

Supporting Statement For
EPA Information Collection Request Number 1601.07
Outer Continental Shelf Air Regulations

Table of Contents

Section	Page
1. <u>IDENTIFICATION OF THE INFORMATION COLLECTION</u>	1
1(A) TITLE AND NUMBER OF THE INFORMATION COLLECTION.....	1
1(B) CHARACTERIZATION OF THE INFORMATION COLLECTION.....	1
2. <u>NEED FOR AND USE OF THE COLLECTION</u>	3
2(A) NEED/AUTHORITY FOR THE COLLECTION.....	3
2(B) USE/USERS OF THE DATA.....	4
3. <u>NONDUPLICATION, CONSULTATION, AND OTHER COLLECTION</u> <u>CRITERIA</u>	6
3(A) NONDUPLICATION.....	6
3(B) PUBLIC NOTICE REQUIRED PRIOR TO ICR SUBMISSION TO OMB.....	6
3(C) CONSULTATIONS.....	6
3(E) GENERAL GUIDELINES.....	7
3(F) CONFIDENTIALITY.....	7
3(G) SENSITIVE QUESTIONS.....	7
4. <u>THE RESPONDENTS AND THE INFORMATION REQUESTED</u>	8
4(A) RESPONDENTS/STANDARD INDUSTRIAL CLASSIFICATION (SIC) CODES.....	8
4(B) INFORMATION REQUESTED.....	9
5. <u>THE INFORMATION COLLECTED -- AGENCY ACTIVITIES, COLLECTION,</u> <u>METHODOLOGY AND INFORMATION MANAGEMENT</u>	16
5(A) AGENCY ACTIVITIES.....	16
5(B) COLLECTION METHODOLOGY AND MANAGEMENT.....	17
5(C) SMALL ENTITY FLEXIBILITY.....	17
5(D) COLLECTION SCHEDULE.....	18
6. <u>ESTIMATING THE BURDEN AND COST OF THE COLLECTION</u>	18
6(A) ESTIMATING RESPONDENT BURDEN AND COSTS.....	18
6(B) ESTIMATING STATE AND LOCAL AIR POLLUTION CONTROL AGENCY BURDEN AND COSTS.....	23
6(C) ESTIMATING THE EPA BURDEN AND COSTS.....	25
6(d) REASONS FOR CHANGE IN BURDEN.....	27

List of Tables

<u>Table</u>	<u>Page</u>
1. References for Burden Activities Associated with OCS Air Regulations.....	28
2. Respondent Data And Information Requirements For Preparing PSD Construction Permits.....	29
3. Respondent Data and Information Requirements for Preparing Part D Construction Permits.....	30

List of Exhibits

(Enclosed in separate MS Excel spreadsheet file)

Labor RatesA-1
Universe of Respondents.....A-2

Exhibit..... Page

1. New Exploration Sources Under EPA Authority (Respondents’ Burden).....Ex-1
2. New Alternative Energy Sources Under EPA Authority (Respondents’ Burden).....Ex-2
3. New Development/Production Sources Under EPA Authority (Respondents’ Burden).....Ex-3
4. New Exploration Sources Under State/Local Authority (Respondents’ Burden).....Ex-4
5. New Alternative Energy Sources Under State/Local Authority (Respondents’ Burden).....Ex-5
6. Existing Sources Under State/Local Authority (State/local Burden)Ex-6
7. New Exploration Sources Under State/Local Authority (State/local Burden).....Ex-5
8. New Alternative Energy Sources Under State/Local Authority (State/local Burden).....Ex-8
9. Existing Sources Under State/Local Authority (State/local Burden)Ex-9
10. New Exploration Sources Under EPA Authority (EPA’s Burden).....Ex-10
11. New Alternative Energy Sources under EPA Authority (EPA’s Burden).....Ex-11
12. New and Existing Development/Production Sources Under EPA Authority
(EPA’s Burden)Ex-12
13. Consistency Updates and Overseeing State/Local Activities (EPA’s Burden).....Ex-13
14. OCS Air Regulations Information Collection Burden.....Ex-14

List of Acronyms and Abbreviations

ATC	Authority to Construct
BACT	Best Available Control Technology
BLS	Bureau of Labor
CAA	Clean Air Act as Amended in 1990
CFR	Code of Federal Regulations
COA	Corresponding Onshore Area
ECI	Employment Cost Index
EIS	Environmental Impact Statement
EPA	U.S. Environmental Protection Agency
ICR	Information Collection Request
LAER	Lowest Achievable Emission Rate
MMS	Mineral Management Service, Department of the Interior
NAAQS	National Ambient Air Quality Standards
NOA	Nearest Onshore Area
NOI	Notice of Intent
NSR	New Source Review
OCS	Outer Continental Shelf
OMB	Office of Management and Budget
O&M	Operating and Maintenance
PSD	Prevention of Significant Deterioration
SBCAPCD	Santa Barbara County Air Pollution Control District

SCAQMD South Coast Air Quality Management District
SLOAPCD San Luis Obispo County Pollution Control Division
VCAPCD Ventura County Air Pollution Control District

IDENTIFICATION OF THE INFORMATION COLLECTION

1(a) TITLE AND NUMBER OF THE INFORMATION COLLECTION

This information collection request (ICR) is entitled "Air Pollution Regulations for Outer Continental Shelf (OCS) Activities: Reporting, Recordkeeping, and Testing Requirements." Environmental Protection Agency (EPA) number 1601.07, Office of Management and Budget (OMB) number 2060-0249.

1(b) CHARACTERIZATION OF THE INFORMATION COLLECTION

Section 328 (Air Pollution From Outer Continental Shelf Activities) of the Clean Air Act (CAA) as amended in 1990, gives EPA responsibility for regulating air pollution from OCS sources located offshore of the states along the Pacific, Arctic, and Atlantic Coasts, and along the eastern Gulf of Mexico coast (off the coast of Florida). The U.S. Department of Interior's Minerals Management Service (MMS) retained the responsibility for regulating air pollution from sources located in the western Gulf of Mexico. To comply with the requirements of section 328 of the CAA, EPA, on September 4, 1992 at 57 FR 40792, promulgated regulations to control air pollution from OCS sources in order to attain and maintain federal and state ambient air quality standards and to comply with the provisions of part C of title I of the CAA.¹ Sources located within 25 miles of a state's seaward boundary must comply with the same state/local air pollution control requirements as would be applicable if the source were located in the corresponding onshore area (COA).² Sources located more than 25 miles from a state's seaward boundary (25 mile limit) must comply with EPA air pollution control regulations. The regulations are codified as part 55 of chapter I of title 40 of the Code of Federal Regulations (CFR). On September 2, 1997, EPA made two court-ordered revisions to the regulations. The references for the sections of the OCS regulations that pertain to the burden activities addressed in this ICR are shown in Table 1.

This ICR addresses the information collection burden (i.e., hours and costs) to industry respondents who are subject to the reporting, recordkeeping, and testing requirements of the OCS air regulations. Industry respondents include owners or operators of existing and new or modified stationary sources. This ICR also addresses the burden to the agencies who are responsible for implementing and enforcing the OCS regulations. The EPA has delegated the authority to implement and enforce the OCS regulations for sources located off the coast of California to four local air pollution control agencies: Santa Barbara County Air Pollution Control District (SBCAPCD); South Coast Air Quality Management District (SCAQMD);

¹Part C of title I of the CAA specifies requirements for the prevention of significant deterioration of air quality in areas where the air quality is better than the national ambient air quality standards (NAAQS) for criteria pollutants. Sources which will be located within 25 miles of the State seaward boundary, and for which the corresponding onshore area is designated as nonattainment for one or more criteria pollutants, will have to comply with part D (Plan Requirements For Nonattainment Areas) of title I of the CAA.

²Section 328 of the 1990 CAA defines "corresponding onshore area," with respect to any OCS source, as the onshore attainment or nonattainment area that is closest to the source, unless the EPA Administrator determines that another area, with more stringent requirements with respect to the control and abatement of air pollution, may reasonably be expected to be affected by such emissions.

Ventura County Air Pollution Control District (VCAPCD); and San Luis Obispo County Air Pollution Control District (SLOAPCD). The EPA implements and enforces the regulations for all other sources under its authority. All burden estimates are calculated for the 3-year period beginning February 1, 2009 and ending January 31, 2012.

To be consistent with terminology used by the MMS, OCS sources associated with the recovery of oil and gas resources are characterized according to one of the following operational phases. The first phase consists of exploration activities, which are conducted from temporarily placed vessels or structures. Drilling of an exploration or delineation well generally lasts 2 to 3 months, but can last up to 6 months. The second phase consists of the construction and installation of a permanent production platform on the seabed and the associated "topside" (above sea level) structures. A typical construction phase lasts from 6 to 12 months. The third phase consists of the development drilling of wells, from which the oil and gas resources are extracted, and the long-term operations and maintenance of the production facility over the life of the field or structure. A typical development/production phase can last for over 30 years. These three phases are referred to as exploration, construction, and development/production, respectively, throughout the remainder of this ICR.

In addition to oil and gas resource recovery projects, the potential exists for alternative energy exploration projects. The 2005 Energy Policy Act gave MMS the responsibility of managing alternative energy development on the OCS. MMS is currently developing regulations to implement an alternative energy program. The development of offshore wind energy involves the installation of wind turbine generators on piles driven into the ocean bottom and the laying of power cables on the ocean bottom. Air emissions from a wind energy project would occur primarily in the construction phase. Primary emission sources would be barges, cranes, pile drivers, transport vessels, and crew and supply boats. During the operation phase, there would be minor emissions from routine inspection visits and occasional emissions from maintenance and repair activities. During the decommissioning, emissions would be similar to those that would occur during construction.

Wave energy can be generated by a number of different types of mechanical devices floating on the ocean surface and attached by anchors. Air emissions during installation would result from vessels that deploy the devices and from a barge used to lay cable. During operation, the only emissions would be associated with occasional service and maintenance vessel trips. Another potential source of energy is ocean currents. Energy from ocean currents is harnessed from turbines installed on the ocean bottom. Emissions during installation would result from a barge, transport vessels, and crew boats.

There is one wind farm that has been proposed and that will be going through the air permitting process in the 2008-2009 timeframe. In addition, MMS projects a number of potential projects that involve installation of meteorological towers by prospective developers for assessing wind energy potential. There is also the potential for projects that involve deployment of equipment to assess wave energy resources, energy from currents, and small pilot projects to test feasibility of wave or current energy development.

The MMS receives development plans from the companies authorized to conduct exploration and development of the OCS lease blocks. From those plans, the MMS estimates³ the following new OCS activities will occur in the 2009 to 2012 timeframe:

Alaska Coast (EPA Region 10)

- 3 exploratory wells
- 1 development project

Pacific Coast (California/local agency)

- 4 alternative energy projects

Eastern Gulf (EPA Region IV)

- 25 exploratory wells

Atlantic (EPA Region I and Region IV))

- 1 alternative energy project undergoing environmental review
- 3 alternative energy projects

In addition to these new projects, there are 23 existing development projects off the coast of southern California. Four of these are expected to obtain minor permit modifications in the next 3 years.

1. NEED FOR AND USE OF THE COLLECTION

2(a) NEED/AUTHORITY FOR THE COLLECTION

The need and authority for this information collection is contained in section 328 of the CAA and in EPA OCS Air Regulations, codified as title 40 CFR part 55. Section 328 requires EPA to establish requirements to control air pollution from OCS sources to attain and maintain federal and state ambient air quality standards and to comply with the provisions of part C of title I of the CAA. The Administrator must update the requirements as necessary to maintain consistency with onshore regulations. Each requirement established under section 328 is treated, for purposes of sections 113 (Federal Enforcement), 114 (Inspections, Monitoring, and Entry), 116 (Retention of State Authority), 120 (Noncompliance Authority), and 304 (Citizen Suits) of the CAA, as a standard under section 111 and a violation of any such requirements will be considered a violation of section 111(e) of the CAA.

In addition, 40 CFR 55.11 establishes the procedures for states and local agencies to request and receive delegation of authority to implement and enforce the regulations. The requesting agency must demonstrate that it has:

1. Adopted the appropriate portions of part 55 into state law,

³E-mail communications from Dirk Herkhof, Minerals Management Service, Department of Interior, to Beth Friedman, EC/R, Inc. on April 21, 2008 and May 12, 2008.

2. Adequate authority under state law to implement and enforce the requirements of part 55,
3. Adequate resources to implement and enforce the requirements of part 55, and
4. Adequate administrative procedures to implement and enforce the requirements of part 55.

2(b) USE/USERS OF THE DATA

There are five types of reporting requirements for the industrial respondent: notice of intent (NOI) to construct, preconstruction permit application, compliance testing, operating permit application, and recordkeeping and reporting tasks.

NOI to Construct

The owner or operator of proposed new or modified development/production sources that are located within the 25-mile limit will be required to prepare a NOI to construct. The owner or operator must submit not more than 18 months prior to submitting a permit application, a NOI to construct to the EPA Administrator through the EPA Regional Office and the air pollution control agency of the nearest onshore area (NOA) and adjacent onshore areas. The purposes of the NOI are to: (1) trigger an EPA review of onshore regulations to determine if they are consistent with the OCS regulations and, (2) to allow adequate time for onshore areas, other than the NOA, to determine if they will petition EPA for designation as the COA. The COA is the NOA, unless the Administrator determines that another area with more stringent requirements may be impacted by the source. (See CAA section 328 (a) (4) (B))

Preconstruction Permit Applications

All major sources must comply with all applicable preconstruction permit requirements including the need to submit an application for a preconstruction review permit. A separate application is required at the exploration and development phases (if the second phase occurs). The owner or operator of an OCS source is responsible for developing a preconstruction permit application and collecting all relevant information not otherwise available to the permit reviewing authority that may be needed to complete the permit application. The permit reviewing authority reviews the application materials and determines if the proposed source meets all the applicable requirements. For example, this includes any pollution control technology requirements that may be required under the preconstruction review program in effect in that location or under federal regulations promulgated under section 111. For sources which will be constructed or modified in attainment areas, the emissions controls required under the New Source Review (NSR) program under title I of the Act must represent the best available control technology (BACT) and must be shown not to violate the NAAQS, the prevention of significant deterioration increments, or adversely affect air quality related values in any Class I areas. For sources which will be constructed or modified in nonattainment areas the emissions controls required by the Nonattainment NSR program must represent the lowest achievable emission rate (LAER) and also demonstrate emission reduction offsets. In addition, EPA operates a BACT/LAER Clearinghouse, which contains many BACT and LAER determinations to aid sources and application reviewers in identifying reasonable control technology proposals.

The BACT or LAER information in each permit will be gathered and submitted for entry into the BACT/LAER Clearinghouse data base as a reference for making future control technology determinations. Information on BACT and LAER determinations is available to the public through the National Technical Information Service and the EPA's Office of Air Quality Planning and Standards' Technology Transfer Network.

Minor sources also must submit preconstruction permit applications. However, emissions control technology such as BACT and LAER are not typically required by these programs and much less detailed modeling is required to show compliance with NAAQS, resulting in a much lower level of effort to prepare such permit applications.

Compliance Testing

Within 6 months of the start of operations, each new or modified major source is required to complete initial compliance tests to demonstrate compliance with control equipment design and performance specifications in its preconstruction permit. In addition, annual compliance tests are required for existing sources in California.

Operating Permit Application

A second type of permit which an owner or operator of a major source or any other OCS source must obtain is the operating permit. The source must develop an operating permit application, which contains much of the same information required in the preconstruction review permit application with some differences. The operating permit identifies the specific applicable requirements of the CAA that apply to the source, including those related to preconstruction review, any national emission standards (such as National Emissions Standards for Hazardous Air Pollutants or maximum achievable control technology) and any implementation plan requirements that may apply, including those from any state implementation plan in effect in the COA. In addition to these requirements, operating permits independently impose compliance requirements, such as recordkeeping, reporting, and in limited cases, monitoring requirements, in addition to those that may be required by the underlying applicable requirements.

Recordkeeping and Reporting Tasks

Sources, in addition, are required to monitor emissions and operating parameters to ensure compliance with operating requirements. The regulatory agencies will use the compliance test results and the monitoring information to ensure compliance with the appropriate regulations. The emission data will also be used by the regulatory agencies to model the air quality in the area and to evaluate control strategies. Records are generally required to be retained for 5 years, consistent with the title V operating permitting requirements.

2. NONDUPLICATION, CONSULTATION, AND OTHER COLLECTION CRITERIA

3(a) NONDUPLICATION

The information collection activities that will be required under the OCS regulations are not routinely required 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 and OCS programs be coordinated to the maximum extent possible to minimize duplicating the collection of data. Some of the required information may also be available from state or other federal agencies. However, even when these data are available, they are not generally adequate to address completely the relevant requirements of the OCS regulations.

Section 328 of the CAA requires the OCS sources within 25 miles of the states' seaward boundaries to meet the same requirements as are applicable in the COA. This includes the permitting, monitoring, recordkeeping and reporting requirements. The OCS Air Regulations require sources located beyond 25 miles from the states' seaward boundaries to meet the requirements of the nationally promulgated programs (e.g., prevention of significant deterioration (PSD), new source performance standards programs, and title V operating permit program) including the monitoring, recordkeeping and reporting requirements of those programs. The only additional information collection requirement for sources is the need to file a NOI. This information is not available elsewhere in the Agency and is necessary to identify the COA and to ensure that the regulatory requirements are updated.

3(b) PUBLIC NOTICE REQUIRED PRIOR TO ICR SUBMISSION TO OMB

On April 29, 2008 (73 FR 23249), EPA published a notice announcing its intention to submit this ICR to the OMB and the availability of the draft supporting statement. The comment period ended on June 30, 2008 and no comments were received.

3(c) CONSULTATIONS

In developing this ICR renewal, EPA worked closely with Mr. Dirk Herkhof, who is a meteorologist with the Minerals Management Service (MMS) in Washington, D.C. The MMS is the lead agency for the OCS program, and Mr. Herkhof oversees all air quality issues for OCS. Mr. Herkhof was closely involved in developing the estimate of the number and types of sources expected to occur during the ICR clearance period. He also reviewed the supporting statement for accuracy and relevance, and EPA has addressed his comments in this package.

Mr. Herkhof works with the EPA Regional Offices who are responsible for reviewing and developing air permits for new and existing OCS projects. Over time, relatively few Regions (9 and 10) have been active in traditional oil and gas projects off the coast of California and Alaska. These projects typically involve relatively few sources and State and/or local jurisdictions. In the case of California, all of the projects are existing sources, and all of the affected parties have several years of experience in implementing the program. Mr. Herkhof is not aware of any issues on these projects that would affect the assumptions we are making today

in this ICR regarding the number and types of sources and the burden associated with complying with the air rules.

EPA does recognize in this ICR that alternative energy projects represent a new area of activity in the OCS program. The Cape Wind wind farm project off the coast of Massachusetts is the furthest along, but the source is still in the process of preparing a permit application. As far as we can tell, this project has proceeded as anticipated and will most likely emerge with a minor source permit because of the estimated low level of operational air emissions. At Cape Fear and other potential alternative energy projects, conformity issues associated with indirect impacts from vessels are the real concern, which is not the result of the rules underlying this ICR. The other types of alternative energy projects under consideration at this time are meteorological towers, which will not likely even trigger a 40 CFR part 55 review because of the lack of source emissions during operation. In the future, should these projects reach the development stage, or new areas become subject to OCS air regulations, we would assess whether our underlying assumptions are still valid, but at this point we believe they are.

3(d) EFFECTS OF LESS FREQUENT COLLECTION

The information required to be submitted by each preconstruction permit applicant will be submitted on a one-time-only basis. When an existing OCS source wishes to modify or expand a facility already in operation, most of the information submitted will pertain to the new construction. New development/production sources and platforms are expected to obtain an operating permit approximately 1 year after the source commences operation. For this ICR we are projecting one new development project off the coast of Alaska and one alternative energy project, both of which are subject to EPA authority. We assume that both of these sources will obtain their operating permits during the 3-year ICR clearance period. For the existing development/production sources assumed to be under the regulatory authority of local agencies, it was projected that each source would renew its operating permit during the 3-year time period covered by this ICR to comply with local agency regulations. These sources are also subject to compliance testing, recordkeeping, and reporting requirements to demonstrate compliance with their applicable requirements.⁴ Less frequent collection of information than that required by these requirements would jeopardize the ability of regulatory agencies to evaluate a source's compliance with the OCS regulations.

3(e) GENERAL GUIDELINES

This ICR adheres to the guidelines stated in the 1995 Paperwork Reduction Act, the OMB's implementing regulations, EPA's Information Collection Request Handbook, and other applicable OMB guidance.

⁴ The federal regulations that implement the title V operating permit requirements (40 CFR part 70 and 40 CFR part 71) define "applicable requirement" as all substantive requirements originating from non-title V, federal air quality standards and other similar requirements, including implementation plans, under various titles of the Act. The title V regulations impose certain monitoring, recordkeeping and reporting requirements independently, but they are not "applicable requirements."

3(f) CONFIDENTIALITY

Any information submitted to EPA for which a claim of confidentiality is made will be safeguarded according to the EPA's policies set forth in title 40, chapter 1, part 2, subpart B-- Confidentiality of Business Information (see 40 CFR 2; 41 FR 36902, September 1, 1976; amended by 43 FR 39999, September 8, 1978; 43 FR 42251, September 28, 1978; 44 FR 17674, March 23, 1979).

3(g) SENSITIVE QUESTIONS

No questions of a sensitive nature are included in any of the information collection requirements. Therefore, this section is not applicable.

3. THE RESPONDENTS AND THE INFORMATION REQUESTED

4(a) RESPONDENTS/STANDARD INDUSTRIAL CLASSIFICATION (SIC) CODES

Section 328(a)(4)(C) of the CAA defines "OCS sources" as ". . . any equipment, activity, or facility which:

- Emits or has the potential to emit any air pollutant,
- Is regulated or authorized under the Outer Continental Shelf Lands Act, and
- Is located on the Outer Continental Shelf or in or on waters above the Outer Continental Shelf.

Such activities include, but are not limited to, platform and drill ship exploration, construction, development, production, processing, and transportation. Emissions from any vessel servicing or associated with an OCS source, including emissions while at the OCS source or en route to or from the OCS source within 25 miles of the OCS source, will be considered direct emissions from the OCS source."

The SIC codes (with accompanying NAICS codes in brackets), for sources which may be subject to the OCS regulations, include the following:

- Major Group 13 [211] - Oil and Gas Extraction
 - o SIC code 1311 [211111] - Crude petroleum and natural gas
 - o SIC code 1321 [211112] - Natural gas liquids
 - o SIC code 1382 [213112] - Oil and gas field exploration services
- Major Group 44 [483] - Water Transportation
 - o SIC code 4449 [483211] - Water transportation of freight, not elsewhere classified
 - o SIC code 4492 [48833] - Towing and tugboat services
- Major Group 46 [486] - Pipelines, Except Natural Gas
 - o SIC code 4612 [48611] - Crude petroleum pipelines

- Major Group 49 [221] - Electric, Gas, and Sanitary Services
 - o SIC code 4911 [221119] - Electric services (other electric power generation)
 - o SIC code 4922 [48621] - Natural gas transmissions

4(b) INFORMATION REQUESTED

Since the OCS Air Regulations essentially extend the coverage of other regulations, the data and information requirements associated with the regulations will vary depending on the underlying regulations. For example, sources locating within a 25-mile limit off the coast of a nonattainment area will generally have more stringent NSR regulations than those locating off the coast of an attainment area. The data and information requirements will also vary depending on the size and type of source. The exploration sources are generally smaller sources and not subject to the permit requirements of larger sources.

Based on the MMS projections, the following OCS facilities were assumed for the purposes of this ICR:

Sources under EPA authority

Existing development/production sources	0
New exploratory wells within 25-mile limit	3
New exploratory wells beyond 25-mile limit	25
New alternative energy projects	4
New development/production sources	1

Sources under the authority of the state/local agencies

Existing development/production sources	23
New alternative energy projects	4

One of the alternative energy projects under EPA authority is expected to result in a major source permit. The remaining three alternative energy projects are minor permitting efforts. In general, minor sources will be required to obtain a minor new source review permit and a minor source operating permit. Of the 25 exploratory wells, we have assumed that half will require minor source permits and half will require major source permits. A single exploration vessel may be used to drill multiple exploratory wells or service alternative energy exploration sites. For this ICR, we have assumed that seven exploration vessels would be required to obtain operating permits to conduct these activities.

(i) Data Items
NOI to Construct

New or modified sources will have to prepare and submit a NOI to construct not more than 18 months before submitting a permit application. The data and information requirements which a source must include in a NOI to construct must include the following minimum information:

- General company information, including company name and address, owner's name and agent, and facility site contact.
- Facility description in terms of the process and products, including identification by SIC code.
- Estimate of the proposed project's potential emissions of any air pollutant, expressed in total tons per year and in such other terms as may be necessary to determine the applicability of requirements of section 55.4 of the regulation. Potential emissions for the project must include all vessel emissions associated with the proposed project in accordance with the definition of potential emissions in section 55.2 of the regulation.
- Description of all emission points including associated vessels.
- Estimate of quantity and type of fuels and raw materials to be used.
- Description of proposed air pollution control equipment.
- Proposed limitations on source operations or any work practice standards affecting emissions.
- Other information affecting emissions, including where applicable, information related to stack parameters (including height, diameter, and plume temperature), flow rates, and equipment and facility dimensions.
- Such other information as may be necessary to determine the applicability of onshore requirements.
- Such other information as may be necessary to determine the source's impact in onshore areas. Exploration sources are exempt from this requirement.

In the past, owners or operators of new sources have had to include these data items in parts C and D preconstruction permit applications. Therefore, collection of these data items for a NOI to construct is not considered an additional burden over the data items presently required in preconstruction permit applications.

Preconstruction Permit Applications

All new or modified major sources are required to prepare and submit a preconstruction permit application. Table 2 summarizes the data and information requirements which must be included in all part C PSD preconstruction permit applications.

Table 2 also shows the references for the data and information requirements specified in the CAA and the current regulations specified in the CFR. The first CFR reference shown for each requirement in Table 2 pertains to the requirements under part 51 which govern the way states implement part C programs. The second CFR reference (shown in brackets) pertains to the requirements under part 52 that govern the way EPA implements part C programs when states fail to implement part C programs.

Table 3 summarizes the data and information requirements that must be included in all part D construction permit applications. Table 3 also shows the references for the data and information requirements specified in the CAA and the current regulations specified in the CFR.⁵

Compliance Testing

This projection includes a new development/production platform off of the coast of Alaska. This source will be required to conduct an initial emissions test. However, we do not believe that emissions tests will be required at the four alternative energy projects. While these projects will generate air emissions due to vessels that must be used to construct the projects and then repair and maintain them, the projects themselves would generate air emissions of much lower magnitude and be subject to fewer applicable requirements compared to mineral extraction projects.

Annual compliance tests are required for the 23 existing development/production sources located within the 25-mile limit of California. The purpose of the annual testing requirements is to demonstrate that each source is in compliance with its applicable requirements related to emissions control. For the purpose of this analysis, it was assumed that these sources would be subject to 3 years of annual compliance testing.

⁵ Although not applicable to sources covered by this ICR, there are California District regulations that would apply to new sources that would be under the jurisdiction of the delegated Districts. For example, SBCAPCD's Rule 201 (Permits Required) requires the owner or operator of a new OCS source to obtain an ATC permit before the owner or operator can begin construction of the source. In addition, the SBCAPCD's Rule 205 (Standards for Granting Applications) specifies the requirements that the owner or operator of a new source must meet before the SBCAPCD will issue an ATC permit. See the supporting statement 1601.06 for example text.

Operating Permits

For the purpose of this analysis, it was assumed that the new development/production source and the one of the new alternative energy project which will be under the EPA's regulatory authority will be required to obtain title V operating permits before becoming fully operational. In addition, seven exploration vessels will be required to obtain title V operating permits. Operating permits typically contain the following minimum information requirements:

- Ownership and location of the source;
- An inventory of the type and amount of emissions associated with each piece of equipment used at the source;
- Identification of emissions control techniques required by applicable requirements for each piece of equipment; such techniques may include process design or operational changes to equipment, add-on control equipment, and inspection and maintenance procedures;
- Identification of recordkeeping requirements, including those required by applicable requirements (such as NSPS or SIP) and those required by operating permits regulations (e.g., 6-month monitoring reports, deviation reports, and annual compliance certification) to ensure that control techniques and inspection and maintenance procedures are being properly implemented;
- Annual compliance testing requirements;
- Reporting requirements for the periodic submittal of recordkeeping or test data for review by the regulatory authority, whether required by the applicable requirements or by the operating permit regulations.

All 23 existing sources are required to obtain operating permits. Therefore, for this ICR, we will assume that all of the 23 existing sources off the coast of Southern California will renew their existing operating permits during the 3-year clearance period. This effort will include the estimated four sources that will also need to make minor permit modifications to their operating permits over the next 3 years.

Recordkeeping and Reporting Tasks

The recordkeeping and reporting tasks will vary depending on the type of source and the applicable requirements that apply. For example, exploration sources off the Santa Barbara coast must maintain a log book and provide a copy of the book to the SBCAPCD when the exploration is complete. Development and production sources typically are required to monitor certain emissions and operational parameters and submit annual reports to the local districts.

(ii) Respondent Activities

NOI to Construct

The following items are a comprehensive list of the activities that the owner or operator of a new development/ production OCS source will have to perform to prepare and submit a NOI to construct:

- Read applicable regulations to determine compliance requirements;
- Inquire or meet with the appropriate permit reviewing authority to obtain guidance on what data are needed to meet the applicable requirements;
- Prepare NOI to construct;
- Submit the NOI to construct to the EPA Administrator through the EPA Regional Office and to the air pollution control agency of the NOA and adjacent onshore areas.

Preconstruction Permit Applications

The following items are a comprehensive list of the activities that the owner or operator of a new development/ production source will have to perform to prepare a preconstruction permit application if the source is subject to part C PSD regulations:

- Read applicable regulations to determine compliance requirements;
- Inquire or meet with the appropriate permit reviewing authority to obtain guidance on what data are needed to assure compliance with the applicable requirements;
- Prepare BACT engineering analysis;
- Perform air quality modeling;
- Perform pre- and post-construction air quality monitoring (if not already available);
- Determine impacts on air quality related values in Federal Class I areas;
- Submit application to the U.S. Fish and Wildlife Service for endangered species impact analysis;
- Prepare and submit permit application;
- Attend public hearing;

- Revise permit application per comments received from the permit reviewing authority and/or public comments.

For the purpose of this analysis, it was assumed that a permit application for the development off the coast of Alaska and the alternative Energy Project in the Atlantic would be submitted. However, the level of effort associated with performing the activities as shown above will vary depending on the types and amounts of pollutants emitted by the source, location of the source, and availability of existing information such as air quality and modeling data. For example, an owner or operator will not have to perform dispersion modeling analyses to determine impacts on air quality related values in a Federal Class I area if the source's emissions will not impact a Federal Class I area. In addition, an owner or operator will only have to perform monitoring if requested by the permit reviewing authority.⁶

Compliance Testing

For the purposes of this analysis, it was assumed that development/production sources would use Reference Method 20 to test for nitrogen oxide emissions from gas turbines. For development/production and exploration sources that have internal combustion engines, it was assumed that the instrumental methods of Reference Methods 3A, 6C, and 7E using the electrochemical cell methodology would be used to test for nitrogen oxide, carbon monoxide, hydrocarbon, and sulfur dioxide emissions. The activities associated with completing compliance tests are as follows:

- Prepare a pretest plan and submit the plan to the appropriate permit reviewing authority for review and approval at least 30 days before conducting the tests;
- Clean and calibrate test equipment for tests;
- Perform tests;
- Analyze samples, summarize data, and write report.

Operating Permits

⁶ Under operating permit programs, sources are required to submit permit applications for initial permit issuance, for permit revisions (as needed), and for permit renewals every 5 years. After permit issuance, sources are required to report deviations from permit requirements, report summaries of monitoring every six months, perform an annual compliance certification, and annually pay fees. In some cases, sources are required to develop gap-filling monitoring and/or recordkeeping to serve as monitoring and operate that monitoring/recordkeeping to help them meet the compliance certification requirement.

Estimates of burdens and costs for various types of sources subject to operating permit programs have been approved separately by OMB. 40 CFR part 70 is generally implemented by State, local, or Tribal permitting authorities, while 40 CFR part 71 is implemented in cases where EPA is required to issue permits (e.g., in areas of sole Federal jurisdiction). Specifically, section 71.4(d) provides for the permitting of OCS sources and the ICR for Part 71 discusses such permitting. See Information Collection Request for Part 71 Federal Operating Permit Regulations, EPA #1713.06, April 2007.

In general, the activities that new or modified and existing sources will have to perform to prepare an operating permit application include the following:

- Read applicable regulations to determine compliance requirements;
- Inquire or meet with the appropriate permit reviewing authority to obtain guidance on which data, compliance testing, and recordkeeping and reporting activities are needed to assure compliance with the applicable requirements;
- Prepare and submit the permit application;
- Attend public hearing, if one is conducted;
- Revise permit application per comments received from the permit reviewing authority and/or public comments.

Recordkeeping and Reporting Tasks

Once an owner or operator has obtained an operating permit, the owner or operator will have to submit its log book for each well drilled to the SBCAPCD (or other local agency) within 60 days after drilling has been terminated. The SBCAPCD's regulation requires the drilling contractor to certify and submit a copy of the fuel log book records, or summary thereof, showing the total amount of fuel used during the drilling of each well.

Authority to implement and enforce the regulations for the existing development/production sources has been delegated to the local air pollution control districts. Therefore, the existing development/production sources are subject to annual reporting requirements through their operating permits, as implemented by local agencies.

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

5(a) AGENCY ACTIVITIES

State and Local Agency Activities

Agencies delegated authority for the OCS program are responsible for processing NOI's to construct, reviewing and acting on preconstruction and operating permit applications, conducting enforcement activities such as inspections, reviewing pretest plans and test reports, attending tests (if desired by the agency), and reviewing reports that sources must submit to comply with their operating permits.

Agencies responsible for processing NOI's to construct and preconstruction and operating permit applications will typically perform the following activities:

- Answer respondent questions;
- Log-in and review data submissions;
- Request additional information for incomplete applications;
- Analyze requests for confidentiality and provide appropriate protection;
- Prepare completed applications for processing and approval;
- Prepare notices of public hearings on permit applications for publication in newspapers, arrange and attend public hearings, and summarize and respond to public comments;
- Submit information on BACT/LAER determinations to the EPA's BACT/LAER Clearinghouse for entry into a data base.

EPA Activities

The EPA will perform reviews of new regulations adopted by state and local COA's to determine if the regulations are applicable to OCS sources. If it is determined that a new onshore regulation is applicable to OCS sources and EPA determines that the new regulation does not conflict with federal law, then EPA will update the OCS regulations by the incorporation of such regulation. Such an update will require formal notice in the *Federal Register* and opportunities for public comment.

The EPA will consult with the MMS to prepare air quality impact analyses for environmental impact statements for OCS leasing activities, and to comply with the consultation

process requirement of the Endangered Species Act. However, this consultation process is not expected to increase EPA's burden associated with the OCS program. Therefore, a burden estimate was not calculated for this activity.

5(b) COLLECTION METHODOLOGY AND MANAGEMENT

It is the responsibility of each owner and operator of an OCS source affected by the OCS regulations to prepare and submit a NOI to construct, a preconstruction permit, and an operating permit application to the permit reviewing authority. The permit reviewing authority will log in permit applications and store them in a central file at the location of the permit reviewing authority. Once preconstruction permits have been approved, the permits will be submitted to EPA's BACT/LAER Clearinghouse where control technology information will be entered into a data base. Because the preconstruction permits and associated control technology determinations are performed on a case-by-case basis, the OCS regulations will not contain forms which owners or operators will have to fill out and submit to the permit reviewing authority.

Qualified personnel that work for the permit reviewing authority 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 calculations were performed. The permit reviewing authority personnel will check data quality by reviewing test data and checking engineering calculations, and by reviewing control technology determinations for similar sources. The BACT/LAER Clearinghouse data base will be reviewed for information on control technology determinations made for sources similar to the sources included in a 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 by obtaining a copy of the application from the permit reviewing authority and by attending the public hearing.

The OCS regulations do not require the request of information through any type of survey.

5(c) SMALL ENTITY FLEXIBILITY

This section is not applicable because the NOI to construct, preconstruction and operating permit, annual compliance testing, recordkeeping, and reporting requirements associated with the OCS regulations do not directly affect small entities.

5(d) COLLECTION SCHEDULE

Existing development/production sources are currently subject to the OCS regulations, and authority to implement and enforce the regulations for those sources has been delegated to the local air pollution control districts. Therefore, the existing development/production sources are subject to annual reporting requirements through their applicable requirements and/or operating permits required by local agencies. It is not known when the new exploration sources under EPA authority will begin construction. For the purpose of this analysis, it was assumed that these sources would conduct activities throughout the time period covered by this ICR. For the new development/production sources under EPA's regulatory authority, it was assumed that they would become operational by January 2012.

5. ESTIMATING THE BURDEN AND COST OF THE COLLECTION

6(a) ESTIMATING RESPONDENT BURDEN AND COSTS

This section presents estimates of the burden to exploration and development/production sources associated with the OCS regulations. The respondent burden estimates are based on the data items and respondent activities described in section 4(b).

All costs are presented in 2007 dollars. The cost estimates are based on a respondent in-house wage rate of \$29.88 per hour and contractor wage rates of \$44.68 per hour. These rates are from the Table 2, Employment Costs for Civilian Workers by Occupational and Industry Group (in house based on "Construction, Extraction, Farming, Fishing and Forestry," and contractor based on "Professional and related") U.S. Department of Commerce, Bureau of Labor Statistics (BLS), December 2007. The rates are from column 1, "Total compensation" and have been increased by 110 percent to account for overhead. The resultant in-house rate is \$63/hour and the contractor rate is \$94/hour. The wage rates represent average rates for the various types of individuals (e.g., managers, engineers, technicians, legal staff, and clerical) required to complete the tasks and include direct personnel and overhead costs. The respondent's annual labor hours and costs for the 3-year time period covered by this ICR are presented in exhibits 1 through 4.

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, sampling, drilling, and testing equipment. As a practical matter, these costs are not typical of the costs associated with preparing permit applications. Therefore, the only O&M costs are those associated with scenarios involving the purchase and/or use of capital equipment for monitoring at new or existing development/production sources.

New Exploration Sources Under EPA Authority: Respondents' Burden (Exhibit 1)

There are 25 projects estimated to occur greater than 25 miles off the coast of Florida and 3 projects off the coast of Alaska. However, for the purposes of this ICR, it was assumed that all exploratory sources under EPA authority would have the same burden for basic activities including reading the regulations, preparing a NOI to construct, and conducting some recordkeeping and reporting tasks. We estimate that half (12) of the sources off the coast of Florida will be major sources and will have to prepare preconstruction permit applications to comply with PSD requirements under part C of title I of the CAA. The remaining sources will be required to prepare and submit minor source preconstruction permit applications. See the discussion under Exhibit 3 for a summary of activities that are expected to occur. We have assumed that preparing a major source exploration permit application for sources under Exhibit 1 is half of the burden of preparing a PSD application as described in Exhibit 3. We also assumed that preparing a minor source exploration permit application under exhibit 1 is one-quarter the burden of preparing a PSD application under Exhibit 3. We assumed that seven exploration vessels will be required to obtain an operating permit using the same burden estimated for this activity under Exhibit 3. It is anticipated that the exploration sources will not have to install any additional monitoring equipment to comply with the regulatory requirements. Therefore, there will be no capital cost or O&M cost for these sources.

Exhibit 1 provides a breakdown of the burden and costs for these activities. For the estimated 9.3 responses, the average annual burden for the respondents is estimated to be 3,054 hours and \$252,873. Since the exploration vessels are expected to have all necessary monitoring equipment to meet the OCS Air Regulations, no capital cost or O&M cost is projected to be necessary.

New Alternative Energy Sources Under EPA Authority: Respondents' Burden (Exhibit 2)

There are four alternative energy projects projected to occur during this ICR clearance period. One is a major project undergoing environmental review and permitting, and it is expected to be completed sometime in 2009. Three other projects are potential meteorological towers and/or current energy pilot projects. These are minor source projects and might occur off the coasts of New Jersey, Delaware, Georgia, or Florida. For purposes of estimating burden, we have assumed that these sources will be treated the same as new exploration sources described above as Exhibit 1. We have assumed to two exploration vessels would be required to obtain title V operating permits to service these projects.

Exhibit 2 provides a breakdown of the burden and costs for these activities. For the estimated 1.3 responses, the average annual burden for the respondents is estimated to be 409 hours and \$33,342. Since the support vessels are expected to have all necessary monitoring equipment to meet the OCS Air Regulations, no capital cost or O&M cost is projected to be necessary.

New Development/Production Sources Under EPA Authority: Respondents' Burden (Exhibit 3)

Exhibit 3 provides a breakdown of the burden and cost to the respondents for these activities. There is one projected development project expected to occur in the 3-year clearance period. A new source is expected to read the regulations, consult with EPA or the state/local agencies, prepare a NOI to construct, prepare a PSD application, perform a compliance test, submit an operating permit application and conduct recordkeeping and reporting tasks. Because of the expertise required to prepare a preconstruction permit application and to conduct a compliance emission test, the source would most likely use a contractor for these operations. Typical tasks which the contractor would perform in the preparation of the preconstruction permit application include:

- Inquire or meet with the appropriate permit reviewing authority to obtain guidance on what data are needed to meet the applicable requirements;
- Prepare BACT engineering analysis;
- Perform air quality modeling;
- Perform preconstruction air quality monitoring (if not already available);
- Determine impacts on air quality related values in Federal Class I areas;
- Prepare a DRAFT permit application;
- Attend public hearing;
- Revise permit application per comments received from the permit reviewing authority and/or public comments.

Typical tasks which the contractor would perform in conducting compliance tests include:

- Prepare a pretest plan and submit the plan to the appropriate permit reviewing authority for review and approval at least 30 days before conducting the tests;
- Clean and calibrate test equipment for tests;
- Perform tests;
- Analyze samples, summarize data, and write report.

The contractors would be expected to bill the services on a hourly basis.

Generally, development/production sources are required to monitor process parameters, fuel consumption, exhaust gas flow rates and sulfur concentrations in the gases.⁷ When the OCS rules were adopted, existing platforms had to install some additional gas flow and sulfur monitoring equipment. One platform reportedly had to install a complex monitoring system, which cost almost \$100,000. In addition, the vessels servicing the platforms also had to install fuel-monitoring meters, which cost between \$30,000 and \$50,000 each.⁸ However, in most cases new sources under EPA authority are not expected to have to install additional monitoring equipment beyond that which is required by the MMS. Even if the new sources have to install additional monitoring equipment, the cost of installing that equipment on new facilities would be less than the cost of retrofitting older units and it is anticipated that the service vessels would be servicing more than one platform.

The capital cost for the monitoring equipment was estimated in 1998 to be \$25,000 per development/production source. The Chemical Engineering Plant Index for process instruments was used to update the cost to 2007 dollars. Using the March 2008 estimates of December 2007 (preliminary) index for process instruments compared to the final December 1998 index, the updated capital cost value is \$28,517 and that cost is paid for over the 3-year clearance period. We estimate that O&M costs associated with this equipment is 5% of the total capital costs.

Exhibit 3 provides a breakdown of the burden and costs for these activities. For the estimated 0.3 responses, the average annual burden for the respondents is estimated to be 565 hours and \$48,464 for labor. O&M costs per year are \$475 and annual capital costs are \$9,507.

New Exploration Sources Under State/Local Authority: Respondents' Burden (Exhibit 4)

There are no new exploration sources projected to be under state/local authority, e.g., sources expected to be located within 25 miles of Alaska's boundary and under the state's regulatory authority. If there were any sources, they would have to read the regulations, prepare NOIs to construct and ATC permit applications to comply with the district regulations. In addition, the sources would have to conduct a compliance test and recordkeeping and reporting tasks. The sources would be subject to preconstruction permit requirements for nonattainment and attainment pollutants. SBAPCD's section 3.a of Rule 205 contains the requirements for complying with part D of title I, and section 3.b of Rule 205 contains the requirements for complying with part C of title I of the CAA. Because of the expertise required to conduct a compliance emission test, the sources will most likely use a contractor to conduct the tests

Typical tasks which the contractor will perform in conducting compliance tests include:

- Prepare a pretest plan and submit the plan to the appropriate permit reviewing authority for review and approval at least 30 days before conducting the tests;
- Clean and calibrate test equipment for tests;

⁷Based on a 2002 telephone conversation with Craig Strommen, Chief Inspector for the SBCAPCD.

⁸Based on a 2002 telephone conversation with Marianne Strange, M. Strange and Associates.

- Perform tests;
- Analyze samples, summarize data, and write report.

It is anticipated that the exploration sources would not have to install any additional monitoring equipment to comply with the regulatory requirements. Therefore, there would be no capital cost or O&M cost for these sources.

New Alternative Energy Sources Under State/Local Authority: Respondents' Burden (Exhibit 5)

We estimate that there are four new alternative energy sources involving wave energy pilot projects or studies off the coast of Northern California. These minor sources would be subject to the same requirements as described for Exhibit 4.

Exhibit 5 provides a breakdown of the burden and costs for these activities. For the estimated 1.3 responses, the average annual burden for the respondents is estimated to be 1,323 hours and \$114,245. Since the support vessels are expected to have all necessary monitoring equipment to meet the OCS Air Regulations, no capital cost or O&M cost is projected to be necessary.

Existing Sources Under State/Local Authority: Respondents' Burden (Exhibit 6)

The existing 23 development/production sources off the southern California coast are located within 25 miles of the state's seaward boundary and EPA has delegated to the local districts the authority to implement and enforce OCS Air Regulations for those sources. These 23 existing sources are expected to prepare a title V operating permit renewal application once during the 3-year period covered by this ICR, perform annual compliance tests, and conduct recordkeeping and reporting tasks. We believe that four of these sources will also require minor permit modifications; however this burden will be addressed under the title V operating permit renewal burden. Because of the expertise required to conduct a compliance emission test, the sources will most likely use a contractor to conduct the tests.

Typical tasks which the contractor will perform in conducting compliance tests include:

- Preparing a pretest plan and submit the plan to the appropriate permit reviewing authority for review and approval at least 30 days before conducting the tests;
- Cleaning and calibrating test equipment for tests;
- Performing tests; and
- Analyzing samples, summarizing data, and writing report.

The existing development/production sources have already installed their monitoring equipment; therefore, they are not expected to incur any additional capital cost for new monitoring equipment. We assume that they will face the same O&M costs faced by new development sources (5% of the capital cost of monitoring equipment), or \$1,426 per source. Exhibit 6 provides a breakdown of the burden and cost to the respondents for these activities. The average annual burden for the respondents is estimated to be 21,666 hours and \$1,835,791 plus \$32,775 for O&M costs.

Total Industry Respondent Burden and Costs

Exhibit 14 summarizes the industry burden for the OCS Air Regulations. The average annual industry respondent burden for the period February 1, 2009 through January 31, 2012 is estimated to be 27,017 hours and \$2,284,714 plus \$33,250 for O&M costs and \$9,506 capital costs. As discussed below, the total respondent burden also includes the burden on the state and local air pollution control agencies that have been delegated the implementation and enforcement authority for the regulation.

6(b) ESTIMATING STATE AND LOCAL AIR POLLUTION CONTROL AGENCY BURDEN AND COSTS

This section presents estimates of the burden to state and local agencies associated with the OCS Air Regulations. The burden estimates are based on the data items and respondent activities described in section 4(a) of this ICR.

All costs are presented in 2007 dollars. A total compensation wage rate of \$37.73 per hour was based on state/local rates obtained from "Employer Costs for Employee Compensation, Table 4: Employment Costs for State and Local Government Workers" U.S. Dept. of Commerce, BLS, December 2007. 110% overhead assumed.

Prepare Delegation Requests

EPA has delegated the authority to implement and enforce the OCS regulations to four local air pollution control districts in California (SBCAPCD, SCAQMD, VCAPCD, SLOCAPCD). No additional delegation requests are expected during the period February 1, 2009 to January 31, 2012. The previous ICR noted that there were projects costs for consultations with tribes. At that time, there were potential new exploration sources off the coast of Alaska and we would have expected heavy involvement by one or more tribes for Beaufort Sea permitting actions with higher travel costs and personnel commitments. In order to avoid delays in permitting, we estimated that the annual average burden for tribes should be at least equivalent to the burden faced by the State of Alaska. If in the future, such sources are expected to locate off the coast of Alaska, we would add this burden to the ICR.

New Exploration Sources Under State/Local Authority: S/L Burden (Exhibit 7)

No new exploration sources under state/local authority are expected during the 3-year period covered by this ICR. If in the future, such sources are located, the state/local agency would expend burden to consult, review the NOI, review the permit application, oversee the compliance test, conduct inspections and review data reports. Exhibit 7 provides a breakdown of the cost to the local air pollution control district for implementing and enforcing the OCS Air Regulations.

New Alternative Energy Sources Under State/Local Authority: S/L Burden (Exhibit 8)

There are four new alternative energy sources expected to take place off the coast of Northern California. These minor sources would be subject to the same requirements as described for Exhibit 7. Exhibit 8 provides a breakdown of the burden and costs for these activities. The average annual burden for the state/local agencies is estimated to be 276 hours and \$20,700.

Existing Sources Under State/Local Authority: S/L Burden (Exhibit 9)

The 23 existing development/production sources are located within 25 miles of the state's seaward boundary off of southern California and are under the authority of the local districts. The sources are generally required to conduct annual compliance tests and submit data reports to the local districts. In addition, the local district conducts quarterly compliance inspections of the facilities. It is assumed that these sources will renew their operating permits during the time period covered by this ICR to comply with local agency regulations. Exhibit 9 provides a breakdown of the burden and cost to the local air pollution control district for implementing and enforcing the OCS Air Regulations for these sources. The average annual burden for the local districts is estimated to be 3,504 hours and \$262,775.

Total State and Local Agency Burden and Costs

The average annual state/local burden to implement and enforce the OCS Air Regulations for the period from February 1, 2009 to January 31, 2012 is estimated to be 3,780 hours and \$283,475 and is shown in Exhibit 14.

Total Respondents Burden

The total respondent burden includes: 27,017 hours and \$2,284,714, plus \$33,250 for O&M costs and \$9,506 for capital costs for industry and 3,780 hours at a cost of \$283,475 for state and local agencies. This gives a total of 30,797 hours at a cost of \$2,568,189 and \$33,250 for O&M costs and \$9,506 for capital costs per year as shown in Exhibit 14.

6(c) ESTIMATING THE EPA BURDEN AND COSTS

This section presents estimates of the burden to EPA associated with the OCS regulations. The burden estimates are based on the data items and respondent activities described in section 4(a) of this ICR.

All costs are presented in 2007 dollars. The federal labor cost was obtained from the U.S. Office of Personnel Management 2007 General Schedule Table 2007-GS. The hourly labor rate assumed is GS-12, Step 1 (Technical Labor). The corresponding salary is loaded with benefits at the rate of 60%. This approach to determining the loaded labor rate is consistent with the *ICR Handbook*, which states that salary is to be multiplied by a 1.6 benefits multiplication factor.

Review Requests for Delegation of Authority

The EPA has delegated the authority to implement and enforce the OCS regulations to four local air pollution control districts in California (SBCAPCD, SCAQMD, VCAPCD, SLOCAPCD). No additional delegation requests are expected during the period May 1, 2005 to April 30, 2008. Therefore, there is no burden associated with the processing of delegation requests for the 3-year time period covered by this ICR.

New Exploration Sources Under EPA Authority: EPA Burden (Exhibit 10)

The 28 new exploration sources which will be under the regulatory authority of EPA will be required to prepare and submit NOI to construct before they begin operation and submit data reports to EPA. Exhibit 10 provides a breakdown of the burden and cost to EPA for implementing and enforcing the OCS Air Regulations for these sources in areas where EPA has not delegated its authority to a state or local air pollution control district. The average annual burden is estimated to be 448 hours and \$19,264.

New Alternative Energy Sources Under EPA Authority: EPA Burden (Exhibit 11)

There are four new alternative energy sources anticipated to occur during the 3-year clearance period. We have assumed that EPA will face the same burden as it would for new exploration sources, as described in Exhibit 10, except that the major alternative energy project will require review of a major PSD permit. Exhibit 11 shows the average annual burden to be 137 hours and \$5,905.

New and Existing Development/Production Sources Under EPA Authority: EPA Burden (Exhibit 12)

There is one new development/production source projected to occur under EPA's authority. EPA will conduct consultations, and review submittals of NOIs to construct, submittals of a PSD application, performances of a compliance tests, and recordkeeping and reporting tasks. Exhibit 12 shows the average annual burden to be 161 hours at a cost of \$9,288.

Consistency Updates of OCS Regulations and Overseeing State/Local Activities: EPA Burden (Exhibit 13)

As required by section 55.12, Consistency Updates, EPA is required to update the OSC rules as needed to maintain consistency with the regulations of onshore areas in order to attain and maintain Federal and State ambient standards and comply with part C of title I of the Act. Where an OCS activity is occurring within 25 miles of a state seaward boundary, consistency reviews will occur at least annually. In addition, consistency reviews will occur upon receipt of an NOI and when a state or local agency submits a rule to EPA to be considered for incorporation by reference in this part 55.

We assumed that the annual consistency reviews that are not triggered by an NOI or regulatory review will be minimal efforts (4 hours/review) related to the areas with OSC activity. For this clearance period, we anticipate that up to six states (Alaska, California, Delaware, Florida, Georgia, and New Jersey) and the four California local agencies will require annual reviews to confirm that the OCS continues to be consistent with the existing on-shore regulations. This will result in up to 10 reviews per year.

We estimated the universe of NOI/regulatory reviews to be conducted in the 3-year clearance period by considering the projects that are projected in the next 3 years and whether the states currently have onshore OCS regulations. For states that currently have regulations, we expect that most of the consistency reviews to be fairly minor efforts (40 hours/review) related to evaluating the impact of changes. However, for states that do not currently have regulations or if the project that triggers the NOI results in major changes to the onshore rules, the consistency review will be a more significant effort (150 hours/review). We assume the following distribution of sources and levels of review:

Alaska Coast (EPA Region 10)

- 1 major review
- 3 minor reviews

Pacific Coast (California/local agency)

- 1 major review
- 3 minor reviews

Atlantic (EPA Region I and Region IV))

- 3 major reviews

Southern California (Local agency)

- 1 major review
- 3 minor reviews

There are no reviews needed for the Eastern Gulf sources, because these sources are located outside of the 25-mile boundary.

Exhibit 13 provides a breakdown of the cost and burden to EPA to implement and conduct the consistency updates and to oversee the regulatory implementation in the districts where the authority has been delegated. The average annual burden for EPA is estimated to be 460 hours and \$19,780.

Total EPA Burden and Costs

The average annual EPA burden to implement and enforce the OCS Air Regulations for the period from February 1, 2009 through January 31, 2012 is estimated to be 1,206 hours and \$54,237 and is presented in Exhibit 14.

6(d) REASONS FOR CHANGE IN BURDEN

The burden estimates for the OCS Air Regulations have been revised due to two main factors:

- The MMS has projected changes in the mix and type of sources projected to occur in the upcoming clearance period. Most notably, there is a significant increase in the number of exploratory wells under EPA authority and the addition of eight alternative energy projects. In contrast, the number of existing development/production wells under EPA jurisdiction has been changed from 15 to 0 in the upcoming period.
- The estimates have been calculated using 2007 dollars and some assumptions regarding overhead, O&M costs, and capital costs have been adjusted to meet current guidelines and common procedures for preparing ICRs.

Table 1
Requirements References for Burden Activities
Associated with OCS Air Regulations

Applicable Sections of OCS Air Regulations	Burden Activities
55.4	R Requirements to Submit a Notice of Intent
55.5	C Corresponding Onshore Area Designation
55.6	P Permit Requirements
55.8	M Monitoring, Reporting, Inspections, and Compliance
55.9	E Enforcement
55.11	D Delegation
55.12	C Consistency Updates
55.13	F Federal Requirements that Apply to OCS Sources
55.14	F Federal, State, and Local Requirements that Apply to OCS Sources Located Within 25 Miles of States' Seaward Boundaries, by State

Table 2
Respondent Data and Information Requirements for
Preparing PSD Construction Permits

Requirements	Current Regulation Reference 40 CFR	CAA Reference
Description of the nature, location, design capacity, and typical operating schedule	51.166(n)(2)(i) [52.21(n)(1)(i)]	110(a)(2)(A)
Detailed schedule for construction	51.166(n)(2)(ii) [52.21(n)(1)(ii)]	110(a)(2)(A)
Description of continuous emission reduction system, emission estimates, and other information needed to determine that BACT is used	51.166(n)(2)(iii) [52.21(n)(1)(iii)]	165(a)(4)
Air quality impact, meteorological, and topographical data	51.166(n)(3)(i) [52.21(n)(2)(i)]	165(a)(3)
Nature and extent of general commercial, residential, industrial, and other growth in area of source	51.166(n)(3)(ii) [52.21(n)(2)(ii)]	165(a)(6)
Use of air quality models to demonstrate compliance with NAAQS	51.166(k)&(l) [52.21(k)&(l)]	165(a)(3)&(e)(3)(D)
Information necessary to determine adverse impacts on any air quality related values (including visibility) for Federal Class I areas	51.166(o) [52.21(o)] 51.166(p)(4) [52.21(p)(5)]	165(a)(5) 165(d)(2)(C)(iii)& (iv)
Air quality monitoring data	51.166(m)(1)(b) [52.21(m)(1)(b)]	165(a)(7) 110(a)(2)(B)&(F)
Impairment of visibility, soils, and vegetation	51.166(o)(1) [52.21(o)(1)]	165(e)(3)
Air quality impact resulting from general commercial, residential, industrial, and other growth associated with source	51.166(o)(2) [52.21(o)(2)]	165(e)(3)
Written notice of proposed relocation of portable source	51.166(i)(4)(iii)(d) [52.21(i)(4)(viii)]	301
Description of the location, design construction, and operation of building, structure, facility, or installation	51.160(c)(2)	110(a)(2)(A)
Description of the nature and amounts of emissions to be emitted	51.160(c)(1)	110(a)(2)(F)(ii)
Description of the air quality data and dispersion or other air quality modeling used	51.160(f)	110(a)(2)(B)&(K)
Sufficient information to ensure attainment and maintenance of NAAQS	51.160(c)-(e) 51.161 51.162 51.163	110(a)(2)(A)

Table 3
Respondent Data and Information Requirements for Preparing
Part D Construction Permits

Requirements	Regulation Reference 40 CFR	CAA Reference
Documentation that LAER is being applied	51.165(a)(2)	173(2)
Documentation that all sources owned or operated by same person are in compliance	51.165(a)(2)	173(3)
Documentation that sufficient emissions reductions are occurring to ensure reasonable further progress (RFP)	51.165(a)(2)	173(1)
Documentation that benefits of proposed source significantly outweigh the environmental and social costs imposed as a result of its location, construction, or modification	- - -	173(a)(5)
Description of the location, design construction, and operation of building, structure, facility, or installation	51.160(c)(2)	110(a)(2)(A)
Description of the nature and amounts of emissions to be emitted	51.160(c)(1)	110(a)(2)(F)(ii)
Description of the air quality data and dispersion or other air quality modeling used	51.160(f)	110(a)(2)(B)&(K)
Sufficient information to ensure attainment and maintenance of NAAQS	51.160(c)-(e) 51.161 51.162 51.163	110(a)(2)(A) 172(c)(6)