column 1, "Total Compensation." The rates have been increased by 110 percent to account for the benefit packages available to those employed by private industry.

### **(ii) Estimating Capital/Startup and Operation and Maintenance Costs**

Capital costs for information collection at polyester polyols production facilities are only associated with purchasing equipment for process vent monitoring. Equipment costs are annualized over 5 years at 10 percent interest. The capital recovery factor is therefore 0.2638 per year. The capital costs, assumed to be a one-time cost for the life of the equipment, were estimated to be \$9,385 per source. It is estimated that there will be one new source over the three years covered by this ICR. The total capital costs for the period covered by this ICR are therefore the previous capital costs multiplied by the capital recovery factor and the one new source cost multiplied by the capital recovery factor, or \$203,012 per year ((81 existing sources + one new source) X 9385/source X .2638)

The annual operation and maintenance costs are the ongoing costs to maintain the monitor. These costs are considered negligible and are therefore zero.

### **(iii) Capital/Startup vs. Operation and Maintenance (O&M) Costs**

The total capital/startup costs for this ICR are \$203,012. The total operation and maintenance (O&M) costs for this Information Collection Request (ICR) are zero, consistent with the previously approved ICR. The average annual cost for capital/startup and operation and maintenance costs to industry over the next three years of the ICR is estimated to be \$203,012.

### **6(c) Estimating Agency Burden and Costs**

The only costs to the Agency are those associated with analysis of the reported information. EPA's overall compliance and enforcement program includes activities such as the examination of records maintained by the respondents and the publication and distribution of collected information.

The average annual Agency cost during the three years of the ICR is shown in Table 2, attached.

This cost is based on the average hourly labor rate as follows:

Managerial	\$56.02 (GS-13, Step 5, \$35.01 x 1.6)
Technical	\$41.57 (GS-12, Step 1, \$25.98 x 1.6)

Clerical            \$22.50 (GS-6, Step 3, \$14.06 x 1.6)

These rates are from the Office of Personnel Management (OPM) “2004 General Schedule” which excludes locality rates of pay.

#### **6(d) Estimating the Respondent Universe and Total Burden and Costs**

The number of Total Annual Responses is determined from the number of reports required to be submitted by the respondents. This is calculated in Table 1 as 180 responses.

The total annual labor cost may be found in Table 1.

The average annual Agency burden and cost over next three years is shown in Table 2.

#### **6(e) Bottom Line Burden Hours Burden Hours and Cost Tables**

The detailed bottom line burden hours and cost calculations for the respondents and the Agency are shown in Tables 1 and 2, respectively.

##### **(i) Respondent Tally**

The total hours requested and the annual labor cost may be found in Table 1. Furthermore, the annual public reporting and recordkeeping burden for this collection of information is estimated to average 68 hours per response.

The cost calculations are detailed in Section 6(b)(iii), Capital/Startup vs. Operation and Maintenance (O&M) Cost.

##### **(ii) The Agency Tally**

The average annual Agency burden hours and cost over next three years is shown in Table 2.

#### **6(f) Reasons for Change in Burden**

The decrease in burden is due to a correction in the number of responses from 190 to 180 per year.

The decrease in agency burden is due to the removal of notification of CMS demonstration since this review is not required.

#### **6(g) Burden Statement**

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 72 hours per response. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, disclose, or provide information to

or for a Federal agency. This includes the time needed to review instructions; to 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; to adjust the existing ways to comply with any previously applicable instructions and requirements; to train personnel to be able to respond to a collection of information; to search data sources; to complete and review the collection of information; and to 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 valid OMB Control Number. The OMB Control Numbers for EPA's regulations are listed at 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-OECA-2008-0427. An electronic version of the public docket is available at <http://www.regulations.gov/> which may be used to obtain a copy of the draft collection of information, submit or view public comments, access the index listing of the contents of the 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 in this document. The documents are also available for public viewing at the Enforcement and Compliance Docket and Information Center in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Ave., 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 Enforcement and Compliance Docket and Information Center Docket is (202) 566-1514. 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 Number EPA-HQ-OECA-2008-0427 and OMB Control Number 2060-0415 in any correspondence.

### **Part B of the Supporting Statement**

This part is not applicable because no statistical methods were used in collecting this information.