

SUPPORTING STATEMENT  
EPA ICR No. 2352.01  
OMB CONTROL NUMBER 2060-NEW

NATIONAL EMISSION STANDARDS FOR HAZARDOUS AIR POLLUTANTS (NESHAP)  
FOR ASPHALT PROCESSING AND ASPHALT ROOFING MANUFACTURING  
(40 CFR 63, SUBPART AAAAAA)(Proposed Rule)

U.S. Environmental Protection Agency  
Office of Air Quality Planning and Standards  
Research Triangle Park, NC 27711

**1. IDENTIFICATION OF THE INFORMATION COLLECTION**

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

" National Emission Standards for Hazardous Air Pollutants (NESHAP)for Asphalt Processing and Asphalt Roofing Manufacturing (40 CFR 63, SUBPART AAAAAAA)"

**(b) Characterization/Abstract.**

This supporting statement was prepared for a U.S. Environmental Protection Agency (EPA) rulemaking developed under authority of section 112 of the Clean Air Act (CAA). The proposed rule amends title 40, chapter I, part 63 of the Code of Federal Regulations (CFR), adding subpart AAAAAAA - NESHAP for Area Sources: Asphalt Processing and Asphalt Roofing Manufacturing. (Hereinafter, this subpart is referred to as the NESHAP.) The NESHAP includes emission standards and monitoring, reporting, and recordkeeping requirements for area sources of hazardous air pollutants (HAP).

This ICR presents the burden to respondents, owners or operators of affected sources, and the implementing agency. The asphalt processing and asphalt roofing manufacturing source categories consist of an estimated 75 existing facilities nationwide that are area sources. All existing area source facilities must be in compliance with the requirements of the NESHAP within one year after the effective date (promulgation date) of the standard. All new or reconstructed affected sources must be in compliance with the requirements of the NESHAP on the date of startup or the effective date, whichever is later.

The tables in Attachments A and B contain the respondent and agency burden estimates, respectively. For this ICR, the burden

estimates were prepared for monitoring activities that will be conducted over the 3-year period following promulgation of the NESHAP. This ICR is based upon the 75 existing facilities that we anticipate will conduct the required testing, monitoring, recordkeeping, and reporting activities. We do not anticipate any new or reconstructed facilities in the 3-year period. The total cost for complying with those activities for the 3-year period covered by the ICR is estimated to be \$672,254 for all of the affected sources. Of the total estimated cost, \$549,773 is labor dollars and \$122,481 is operation and maintenance. See section 6 for more details on the testing, monitoring, recordkeeping, and reporting cost estimates.

## **2. AUTHORITY/NEED FOR AND USE OF THE COLLECTION**

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

Section 112 of the Clean Air Act (CAA) directs EPA to develop regulations for HAP emissions from stationary sources. The asphalt processing and asphalt roofing manufacturing source categories contain area sources of HAP emissions and are included on our list of categories scheduled for regulation. Polycyclic aromatic hydrocarbons (PAHs) are identified as being emitted from the source category.

Section 114 of the CAA gives us authority to collect data and information necessary to enforce standards established under section 112 of the CAA. Certain records and reports are necessary to enable the Administrator to: (1) identify existing and new sources subject to the NESHAP; and (2) ensure that the requirements specified for an affected source subject to the NESHAP, which are based on the generally available control technology (GACT), are being achieved.

**(b) Practical Utility/Users of the Data.**

The information obtained under the testing, monitoring, recordkeeping, and reporting will be used by our enforcement personnel to: (1) identify existing and new HAP emission points subject to the NESHAP; (2) ensure that GACT is being properly applied; and (3) ensure that add-on control devices are being properly operated and maintained on a continuous basis to reduce HAP emissions from blowing stills, saturators, wet loopers, coating mixers, and coaters.

Records and reports are necessary to enable us to identify facilities subject to the NESHAP that may not be in compliance. Based on reported information, we can decide whether to inspect a facility and which records or processes to inspect. The records that facilities maintain must indicate to us whether facility personnel are operating and maintaining add-on control devices properly.

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

**(a) Nonduplication.**

This ICR contains recordkeeping requirements for the NESHAP. In most cases, enforcement of the NESHAP standards in subpart 40 CFR part 63 has been delegated to State air pollution control agencies. In such cases, the reports required by the NESHAP will be submitted to the appropriate State agency, and not directly to EPA. Thus, there is a minimal possibility for the submittal of duplicate information to State agencies and EPA.

We anticipate that many of the facilities that will be subject to the NESHAP are also regulated under the Asphalt NSPS (40 CFR part 60, subpart UU). The proposed testing, monitoring, recordkeeping, and reporting requirements of the NESHAP follow a

similar format as the NSPS which is intended to reduce the respondent burden.

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

A public notice of this collection will be provided in the notice of proposed rulemaking for the NESHAP.

**(c) Consultations.**

The EPA involved facilities that manufacture asphalt roofing products and process asphalt and their trade association, the Asphalt Roofing Manufacturers Association (ARMA), in the development of the NESHAP and the associated recordkeeping and reporting requirements. These groups have been fully involved in this rulemaking effort. The EPA has considered their comments and concerns in developing the regulation.

**(d) Effects of Less Frequent Collection.**

If owners and operators of affected sources were allowed to submit compliance demonstrations of relevant information less frequently, we would not be reasonably assured that a source is in compliance with the NESHAP. In addition, our authority to take administrative action would be significantly reduced. The information demonstrating compliance is collected on the least frequent interval that will allow us to ensure compliance with the rule.

**(e) General Guidelines.**

The NESHAP will require owners or operators of an affected source to retain records for five years, which exceeds the three-year retention period contained in the guidelines in 5 CFR 1320.6. The five-year retention period is consistent with the subpart A General Provisions of 40 CFR part 63 and the retention requirement in the operating permit program under Title V of the CAA. All subsequent general guidelines have been followed and do not violate any of the Paperwork Reduction Act guidelines contained in 5 CFR 1320.6.

**(f) Confidentiality and Sensitive Questions.**

(i) Confidentiality. All information submitted to EPA for which a claim of confidentiality is made will be safeguarded according to EPA 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 28, 1978; 43 FR 42251, September 28, 1978; 44 FR 17674, March 23, 1979).

(ii) Sensitive Questions.

Information that will be reported consists of emissions data, operating parameters, and other information that are not expected to be of a sensitive nature. Therefore, this section is not applicable.

#### **4. THE RESPONDENTS AND THE INFORMATION REQUESTED**

##### **(a) Respondents/NAICS Codes.**

Respondents are owners or operators of all existing and new HAP-emitting area affected sources in the asphalt processing and asphalt roofing manufacturing source categories. The source categories and affected sources regulated with the promulgation of the NESHAP are classified under the following North American Industrial Classification System (NAICS) codes: 324122 - "Asphalt Shingle and Coating Materials Manufacturing," and 32411 - "Petroleum Refineries."

##### **(b) Information Requested.**

The standards are based upon the use of process modifications or add-on control devices to reduce HAP emissions. Facilities will monitor and record operating parameters of the process or add-on control devices to demonstrate continuous compliance with emission limitations. The burden estimates presented in this ICR assume the use of process modifications or add-on control devices to comply with the standards, and using performance tests, operating parameter monitoring, and recordkeeping to demonstrate continuous compliance.

(i) Data items. Respondents will be required to submit one-time reports for: (1) initial notification that existing facilities are subject to the standard; (2) notification of intent to construct or reconstruct new facilities; (3) notification of commencement of construction or reconstruction of new facilities; (4) notification of anticipated and actual startup dates for newly constructed or reconstructed facilities; (5) request for compliance extension for existing and new facilities; (6) notification of initial performance tests for existing and new facilities; and (7) notification of compliance status for existing and new facilities.

Affected sources subject to the NESHAP will be required to submit semiannual compliance reports. These reports demonstrate compliance with the published emission standards. Each compliance report will have to be signed by a responsible company official who certifies its accuracy and certifies that the affected source has complied with the relevant standards. Performance test results will be included as part of the initial compliance report. Section 5(d) discusses the collection schedule for notifications and reports.

Affected sources subject to the NESHAP will be required to maintain records of the following: (1) a copy of each notification and report submitted, and documentation supporting each notification and report submitted; (2) records of performance tests and performance evaluations; (3) records of continuous parameter monitoring; and (4) records of calibration and maintenance to continuous parameter monitoring equipment.

The NESHAP will require owners or operators of an affected source to retain records for five years. Records must be maintained on-site for at least two years after the date they are created. Records may be kept off-site for the remaining three years but must be made readily available upon request.



(ii) Respondent activities. The specific activities that we assumed will be performed by respondents to meet the requirements of the NESHAP in the first three years after promulgation are presented in Tables 1 through 3 of Attachment A. We estimate that the respondents will consist of 75 existing area source facilities.

In the first year of this ICR, we have assumed that all 75 existing facilities will read the regulation and submit an initial notification indicating they are subject to the emission standard. Additionally, we assumed that all 75 existing facilities will perform the following one-time activities: (1) submit notification of initial performance tests; (2) conduct and record initial performance tests; (3) submit notification of compliance status and results of performance tests; (5) plan recordkeeping activities; and (6) train personnel. We assumed half of the existing facilities will conduct initial performance tests to demonstrate compliance with the emission limits. We assumed that the remaining facilities will use existing performance tests to demonstrate compliance. We have assumed that the following on-going reporting and recordkeeping activities will occur each year following startup of each new facility: (1) recording continuous operating parameters and malfunctions; (2) calibrating and maintaining continuous parameter monitoring systems; (3) storing, filing, and maintaining records; and (4) gathering information for and submitting semiannual compliance reports.

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

**(a) Agency Activities.**

A list of our activities and assumptions for the first three years after promulgation of the NESHAP is provided in Tables 1 through 3 Attachment B.

**(b) Collection Methodology and Management.**

Information contained in the one-time-only reports will be entered into the Aerometric Information Retrieval System (AIRS) Facility Subsystem (AFS) that is maintained and operated by our Office of Air Quality Planning and Standards (OAQPS).

Information contained in the semiannual compliance reports submitted to us will be reviewed for accuracy and completeness. Data from records maintained by the respondents and obtained during periodic visits by our personnel will be tabulated and published for internal use in compliance and enforcement programs.

**(c) Small Entity Flexibility.**

Minimizing the information collection burden for all sizes of organizations is a continuing effort on our part. We have reduced the recordkeeping and reporting requirements to include only the information needed by us to determine compliance with the NESHAP.

A small entity is defined, according to the Small Business Administration (SBA) size standards and NAICS code, as one with 750 or fewer employees. Approximately 47 percent of the area source facilities that would be covered by the proposed standards are considered to be small businesses. Due to the high percentage of companies that are small businesses, it is likely

that some small businesses will be affected by this NESHAP. However, we have determined that the proposed NESHAP will not have a significant impact on small businesses. It is estimated that no companies will incur compliance costs, which include the cost of control devices as well as MIRR costs, in excess of 1 percent of sales. Additionally, we have limited the testing, monitoring, recordkeeping, and reporting requirements for all facilities, including those owned by small businesses, to the minimum necessary to ensure compliance.

**(d) Collection Schedule.**

The NESHAP has an anticipated promulgation date on or about June 15, 2009. Collection of data will begin after promulgation of the standards. The schedule for reports that will be required by the NESHAP is summarized below.

All area source facilities must submit an initial notification that they are subject to NESHAP. As specified in Section 63.9(b)(2), existing affected sources and new affected sources with startup dates before promulgation will submit an initial notification no later than 120 days after promulgation. For new or reconstructed affected sources with startup dates on or after promulgation, an initial notification will likely be submitted in conjunction with the notification of intent to construct or reconstruct.

Asphalt processing and roofing manufacturing facilities will submit a notification of intent to conduct an initial performance test at least 60 days before the performance test is scheduled to begin, as required in Section 63.7(b)(1). A notification of compliance status, including the initial performance test results, would be due before the close of business on the 60<sup>th</sup> day following the completion of the performance test, according to Section 63.10(d)(2). Existing sources will submit

notifications of performance tests and notifications of compliance status during the first year covered by this ICR. No new sources are expected to be constructed during the first three years after promulgation.

For all area sources, the first compliance report submitted will cover the period beginning on the specified compliance date and ending on June 30 or December 31, whichever date is the first date following the end of the first calendar half after the specified compliance date. This initial compliance report must be postmarked or delivered no later than July 31 or January 31, whichever date follows the end of the first calendar half after the specified compliance date. Compliance reports subsequent to the initial compliance report will be submitted semiannually on the same schedule as the initial compliance report and cover the reporting period from January 1 through June 30 or July 1 through December 31.

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

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

Tables 1 through 3 of Attachment A presents the recordkeeping and reporting costs incurred by the 75 existing asphalt processing and roofing manufacturing facilities during the first three years following promulgation of the NESHAP. No new facilities are anticipated during this 3-year period because of the current housing and economic downturn.

Based upon our analysis of information obtained from the industry, we believe that all facilities can comply with NESHAP emission limits using existing control devices or process modifications. In most cases, the systems currently installed on process equipment and existing control devices to monitor their operation can also be used to demonstrate ongoing compliance with the NESHAP emission limits. However, we have assumed that 50 percent of the existing facilities will need to install an additional system to monitor and record the pressure drop across the control device filter media.

**(b) Estimating Respondent Costs.**

**(i) Estimating labor costs.**

The respondent labor costs are based upon hourly labor rates obtained from the U.S. Department of Labor, Bureau of Labor Statistics (May 2007 National Industry-Specific Occupational Employment and Wage Estimates; NAICS 324100 - Petroleum and Coal Products Manufacturing; [http://www.bls.gov/oes/current/naics4\\_324100.htm#b51-0000](http://www.bls.gov/oes/current/naics4_324100.htm#b51-0000)). The labor costs were adjusted using the most recent employee cost index available for manufacturing, from Bureau of Labor Statistics (<http://stats.bls.gov/news.release/eci.t06.htm>). The adjusted the cost of technical labor for asphalt processing and roofing manufacturing to be \$43.96 per hour, the cost of managerial labor to be \$65.58 per hour, and the cost of clerical labor to be \$35.82 per hour. Managerial and clerical labor hours were calculated as 5 and 10 percent, respectively, of technical hours.

The total annual estimates of technical labor hours per activity and the number of activities per facility listed in Table 4 of Attachment A are based upon experience with information collection requirements of similar standards.

(ii) Estimating capital/start-up costs.

The capital costs associated with the NESHAP are for pressure drop monitoring systems. These costs were estimated based on equipment vendor costs annualized over a 10-year period using an interest rate of 7 percent to obtain a capital recovery cost of 0.1424. The total annualized capital cost for respondents over the 3-year period is \$5,400.

(iii) Estimating operating and maintenance (O&M) costs.

The annual O&M costs include the cost for conducting initial performance tests and the cost of photocopying and mailing reports. The one-time cost for an emissions testing contractor was estimated using information provided by a local testing contractor. The estimated contractor cost for initial performance tests of a PM control device, using EPA Method 5A, is \$6,000. The contractor cost for performance testing for the years covered by this ICR is estimated to be \$112,500.

Photocopying and postage costs are incurred when reports required by the NESHAP are submitted to regulatory agencies. These costs were estimated to be \$7.50 per report (\$0.10/page, 15 pages/report, and \$0.50 postage/report). The annual average cost of photocopying and postage for the year covered by this ICR is estimated to be \$2,531.

**(c) Estimating the EPA's Burden and Cost.**

The costs that the Federal government will incur over the 3-year period following promulgation are: (1) labor costs to review the NESHAP requirements, observing initial performance tests, and analyzing reported information from respondents; and (2) O&M costs for travel expenses for observing initial performance tests. Ten EPA Regional offices that oversee the 75 existing area source facilities will be required to read and understand the rule requirements. Several notifications and

reports will be reviewed by EPA technical personnel, including performance test reports, one-time-only notifications, and semi-annual compliance reports for new sources. We assumed that within the first year after promulgation, an EPA employee will attend the initial performance test for one facility. The O&M travel expenses for each performance test include meals for one day and round trip airfare.

The estimates of EPA's technical labor hours per activity and the number of activities per year listed in Tables 1 through 3 Attachment B are based upon experience with information collection requirements for similar standards. Activities that are one-time-only are identified as such in the table footnotes.

Labor rates for Federal government employees are based on the 2009 General Schedule (GS) hourly base salary data (by grade and step) from the U.S. Office of Personnel Management Internet web site:

(<http://www.opm.gov/oca/01tables/gshrly/html/01gshr.htm>). The average hourly labor cost of \$51.60 for technical staff (GS-12, Step 5), \$85.28 for managerial staff (GS-15, Step 5), and \$29.09 for clerical staff (GS-7, Step 5). All labor costs are in January 2009 dollars. Similar to respondent burden estimates, managerial and clerical labor hours were calculated as 5 and 10 percent, respectively, of each technical labor hour requirement.

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

The asphalt processing and asphalt roofing manufacturing source category consists of an estimated 75 existing facilities nationwide. This estimation is based on data obtained from the industry trade association (ARMA) and from searches of on-line operating permit databases. The industry burden is calculated

based upon the assumption that all existing facilities will remain in operation during the 3-year period.

**(e) Bottom Line Burden Hours and Costs Tables.**

(i) Respondent tally.

The bottom line respondent burden hours and costs are summarized in Table 4 of Attachment A. The total nationwide burden for regulated area sources for the first three years after promulgation of the NESHAP are estimated to be 12,442 total labor hours at a labor cost of \$672,254. These labor hours and labor costs represent 75 existing area source facilities.

As shown in Table 4, the total O&M costs to comply with the standard were estimated to be \$122,481 for existing sources for the first three years after promulgation of the rule. The total O&M costs reflect costs that are associated with report submittals and initial performance tests that are not included in the labor hour burden estimate.

(ii) The EPA tally.

The bottom line Federal government burden hours and costs that would result from this ICR for the first three years following promulgation of the NESHAP are presented in Table 4 of Attachment B. These estimated hours and costs represent 75 existing area source facilities.

As shown in Table 4, the estimated Federal government burden labor hours and costs of the NESHAP for the first three years after promulgation are 613 total labor hours at a cost of \$32,333. The total O&M costs incurred by the Federal government were estimated to be \$1,000 in the first three years after promulgation of the rule. The total O&M costs reflect travel expenses associated with observations of initial performance tests.

(iii) Variations in the annual bottom line.



Variations in the annual bottom line for this regulation may occur over the year following promulgation of this rule because certain activities such as reading and understanding the rule and submitting notifications of compliance tests and compliance status are one-time occurrences, rather than on-going activities.

**(f) Reasons for Change in Burden.**

The burden requested in the ICR results from a proposed rule that amends title 40, chapter I, part 63 of the Code of Federal Regulations (CFR), adding subpart AAAAAAA - NESHAP for Area Sources: Asphalt Processing and Asphalt Roofing Manufacturing. The NESHAP includes emission standards and monitoring, reporting, and recordkeeping requirements for area sources of hazardous air pollutants (HAP).

**(g) Burden Statement.**

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 28 hours per response. Burden means 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 Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OAR-2009-027 which is available for online viewing at [www.regulations.gov](http://www.regulations.gov), or in person at the Air and Radiation Docket and Information Center in the EPA Docket Center (EPA/DC), EPA West Building, Room 3334, 1301 Constitution Avenue, NW, Washington, D.C. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Asphalt Processing and Asphalt Roofing Manufacturing Area Source NESHAP docket is (202) 566-1742. An electronic version of the public docket is available at [www.regulations.gov](http://www.regulations.gov). This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. When in the system, select "search," then key in the Docket ID Number identified above. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, D.C. 20503, Attention: Desk Office for EPA. Please include the EPA Docket ID Number EPA-HQ-OAR-2009-027 and OMB Control Number 2060-NEW in any correspondence.

## **Attachment A**

### **Tables 1 through 4**

- Table 1: Annual Respondent Burden and Cost of Recordkeeping and Reporting Requirements for Year 1 of the Proposed NESHAP for Area Sources: Asphalt Processing and Asphalt Roofing Manufacturing
- Table 2: Annual Respondent Burden and Cost of Recordkeeping and Reporting Requirements for Year 2 of the Proposed NESHAP for Area Sources: Asphalt Processing and Asphalt Roofing Manufacturing
- Table 3: Annual Respondent Burden and Cost of Recordkeeping and Reporting Requirements for Year 3 of the Proposed NESHAP for Area Sources: Asphalt Processing and Asphalt Roofing Manufacturing
- Table 4: Summary of Respondent Burden for the Proposed NESHAP for Area Sources (Years 1 through 3): Asphalt Processing and Asphalt Roofing Manufacturing

## **Attachment B**

### **Tables 1 through 4**

- Table 1: Annual Federal Government Burden and Cost of Recordkeeping and Reporting Requirements for Year 1 of the Proposed NESHAP for Area Sources: Asphalt Processing and Asphalt Roofing Manufacturing
- Table 2: Annual Federal Government Burden and Cost of Recordkeeping and Reporting Requirements for Year 2 of the Proposed NESHAP for Area Sources: Asphalt Processing and Asphalt Roofing Manufacturing
- Table 3: Annual Federal Government Burden and Cost of Recordkeeping and Reporting Requirements for Year 3 of the Proposed NESHAP for Area Sources: Asphalt Processing and Asphalt Roofing Manufacturing
- Table 4: Summary of Federal Government Burden for the Proposed NESHAP for Area Sources (Years 1 through 3): Asphalt Processing and Asphalt Roofing Manufacturing