

SUPPORTING STATEMENT

for

Protection of Stratospheric Ozone: Critical Use Exemption from the Phaseout of Methyl Bromide (Renewal)

1. Identification of the Information Collection

- a) Title: Protection of Stratospheric Ozone: Critical Use Exemption from the Phaseout of Methyl Bromide

EPA Number: 2031.03

OMB Control Number 2060-0482

- b) Short Characterization:

With this Information Collection Request (ICR), the Environmental Protection Agency's (EPA) Office of Air and Radiation (OAR) is seeking to renew an existing ICR for the methyl bromide critical use exemption program (CUE) under the Clean Air Act and transfer the burden under a second ICR (2060-0564) to this one. Thus, EPA is creating a single comprehensive ICR for the methyl bromide CUE program. 2060-0564 will be discontinued once this ICR is approved. This ICR seeks to characterize the burden associated with producing, importing, distributing, and using methyl bromide under the critical use exemption program as described in 40 CFR Part 82.

Specifically, EPA is renewing ICR 2060-0482 which allows EPA to collect CUE applications from regulated entities on an annual basis. EPA is also renewing and transferring the burden from ICR 2060-0564, which requires the submission of data from regulated industries to the EPA and require recordkeeping of key documents to ensure compliance with the Montreal Protocol on Substances that Deplete the Ozone Layer (Protocol) and the CAA.

Entities applying for this exemption are asked to submit to EPA applications with necessary data to evaluate the need for a critical use exemption. This information collection is conducted to meet U.S. obligations under Article 2H of the Montreal Protocol on Substances that Deplete the Ozone Layer (Protocol) and to implement Section 604(d)(6) of the CAA, added by Section 764 of the 1999 Omnibus Consolidated and Emergency Supplemental Appropriations Act (Public Law No. 105-277; October 21, 1998).

Since 2002, entities have applied to EPA for a critical use exemption that would allow for the continued production and import of methyl bromide after the phaseout in January 2005. These exemptions are for consumption only in those agricultural sectors that have demonstrated that there are no technically or economically feasible alternatives to methyl bromide. The applications are rigorously assessed and analyzed by EPA staff, including experts from the Office of Pesticides Programs. On an annual basis, EPA uses the data submitted by end users to create a nomination of critical uses which the U.S. Government submits to the Protocol's Ozone Secretariat for review by an international panel of experts and advisory bodies. These advisory bodies include the Methyl Bromide Technical Options Committee (MBTOC) and the Technical and Economic Assessment Panel (TEAP). The uses authorized internationally by the Parties to the Protocol will be made available in the U.S. on an annual basis.

2. Need For, and Use Of, the Collection

a) Authority for the Collection

This information collection is authorized under Section 604(d)(6) of the Clean Air Act Amendments of 1990, added by Section 764 of the 1999 Omnibus Consolidated and Emergency Supplemental Appropriations Act (Public Law No. 105-277; October 21, 1998).

Because this action involves the controlled use of a pesticide, EPA's Office Pesticides Programs is collaborating in the exemption application process. The regulation of pesticides is conducted under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended by the Food Quality Protection Act (FQPA).

b) Practical Utility/Users of the Data

The applications will enable EPA to:

- 1) Maintain consistency with the Protocol by supporting critical use nominations to the Parties to the Protocol, in accordance with paragraph 2 of Decision IX/6 of the Protocol;
- 2) Ensure that critical use exemptions comply with Section 604(d)(6), as added to the CAA in 1998;
- 3) Provide EPA with necessary data to evaluate the technical and economic feasibility of methyl bromide alternatives in the circumstance of the specific use, as presented in an application for a critical use exemption;

The reported data will enable EPA to:

- 1) Ensure that critical use exemptions comply with Section 604(d)(6) as added to the CAA in 1998;
- 2) Maintain compliance with the Protocol requirements for annual data submission on the production of ozone depleting substances;
- 3) Analyze technical use data to ensure that exemptions are used in accordance with requirements included in today's proposed rulemaking.

3. Nonduplication, Consultation, and Other Collection Criteria

a) Nonduplication

All the information requested from respondents under this ICR is authorized by statute (CAA Sections 114 and 604(d)(6)) and is not available from other sources because it is proprietary or sensitive information.

b) Public Notice

EPA provided public notice and comment regarding this ICR with the publication of a notice in the Federal Register (73 FR 12725, 3/10/2008). EPA received two comments generally opposed to a critical use exemption process for methyl bromide but without direct relevance to the burden imposed by the renewed information collection request. This second notice is being submitted to the Federal Register concurrent with submission of today's ICR request to the Office of Management and Budget (OMB).

c) Consultations

EPA has held consultations regarding the application, reporting, and recordkeeping requirements of the critical use exemption program in the form of stakeholder meetings since 2001. Users and producers of methyl bromide have offered their feedback on how best to create and implement the application process while receiving clarification from EPA to their questions and concerns. Users and producers have also provided feedback over that time concerning the reporting and recordkeeping requirements. EPA continues to meet with stakeholder groups at their request to discuss the methyl bromide critical use exemption process and remains open to receiving comments from stakeholders. Additionally, stakeholders utilize the opportunity for continued consultations during EPA's annual notice-and-comment rulemaking process for allocating critical use methyl bromide.

d) Effects of Less Frequent Collection

EPA's timing for information collection is motivated by the U.S. Government's requirements under the Montreal Protocol. First, the timeline for critical use applications coincides with the critical use nomination process established by the Parties to the Montreal Protocol. Any deviation from that timeline would result in a forfeiture from inclusion in the U.S. nomination package and subsequent consideration by the Parties. Second, the U.S. government is required to report data to the Ozone Secretariat on an annual basis. EPA is requesting quarterly reporting from producers and importers of methyl bromide to monitor the likelihood of compliance throughout the year. These entities typically prepare quarterly reports and prefer to report smaller data sets to EPA and not leave the entire task to the end of the year. EPA is requesting annual reporting from entities such as distributors and fumigation companies because they typically have less regulatory compliance infrastructure and/or are less familiar with Protocol reporting requirements.

e) General Guidelines

This rule does not exceed any of the OMB guidelines found at 5 CFR 1320.5(d)(2).

f) Confidentiality

EPA informs respondents that they may assert claims of business confidentiality for any of the information they submit. Information claimed confidential will be treated in accordance with the procedures for handling information claimed as confidential under 40 CFR Part 2, Subpart b, and will be disclosed only if EPA determines that the information is not entitled to confidential treatment. If no claim of confidentiality is asserted when the information is received by EPA, it may

be made available to the public without further notice to the respondents (40 CFR 2.203).

g) Sensitive Information

Individual reporting data may be claimed as sensitive and will be treated as confidential information in accordance with procedures outlined in 40 CFR Part 2.

4. The Respondents and the Information Requested

a) Respondents/SIC Codes

Respondents may include producers, importers, distributors, and custom applicators of methyl bromide, organizations, consortia, and associations of methyl bromide users, as well as individual methyl bromide users. The appropriate North American Industry Classification System (NAICS) and Standard Industrial Classification (SIC) codes for these entities are:

TABLE I: NAICS CLASSIFICATION OF REGULATED ENTITIES

Category	NAICS code	SIC code
Agricultural production	1112- Vegetable and Melon farming 1113- Fruit and Nut Tree Farming 1114- Greenhouse, Nursery, and Floriculture Production 1119- Other Crop Farming	0171- Berry Crops 0172- Grapes 0173- Tree Nuts 0175- Deciduous Tree Fruits (except apple orchards and farms) 0179- Fruit and Tree Nuts, NEC 0181- Ornamental Floriculture and Nursery Products 0831- Forest Nurseries and Gathering of Forest Products
Storage Uses	115114- Postharvest Crop activities (except Cotton Ginning) 311211- Flour Milling 311212- Rice Milling 493110- General Warehousing and Storage 493130- Farm Product Warehousing and Storage	2041- Flour and Other Grain Mill Products 2044- Rice Milling 4225- General Warehousing and Storage 4221- Farm Product Warehousing and Storage
Distributors and Applicators	115112- Soil Preparation, Planting and Cultivating	0711- Soil Preparation Services 0721- Crop Planting, Cultivation, and Protection 0723- Crop Preparation Service for Market (except Cotton Ginning)

	424910- Farm Supplies and Merchant Wholesalers	
Producers and Importers	325320- Pesticide and Other Agricultural Chemical Manufacturing	2879- Pesticides and Agricultural Chemicals, NEC

b) Information Requested

(i) Applications

The Agency intends to continue seeking the same information as in previous years and will use the current application forms. The following information encompasses any information that will be requested from those entities seeking a critical use exemption, and includes applications for both pre-plant and post-harvest sectors:

- **Identity of contact person(s).** Unless otherwise specified, the person who submits the application will be considered the contact person for all matters relating to the critical use exemption. Requests must identify by name and telephone number one or more qualified experts who may be contacted in case any questions arise concerning the application.
- **Description of the proposed use.** The applications shall provide information on the proposed use (crop/pest combination), the amount of methyl bromide to be used, the location of use, the method of application and any other use information requested by the Administrator.
- **Description of past use.** The applications shall provide information on past use (crop/pest combination), acreage, the amount of methyl bromide used, the method of application and other historical use data requested by the Administrator.
- **Consideration of alternatives (Technical).** The applicant must demonstrate what steps have been, and will be, taken to find and implement alternatives. The applicant must also provide an explanation of, and data relating to, the technical feasibility of currently available alternatives for their proposed use and any other information required by the Administrator to determine whether technically feasible alternatives are available for the proposed use.
- **Consideration of alternatives (Economic).** To determine whether an applicant's proposed use has economically feasible alternatives, EPA will request information on historical revenue and available economic measures, such as operating costs.
- **Additional information.** Additional information required of applicants may include, but is not limited to, agricultural statistics, fumigation conditions and timeline, research proposals and funding levels, and transition plans.

(ii) Reporting

EPA is requesting that entities provide the following information to the Agency:

Producers and importers

- Quarterly: the quantity of methyl bromide produced or imported under the exemptions for Quarantine and Preshipment (QPS), critical uses, emergency uses, lab uses, and export to Article 5 countries, Quarterly: the quantity of methyl bromide produced or imported for uses resulting in its transformation and/or destruction;
- Quarterly: number and type of expended and unexpended critical use allowances (CUAs), critical stock allowances (CSAs), and Article 5 allowances;

- Annually: the total amount and type of methyl bromide sold directly to critical uses (in kilograms);
- Annually: the total amount and type of critical use methyl bromide held in inventory for themselves or on behalf of a third party (in kilograms);
- Annually: the total amount of methyl bromide that was produced/imported prior to January 1, 2005, that is held in inventory for themselves or on behalf of a third party (in kilograms);
- Periodically, (likely less than annually): information that the Administrator may reasonably require in carrying out the critical use exemption program under Section 604(d)(6) of the Clean Air Act including management and composition of pre-phaseout inventory, price of methyl bromide and its alternatives, and fumigant emissions reductions practices. EPA may also use the information gathering authority under Section 114 of the Clean Air Act to ensure compliance with existing regulations under the critical use exemption program.

Exporters

- Quarterly: names and addresses of the exporter and the recipient of the exports, and the exporter's Employer Identification Number;
- Quarterly: the quantity of methyl bromide exported under each exemption, what percentage, if any, of the controlled substance is used, recycled or reclaimed; the date on which, and the port from which, the controlled substances were exported from the United States or its territories; and the country to which the controlled substances were exported.

Distributors

- Annually: the total amount and type of methyl bromide bought (in kilograms);
- Annually: the total amount and type of methyl bromide sold directly to critical uses (in kilograms);
- Annually: the total amount and type of critical use methyl bromide held in inventory for themselves or on behalf of a third party (in kilograms);
- Annually: the total amount of methyl bromide that was produced/imported prior to January 1, 2005, that is held in inventory for themselves or on behalf of a third party (in kilograms);
- Periodically, (likely less than annually): information that the Administrator may reasonably require in carrying out the critical use exemption program under Section 604(d)(6) of the Clean Air Act including management and composition of pre-phaseout inventory, price of methyl bromide and its alternatives, and fumigant emissions reductions practices. EPA may also use the information gathering authority under Section 114 of the Clean Air Act to ensure compliance with existing regulations under the critical use exemption program.

Applicators

- Annually: the total amount and type of methyl bromide bought (in kilograms);
- Annually: the total amount and type of methyl bromide sold directly to critical uses (in kilograms);
- Annually: the total amount and type of critical use methyl bromide held in inventory for themselves or on behalf of a third party (in kilograms);
- Annually: the total amount of methyl bromide that was produced/imported prior to January 1, 2005, that is held in inventory for themselves or on behalf of a third party (in kilograms);
- Periodically, (likely less than annually): information that the Administrator may reasonably

require in carrying out the critical use exemption program under Section 604(d)(6) of the Clean Air Act including management and composition of pre-phaseout inventory, price of methyl bromide and its alternatives, and fumigant emissions reductions practices. EPA may also use the information gathering authority under Section 114 of the Clean Air Act to ensure compliance with existing regulations under the critical use exemption program.

(iii) Recordkeeping

Producers, importers, and exporters

- Self certification form for each sale that indicates the buyer will only sell/use the methyl bromide for approved critical uses;
- Order forms and invoices for methyl bromide;
- Records to be kept for 3 years.

Distributors

- Self certification form for each sale that indicates the buyer will only sell/use the methyl bromide for approved critical uses;
- Order forms and invoices for methyl bromide;
- Records to be kept for 3 years.

Applicators

- Self certification form for each sale that indicates the end user will only use/sell the methyl bromide for approved critical uses;
- Order forms and invoices for methyl bromide;
- Records to be kept for 3 years.

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

a) Agency Activities

(i) Applications

Submitted critical use exemption applications are received by the Stratospheric Program Implementation Branch (SPIB), of the Stratospheric Protection Division (SPD) of the Office of Atmospheric Programs (OAP). The Biological and Economic Assessment Division (BEAD) of the Office of Pesticide Programs (OPP) then conducts a technical review of the applications. Both a biologist and an economist review each application, and the applications are grouped according to agricultural sector. Specifically, the review determines whether or not there is sufficient information to support the contention that “no technically or economically feasible alternatives exist” for the specified methyl bromide use. The review also determines if a lack of methyl bromide availability would cause a significant market disruption. These requirements for critical use exemptions were agreed to by the Parties to the Protocol at their Seventh Meeting, and are delineated in Decision IX/6, as well as Section 604(d) of the Clean Air Act (CAA). This review may require additional consultation with the applicants if further clarification is needed.

EPA, in consultation with the U.S. Department of Agriculture and the Department of State, compiles a nomination package containing all uses to be nominated by the U.S. as “critical.” This package is submitted to the Ozone Secretariat of the Protocol, reviewed by MBTOC and TEAP, and later authorized by the Parties at their annual meeting.

In order to complete the application process, EPA must:

- Publish a Federal Register notice announcing the availability of applications
- Collect, compile, and analyze submitted applications
- Check for any duplication and organize applications into sectors
- Review applications for completeness and inform applicants if application is not complete
- Review applications for critical need for methyl bromide (e.g., data supporting a finding that there is no technically or economically feasible alternative)
- Transpose data from the applications into the required nomination format (as consistent with the MBTOC Handbook)
- Compile applications into U.S. nomination package for submission to the Ozone Secretariat

(ii) Reported Data

- All reported data will be reviewed by EPA.
- EPA will ensure that compliance has been maintained with U.S. production and consumption levels of exempted material at the national and sector levels.
- EPA will report annually to the Ozone Secretariat, through the U.S. Department of State, on U.S. compliance with allowable production and consumption levels.
- EPA will adjust future amounts of exempted materials requested based on actual use data and levels of material in inventory.
- The data will then be stored.

b) Collection and Methodology and Management

(i) Applications

When applications for methyl bromide critical uses are received by EPA, they will be assigned a CUE number and tracked accordingly in a spreadsheet as active submissions through the process, after which applications will become historical files.

(ii) Reported Data

Data will be tracked by industry and will be provided to EPA on a quarterly and/or annual basis on forms to be provided by the Agency on EPA’s website (www.epa.gov/ozone/record/mbr.html). EPA will use our electronic tracking system to update company specific and overall U.S. compliance with production, consumption, and use. Confidential business information will be stored in appropriately controlled areas.

c) Small Entity Flexibility

This information collection is authorized by statute under Section 604 of the Clean Air Act and is required in order to ensure U.S. compliance with international treaty obligations under the Montreal Protocol.

EPA believes the application information collection provides meaningful relief for those users of methyl bromide who do not have technically or economically feasible alternatives. Applying for the exemption is voluntary and only those entities that believe they have no technically or economically feasible alternative will submit an application. While the exemption itself will relieve burden on affected entities, the burden on all affected entities associated with applying for the exemption, and especially the burden on small entities, has been reduced to every extent possible. To reduce the burden on small businesses, EPA encourages small businesses to participate in and/or form representative organizations that will serve to aid in gathering information and completion of applications.

Bearing in mind U.S. obligations under the Protocol, EPA designed a reporting and recordkeeping system that would remove almost all burden from the end users of methyl bromide, some of whom are small entities. This program seeks to place the burden instead on chemical manufacturers, distributors and applicators, who are not small entities. EPA created a system that requires end users to sign a short form (1-2 pages in length) certifying that they are buying the exempted material for an allowable use and will use it accordingly. The form would be kept by the supplier, not the end user. Participation in this exemption program is voluntary and constitutes a benefit.

d) Collection Schedule

(i) Applications

EPA publishes an application request in the Federal Register annually (in April) announcing the availability of the pre-plant and post-harvest applications. Entities have between 60 and 90 days from the date of publication of the Federal Register notice to submit an application. Applications for exemptions are requested with three years of anticipation due to the international process and EPA's notice-and-comment rulemaking procedures. For example, the first time EPA requested applications, in May 2002, the exemptions were requested for the use of methyl bromide during the 2005 calendar year. The applications requested in May 2003 were for the 2006 calendar year, etc. Once applications are submitted to EPA, the following schedule takes place:

- August, Year 1: Applications due
- September-December, Year 1: Review of applications and development of U.S. nomination package
- January, Year 2: Inter-Agency review of nomination package
- January 31, Year 2: U.S. nomination submitted to Ozone Secretariat
- February-June, Year 2: Advisory body (MBTOC/TEAP) review
- November-December, Year 2: Parties authorize critical uses

- January-December, Year 3: EPA publishes critical use exemption amounts in notice-and-comment rulemaking

Subsequent collection schedules depend on the timetables established by the Parties. In some instances additional (“Extraordinary”) meetings have been required, delaying the schedule.

(ii) Reported Data

The information is to be submitted on an annual or quarterly basis (see section 5 a) to EPA beginning in the last quarter of 2008 and continuing for the life of the exemption.

6) Estimating the Burden and Cost of Collection

a) Estimating the Burden

The basis of the burden analysis is EPA’s experience with implementing the critical use exemption program since 2002 and EPA’s previous ICR analyses for the CUE program. EPA expects the burden estimate to be conservatively high as the Agency believes that the respondents are familiar with EPA’s regulations and likely have an established system for complying with those requirements.

The burden analyzed is that associated with the application, reporting, and recordkeeping requirements of the program. As in the previous ICR, EPA identified the steps involved in applying for and complying with the requirements of the CUE program. This includes identifying the principal information needed to support U.S. nominations to Parties to the Protocol. The burden has been estimated by identifying the number of times the step will be undertaken and the number of hours required to complete each step.

b) Estimating the Respondent Cost

i) Applications

To determine the respondent cost, EPA used an hourly industry wage rate of \$100.86 per hour, including benefits and overhead. This is the estimated hourly wage rate for management within the Pesticide, Fertilizer, & Other Agricultural Chemical Manufacturing sector (325300 Series NAICS code). This rate was developed by the Office of Pesticides Programs within EPA and is based on the National Industry-Specific Occupational Employment and Wage Estimates from the Bureau of Labor Statistics (BLS) at http://www.bls.gov/oes/current/oes_nat.htm. EPA anticipates this rate to overestimate the burden on the whole universe of respondents, as the wage rates are lower for growers, applicators, and other respondents within the Critical Use Exemption program.

Burden hours needed to complete each application that is forwarded to EPA is estimated to be 39, with approximately 75 total applications expected. Over the last four years, EPA has received on average 65 applications each year, but it is possible that more users may apply for exemptions as the stockpile of methyl bromide is depleted. Therefore, EPA uses a total of 75 responses as the estimate. The burden hours have decreased from previous ICRs as 1) the prior ICR estimated 100 respondents, 2) the stakeholders are more familiar with the CUE program, and 3)

stakeholders have already organized associations to apply on behalf of multiple growers. EPA believes that the number of hours may be an overestimate as there have been minimal formatting /data changes to the application form, encouragement of electronic submissions, reduced requirements for repeat applicants, frequent communication with stakeholders, and six years of implementation.

ii) Reported Data

To determine respondent costs for recordkeeping and reporting, EPA used an hourly industry wage rate of \$100.86 per hour as described above. Some activities, such as rule familiarization, are one time activities therefore total respondent burden hours indicated in Table II (below) may be overestimated. This ICR doubles the number of expected respondents compiling and reporting data on an annual basis. These are distributors and third party applicators of critical use methyl bromide. EPA has reason to believe this universe is larger than was originally estimated through conversations with stakeholders and recent information gathering efforts conducted by the Agency under Section 114 of the Clean Air Act. Unlike previous ICRs, the table below also explicitly breaks out the expected burden from responding to such periodic information gathering efforts.

TABLE II- RESPONDENT BURDEN HOURS PER YEAR

Collection Activity	No. of Respondents	Total No. of Responses	Hours per Response	Total Hours
i) Applications				
Read CAA Request for applications	75	75	1	75
Process, compile, and review the requested data for accuracy and appropriateness	75	75	30	2250
Generate application correspondence (and any follow-up information requested)	75	75	7	525
Store, file, or maintain the information	75	75	1	75
Total burden for applications	75	75	39	2,925
ii) Recordkeeping and Reporting				
Rule Familiarization	100	100	2	200
Data Compilation (quarterly basis)	4	16	4	64
Data Compilation (annual basis)	100	100	8.5	850
Data Reporting (quarterly basis)	4	16	0.5	8
Data Reporting (annual basis)	100	100	1	100
Reporting on Allowance Trading Activities	4	16	0.5	8
Self Certification Activities by Producers, Importers, and Distributors	100	150	0.25	37.5
Self Certification Activities by End Users	2,000	2,500	0.25	625
Responding to periodic questions regarding CUE program and fumigation industry	100	100	1	100
Total Burden for reporting and recordkeeping	2,104	3098	18	1,992.5
COMBINED TOTAL BURDEN HOURS	2179	3173	57	4,917.5

There are no capital and operating costs associated this action.

TABLE III- CAPITAL AND OPERATING COSTS

Activity	No of Entities Affected	Estimated Annual Cost per entity	Total Estimated Annual Cost
TOTAL CAPITAL AND OPERATING COSTS	0	0	0

c) Estimating Agency Burden and Cost

The estimated cost to the Federal Government of the critical use exemption process consists of two components. The first is that number of hours and costs incurred by the Agency to review each application. The second is the number of hours and costs incurred by the Agency in reviewing reporting data, preparing nominations, submitting data to the Ozone Secretariat on U.S. compliance, distributing critical use allowances, and developing guidance for regulated entities.

The number of applications submitted each year has been approximately 65. While EPA estimates the end user universe to be around 2000, EPA has found that the majority of users have applied through their consortia, and that these consortia represent many growers. As mentioned above, EPA is using an estimate of 75 respondents in case the number of applicants increase as the stockpile of methyl bromide is depleted.

The calculations below are based on combined OAR/OPP experience implementing the CUE program over the past six years. The Agency burden in reviewing the applications has decreased from those in ICR 2060-0482 as the Agency has developed a regular system over the course of implementing the CUE program over the last six years. In addition, the number of sectors applying to the program has decreased. The values in this renewal for recordkeeping and reporting are also less than the sum of the burdens listed in ICR 2060-0564. Some steps analyzed in prior ICRs, such as writing the reporting forms and determining the historic baseline, have already been completed are unnecessary for this renewal. Other steps that the Agency has taken, such as period requests for information, has been explicitly broken out based off the Agency’s experience.

The hourly wage rates for EPA clerical, technical and managerial staff were derived from the 2008 OPM annual base pay table divided by 2,080 to estimate the hourly wage and then multiplied by 1.6, the standard government benefits multiplier. The hourly wage rates are as follows: EPA estimates an average hourly labor cost of \$73.38 (GS-15 level) for managerial costs, \$52.79 (GS-13 level) for technical staff, and \$20.20 (GS-5 level) for clerical staff based on 2008 figures. While the number of occurrences of each activity is shown per application, EPA intends to continue grouping applications according to agricultural sectors. Each hour of extramural (contractor) time is valued at \$85.00 per hour including overhead and fringe.

TABLE IV- AGENCY BURDEN HOURS

	No. of Responses	Managerial hours per response	Technical hours per response	Clerical hours per response	Extramural hours per response

i) Applications					
Read and review the applications for completeness; make appropriate amount of electronic/paper copies	75	0	2	2	2
Group applications	75	0	1	0	0
Route application to appropriate scientists/economists for review	75	0	1	0	0
Review information submitted for accuracy	75	0	10	0	0
Perform economic and technical analysis and compile nomination on proposed exemption to the Ozone Secretariat	75	5	40	45	0
Respond to questions on Nomination from MBTOC/TEAP (advisory bodies to Parties to Protocol)	100	2	10	0	0
Final decision on proposed exemptions (sectors)	15	30	15	0	0
Store, file, and maintain applications	75	0	1	1	1
TOTAL per response (applications)		37	80	48	3
TOTAL per year (applications)		1,025	5,350	3,600	225
i) Reporting and Recordkeeping					
Process annual reports	50	0.5	1.5	0	1
Process quarterly reports	16	0.5	1.5	0	1
Distribute allowances annually	4	1	5	0	4
Report to the Ozone Secretariat	1	0	10	0	10
Provide Guidance	30	0	1	0	0
Seek information on CUE program and fumigation industry	100	0.25	0.25	0	0
TOTAL per response (recordkeeping and reporting)		2.25	19.25	0	16
Write/revise reporting forms (one time only)	1	10	10	0	100
TOTAL per year (recordkeeping and reporting)		72	194	0	192
TOTAL FOR ALL AGENCY ACTION PER YEAR		1,097	5,544	3,600	417

d) Estimating the Respondent Universe

EPA's estimate of the number of regulated entities is based upon the Agency's experience regulating those entities under the CUE program for the last six years. This program does not directly regulate end users of methyl bromide, but the Agency is able to make an estimation based on self reported data from entities who requested an exemption.

As mentioned above, the number of applications submitted each year has been approximately 65. EPA is using a conservative estimate of 75 respondents, however, in case the number of applicants increase as the stockpile of methyl bromide is depleted. This is smaller than the estimated end user universe of 2000 as the majority of end users apply through their consortia, not individually. EPA continues to encourage users with similar circumstances to utilize grower and

user organizations to aid in completion of the application, thereby reducing both the burden on applicants (particularly small businesses) and the Agency. The registration of additional alternatives (since 2002) in the U.S. may also result in fewer applications received.

There are 4 producers and importers of methyl bromide who report quarterly and up to 100 distributors/ applicators of methyl bromide who may report annually. Thus the total number of respondents is estimated to be 2,179 (2,000 end users, 75 applicants, 100 distributors/applicators, and 4 producers/importers).

e) Bottom Line Burden Hours and Cost Tables

i) The burden hour portion of the respondent application, reporting, and recordkeeping burden and operating/capital costs are estimated in Tables II and III respectively. The dollar estimate associated with this burden is displayed in Table V below. The total annual labor cost burden is \$993,622.

TABLE V- RESPONDENT BURDEN HOURS AND COSTS

Response	No of Responses	Hours per response	Cost/Hour	Total Cost
Application	75	39	\$100.86	\$295,016
Recordkeeping and Reporting	348	18	\$100.86	\$631,787
Self certification: producers, importers, distributors, end users	2,650	0.25	\$100.86	\$66,820
Total				\$993,622

ii) Agency burden is reported in Table IV. This includes technical review of each application as well as distributing critical use allowances, reviewing reporting data, submitting data to the Ozone Secretariat on U.S. compliance, preparing nominations, and developing guidance for regulated entities. The total annual labor cost burden below in Table VI is \$8,162.86 per application and \$2,541.31 per recordkeeping and reporting response. Total annual cost to the Agency is \$481,330.62.

TABLE VI- ANNUAL AGENCY BURDEN HOURS AND COSTS

	Managerial Hours Annual Total	Technical Hours Annual Total	Clerical Hours Annual Total	Extramural Hours Annual Total	Total Agency Hours per Response	Total Agency Costs per response
	\$73.38	\$52.79	\$20.20	\$85.00		
Part I. Hours per response						
-Application	37	80	48	3	168	\$8,162.86
-Recordkeeping and reporting	2.25	19.25	0	16	37.50	\$2,541.31
Part II. Hours per year						
-Application	1,025	5,350	3,600	225	10,200	
-Recordkeeping and reporting	72	194	0	192	458.00	

-Write/revise reporting forms	10	10	0	100	120.00
TOTAL HOURS	1,097	5,544	3,600	417	10,658
TOTAL COSTS	\$80,497.86	\$292,667.76	\$72,720.00	\$35,445.00	\$481,330.62

f) Reasons for Change in Burden

There is a decrease of 82 hours in the total estimated respondent burden compared with the burden currently approved by OMB. This estimate for total burden hours includes updated burden estimates from this ICR as well as ICR 2060-0564, which is being transferred into this ICR.

The reason for the decrease in burden hours is that the Agency has six years of experience managing the critical use exemption program which has led to efficiency and greater accuracy in estimating future burden. Over the last four years, EPA has received on average 65 applications each year, rather than the 100 estimated in the previous ICR. EPA continues to encourage users with similar circumstances to utilize grower and user organizations to aid in completion of the application, thereby reducing both the burden on applicants (particularly small businesses) and the Agency. The registration of additional alternatives since 2002 in the U.S. may also result in fewer applications received. Furthermore, stakeholders are more familiar with the critical use exemption program and have already organized associations to apply on behalf of multiple growers. Other reasons for burden reduction include the encouragement of electronic submission of applications and other data and very frequent EPA communication with methyl bromide stakeholders.

g) Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 2 hours per response. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations are listed in 40 CFR Part 9 and 48 CFR Chapter 15.

To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID No. EPA-HQ-OAR-2008-0153, which is available for public viewing at the Air and Radiation 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 Air and

Radiation Docket and Information Center is (202) 566-1742. An electronic version of the public docket is available at www.regulations.gov. This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. When in the system, select “search,” then key in the Docket ID Number identified above. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, DC 20503, Attention: Desk Office for EPA. Please include the EPA Docket ID No. EPA-HQ-OAR-2008-0153 and OMB control number 2060-0482 in any correspondence.

Part B of the Supporting Statement

This Section is not applicable.