

**SUPPORTING STATEMENT
ENVIRONMENTAL PROTECTION AGENCY**

NSPS for Storage Vessels for Petroleum Liquids for Which Construction, Reconstruction or Modification Commenced After June 11, 1973, and Prior to May 19, 1978 (40 CFR Part 60, Subpart K) (Renewal)

1. Identification of the Information Collection

1(a) Title of the Information Collection

NSPS for Storage Vessels for Petroleum Liquids for which Construction, Reconstruction or Modification Commenced After June 11, 1973, and Prior to May 19, 1978 (40 CFR Part 60, Subpart K) (Renewal), EPA ICR Number 1797.05, OMB Control Number 2060-0442

1(b) Short Characterization/Abstract

The New Source Performance Standards (NSPS) for Storage Vessels for Petroleum Liquids for which Construction, Reconstruction or Modification Commenced After June 11, 1973, and Prior to May 19, 1978, were proposed on June 11, 1973, and promulgated on March 8, 1974. These regulations apply to facilities that store petroleum liquids in storage vessels with a storage capacity greater than 151,416 liters (40,000 gallons) including: storage vessels with capacity greater than 151,416 liters (40,000 gallons) but not exceeding 246,052 liters (65,000 gallons), and where construction or modification commenced after March 8, 1974, and prior to May 19, 1978; and storage vessels that have a capacity greater than 246,052 liters (65,000 gallons), and where construction or modification commenced after June 11, 1973, and prior to May 19, 1978. Facilities that are not subject to these standards are storage vessels of petroleum or condensate stored, processed, and/or treated at a drilling and production facility prior to custody transfer. This information is being collected to assure compliance with these regulations.

The number of respondents for this renewal of the ICR is assumed to be 220. It is further assumed that there is an average of 25 storage vessels per respondent. These assumptions are based on the active ICR data. This is appropriate due to the very slow growth of the petroleum refining and coal products manufacturing industries which are affected by the NSPS subpart K rule. This number was originally obtained from EPA databases, consultation with EPA regional staff and an EPA contractor providing support to the Office of Enforcement and Compliance Assurance. The overall burden imposed on the regulated industry is 769 hours, at a total estimated cost of \$72,750.

The Office of Management and Budget (OMB) approved the currently active information collection request (ICR) without any "Terms of Clearance."

2. Need for and Use of the Collection

2(a) Need/Authority for the Collection

The EPA is charged under Section 111 of the Clean Air Act (CAA), as amended, to establish standards of performance for new stationary sources that reflect:

. . . application of the best technological system of continuous emissions reduction which (taking into consideration the cost of achieving such emissions reduction, or any nonair quality health and environmental impact and energy requirements) the Administrator determines has been adequately demonstrated.
Section 111(a)(1)

The Agency refers to this charge as selecting the best demonstrated technology (BDT). Section 111 also requires that the Administrator review and, if appropriate, revise such standards every four years. In addition, section 114(a) states that the Administrator may require any owner or operator subject to any requirement of this Act to:

(A) Establish and maintain such records; (B) make such reports; (C) install, use, and maintain such monitoring equipment, and use such audit procedures, or methods; (D) sample such emissions (in accordance with such procedures or methods, at such locations, at such intervals, during such periods, and in such a manner as the Administrator shall prescribe); (E) keep records on control equipment parameters, production variables or other indirect data when direct monitoring of emissions is impractical; (F) submit compliance certifications in accordance with Section 114(a)(3); and (G) provide such other information as the Administrator may reasonably require.

In the Administrator's judgment, volatile organic compounds (VOCs) emissions from storage vessels for petroleum liquids cause or contribute to air pollution that may reasonably be anticipated to endanger public health or welfare. Therefore, the NSPS were promulgated for this source category at 40 CFR part 60, subpart K.

2(b) Practical Utility/Users of the Data

The control of emissions of volatile organic compounds from storage vessels for petroleum liquids requires not only the installation of properly designed equipment, but also the operation and maintenance of that equipment. Emissions of volatile organic compounds from these vessels for petroleum liquids are the result of operation of the affected facilities. The subject standards are achieved by the reduction of volatile organic compound emissions using vapor recovery, floating roof, or their equivalent. The notifications required in the applicable regulations are used to inform the Agency or delegated authority when a source became subject

to the requirements of the regulations. The reviewing authority may then inspect the source to check if the pollution control devices are properly installed and operated and the regulations are being met. The information generated by the monitoring, recordkeeping and reporting requirements described in this ICR is used by the Agency to ensure that facilities affected by the NSPS continue to operate the control equipment in compliance with the regulation. Adequate monitoring, recordkeeping, and reporting are necessary to ensure compliance with the applicable regulations, as required by the Clean Air Act. The information collected from recordkeeping and reporting requirements is also used for targeting inspections, and is of sufficient quality to be used as evidence in court.

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

The requested recordkeeping and reporting are required under 40 CFR part 60, subpart K.

3(a) Non-duplication

If the subject standards have not been delegated, the information is sent directly to the appropriate EPA regional office. Otherwise, the information is sent directly to the delegated state or local agency. If a state or local agency has adopted its own similar standards to implement the Federal standards, a copy of the report submitted to the state or local agency can be sent to the Administrator in lieu of the report required by the Federal standards. Therefore, no duplication exists.

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

An announcement of a public comment period for the renewal of this ICR was published in the Federal Register on July 8, 2009 (74 FR32580). No comments were received on the burden published in the Federal Register.

3(c) Consultations

For this information collection, the previous ICR renewal was used to obtain burden estimates since this ICR renewal was processed under the "Expedited Approach" option provided in May 1, 2008 guidance. Per this guidance, all data and assumptions from the previous ICR renewal were used as the basis for estimating the hourly and cost burdens associated with this renewal. Approximately 220 respondents will be subject to the standard over the three year period covered by this ICR.

Industry trade association(s) and other interested parties were provided an opportunity to comment on the burden associated with the standard as it was being developed and the standard has been previously reviewed to determine the minimum information needed for compliance purposes.

It is our policy to respond after a thorough review of comments received since the last ICR renewal as well as those submitted in response to the first Federal Register notice. In this case, no comments were received.

3(d) Effects of Less Frequent Collection

Less frequent information collection would decrease the margin of assurance that facilities are continuing to meet the standards. Requirements for information gathering and recordkeeping are useful techniques to ensure that good operation and maintenance practices are applied and emission limitations are met. If the information required by these standards was collected less frequently, the proper operation and maintenance of control equipment and the possibility of detecting violations would be less likely.

3(e) General Guidelines

These reporting or recordkeeping requirements do not violate any of the regulations promulgated by OMB under 5 CFR part 1320, section 1320.5.

3(f) Confidentiality

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

3(g) Sensitive Questions

The reporting or recordkeeping requirements in the standard do not include sensitive questions.

4. The Respondents and the Information Requested

4(a) Respondents/NAICS Codes

The respondents to the recordkeeping and reporting requirements are facilities that have storage vessels of petroleum liquids meeting the rule criteria. The Standard Industrial Classification (SIC) codes and corresponding North American Industry Classification System (NAICS) for the respondents are listed below:

Category	SIC Codes	NAICS Codes	Examples of Regulated Entities
Petroleum and Coal Products Manufacturing	2911	32411	Petroleum Refineries
	2951	324121	Asphalt Paving Mixture and Block Manufacturing
	2952	324122	Asphalt Shingle and Coating Materials Manufacturing

Category	SIC Codes	NAICS Codes	Examples of Regulated Entities
	2992	324191	Petroleum Lubricating Oil and Grease Manufacturing
	2999	324199	All Other Petroleum and Coal Products Manufacturing

[To compare the SIC and NAICS codes, see the website at <http://www.census.gov/epcd/www/naics.html>.]

4(b) Information Requested

(i) Data Items

In this ICR, all the data that is recorded and/or reported is required by NSPS for Storage Vessels for Petroleum Liquids for Which Construction, Reconstruction or Modification Commenced After June 11, 1973, and Prior to May 19, 1978 (40 CFR part 60, subpart K) (Renewal).

A source must make the following reports:

Notifications	
Construction/reconstruction.	60.7(a)(1)
Physical or operational change.	60.7(a)(4)

A source must keep the following records:

Recordkeeping	
Records are required to be retained for two years.	60.7(f)
Owner/Operator shall maintain a record of the petroleum liquid stored, the period of storage and the maximum true vapor pressure of that liquid during the respective storage period.	60.113(a)
Maintain records of the occurrence and duration of any startup, shutdown, or malfunction.	60.7(b)

Electronic Reporting

Some of the respondents are using monitoring equipment that automatically records parameter data. Although personnel at the affected facility must still evaluate the data, internal automation has significantly reduced the burden associated with monitoring and recordkeeping

at a plant site.

Also, regulatory agencies in cooperation with the respondents, continue to create reporting systems to transmit data electronically. However, electronic reporting systems are still not widely used. At this time, it is estimated that approximately 10 percent of the respondents use electronic reporting.

(ii) Respondent Activities

Respondent Activities
Read instructions.
Install, calibrate, maintain, and operate floating roof or vapor recovery system.
Perform an initial performance test, according to manufacturers' instructions, and repeat performance tests if necessary.
Write the notifications and reports listed above.
Enter information required to be recorded above.
Submit the required reports developing, acquiring, installing, and utilizing technology and systems for the purpose of collecting, validating, and verifying information.
Develop, acquire, install, and utilize technology and systems for the purpose of processing and maintaining information.
Develop, acquire, install, and utilize technology and systems for the purpose of disclosing and providing information.
Adjust the existing ways to comply with any previously applicable instructions and requirements.
Train personnel to be able to respond to a collection of information.
Transmit, or otherwise disclose the information.

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

5(a) Agency Activities

EPA conducts the following activities in connection with the acquisition, analysis, storage, and distribution of the required information.

Agency Activities
Observe initial performance tests and repeat performance tests if necessary.
Review notifications and reports, including performance test reports, and excess emissions reports, required to be submitted by industry.

Agency Activities
Audit facility records.
Input, analyze, and maintain data in the AIRS Facility Subsystem (AFS).

5(b) Collection Methodology and Management

Following notification of startup, the reviewing authority might inspect the source to determine whether the pollution control devices are properly installed and operated. Performance test reports are used by the Agency to discern a source's initial capability to comply with the emission standard. This information will be used to monitor vapor recovery, floating roof or their equivalent pollution control devices, thus ensuring continuous compliance with the standard. Data and records maintained by the respondents are tabulated and published for use in compliance and enforcement programs.

Information contained in the reports is entered into the AFS which is operated and maintained by EPA's Office of Compliance. AFS is EPA's database for the collection, maintenance, and retrieval of compliance data for approximately 125,000 industrial and government-owned facilities. EPA uses the AFS for tracking air pollution compliance and enforcement by local and state regulatory agencies, EPA regional offices and EPA headquarters. EPA and its delegated Authorities can edit, store, retrieve and analyze the data.

The records required by this regulation must be retained by the owner/operator for two years.

5(c) Small Entity Flexibility

A majority of the affected facilities are large entities (e.g., large businesses). However, the impact on small entities (e.g., small businesses) was taken into consideration during the development of the regulation. Due to technical considerations involving the process operations and the types of control equipment employed, the recordkeeping and reporting requirements are the same for both small and large entities. The Agency considers these requirements the minimum needed to ensure compliance and, therefore, cannot reduce them further for small entities.

5(d) Collection Schedule

The specific frequency for each information collection activity within this request is shown below in Table 1: Annual Respondent Burden and Cost: NSPS for Standards of Performance for Storage Vessels for Petroleum Liquids for which Construction, Reconstruction or Modification Commenced after June 11, 1973, and prior to May 19, 1978 (40 CFR part 60, subpart K) (Renewal).

6. Estimating the Burden and Cost of the Collection

Table 1 documents the computation of individual burdens for the recordkeeping and reporting requirements applicable to the industry for the subpart included in this ICR. The

individual burdens are expressed under standardized headings believed to be consistent with the concept of burden under the Paperwork Reduction Act. Where appropriate, specific tasks and major assumptions have been identified. Responses to this information collection are mandatory.

The Agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number.

6(a) Estimating Respondent Burden

The average annual burden to industry over the next three years from these recordkeeping and reporting requirements is estimated to be 769 (Total Labor Hours from Table 1). These hours are based on Agency studies and background documents from the development of the regulation, Agency knowledge and experience with the NSPS program, the previously approved ICR, and any comments received.

6(b) Estimating Respondent Costs

(i) Estimating Labor Costs

This ICR uses the following labor rates:

Managerial	\$114.49 (\$54.52 + 110%)
Technical	\$98.20 (\$46.76 + 110%)
Clerical	\$48.53 (\$23.11 + 110%)

These rates are from the United States Department of Labor, Bureau of Labor Statistics, September 2009, "Table 2. Civilian Workers, by occupational and industry group." The rates are from column 1, "Total compensation." The rates have been increased by 110 percent to account for the benefit packages available to those employed by private industry.

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

The only costs to the regulated industry resulting from information collection activities required by the subject standard are labor costs. There are no capital/startup or operation and maintenance costs.

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

The only type of industry costs associated with the information collection activity in the regulations are labor costs. There are no capital/startup or operation and maintenance costs.

6(c) Estimating Agency Burden and Cost

The average annual Agency cost during the three years of the ICR is estimated to be \$228. The only costs to the Agency are those costs associated with analysis of the reported

information. EPA's overall compliance and enforcement program includes activities such as the examination of records maintained by the respondents, periodic inspection of sources of emissions, and the publication and distribution of collected information.

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

Managerial	\$62.27 (GS-13, Step 5, \$38.92 + 60%)
Technical	\$46.21 (GS-12, Step 1, \$28.88 + 60%)
Clerical	\$25.01 (GS-6, Step 3, \$15.63 + 60%)

These rates are from the Office of Personnel Management (OPM) 2010 General Schedule which excludes locality rates of pay. The rates have been increased by 60 percent to account for the benefit packages available to government employees. Details upon which this estimate is based appear below in Table 2: Annual Burden and Cost for the Federal Government: NSPS for Storage Vessels for Petroleum Liquids for which Construction, Reconstruction or Modification Commenced after June 11, 1973, and prior to May 19, 1978 (40 CFR part 60, subpart K) (Renewal).

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

Based on our research for this ICR, on average over the next three years, approximately 220 existing respondents will be subject to the standard. It is also estimated that no additional sources will become subject.

The number of respondents is calculated using the following table that addresses the three years covered by this ICR.

Number of Respondents					
	Respondents That Submit Reports		Respondents That Do Not Submit Any Reports		
Year	(A) Number of New Respondents	(B) Number of Existing Respondents	(C) Number of Existing Respondents That Keep Records But Do Not Submit Reports	(D) Number of Existing Respondents That Are Also New Respondents	(E) Number of Respondents (E=A+B+C-D)
1	0	2.2	217.8	N/A	220
2	0	2.2	217.8	N/A	220
3	0	2.2	217.8	N/A	220
Average	0	2.2	217.8	N/A	220

Column D is subtracted to avoid double-counting respondents. As shown above, the average Number of Respondents over the three-year period of this ICR is 220.

The total number of annual responses per year is calculated using the following table:

Total Annual Responses				
(A) Information Collection Activity	(B) Number of Respondents	(C) Number of Responses	(D) Number of Existing Respondents That Keep Records But Do Not Submit Reports	(E) Total Annual Responses E=(BxC)+D
Notification of reconstruction or /modification	2.2	1	217.8	220
			Total	220

The number of Total Annual Responses is 220. The total annual labor costs are \$72,750 (rounded). Details regarding these estimates may be found below in Table 1. Annual Respondent Burden and Cost: NSPS for Storage Vessels for Petroleum Liquids for which Construction, Reconstruction or Modification Commenced after June 11, 1973, and prior to May 19, 1978 (40 CFR part 60, subpart K) (Renewal).

Note that there are no annual capital and O&M costs associated with this ICR for this NSPS, subpart K, as indicated in Section 6(b)(iii), Capital/Startup vs. Operation and Maintenance (O&M) Costs, above.

6(e) Bottom Line Burden Hours And Cost Tables

The bottom line burden hours and cost tables for both the Agency and the respondents appear below. The annual public reporting and recordkeeping burden for this collection of information is estimated to average 3.5 hours per response.

6(f) Reasons for Change in Burden

There is no change in the labor hours or cost to the respondents in this ICR compared to the previous ICR. This is due to two considerations: (1) the regulations have not changed over the past three years and are not anticipated to change over the next three years; and (2) the growth rate for the respondents is very low, negative, or non-existent. Therefore, the labor hours and cost figures in the previous ICR reflect the current burden to the respondents and are reiterated in this ICR.

6(g) Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 3.5 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 at 40 CFR part 9 and 48 CFR chapter 15.

To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OECA-2009-0424. An electronic version of the public docket is available at <http://www.regulations.gov/> which may be used to obtain a copy of the draft collection of information, submit or view public comments, access the index listing of the contents of the docket, and to access those documents in the public docket that are available electronically. When in the system, select "search," then key in the docket ID number identified in this document. The documents are also available for public viewing at the Enforcement and Compliance Docket and Information Center in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue, NW, Washington, DC. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the docket center is (202) 566-1752. 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 Officer for EPA. Please include the EPA Docket ID Number EPA-HQ-OECA-2009-0424 and OMB Control Number 2060-0442 in any correspondence.

Part B of the Supporting Statement

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

Burden item	(A) Person- hours per occurrence	(B) No. of occurrences per respondent per year	(C) Person- hours per respondent per year (C=AxB)	(D) Respondents per year ^a	(E) Technical person- hours per year (E=CxD)	(F) Management person-hours per year (Ex0.05)	(G) Clerical person- hours per year (Ex0.1)	(H) Cost, \$ ^b
A. Read instructions	Included in 4E							
B. Plan activities	Included in 4E							
C. Implement activities	Included in 4E							
D. Develop record system	N/A							
E. Time to enter and transmit information:								
i. Records of startup, shutdown, or malfunction	1	1	1	220	220	11.0	22.0	\$23,931.05
ii. Record petroleum liquid stored	0.5	1	0.5	220	110	5.5	11.0	\$11,965.53
iii. Record of storage performance tests	0.5	1	0.5	220	110	5.5	11.0	\$11,965.53
iv. Record true vapor pressure of liquid stored	1	1	1	220	220	11.0	22.0	\$23,931.05
F. Time to train personnel	N/A							
G. Time for audits	N/A							
TOTAL LABOR BURDEN AND COST					668.8	33.44	66.88	\$72,750.39
TOTAL LABOR HOURS (Rounded)					769			\$72,750

Assumptions:

- ^a We have assumed that there are approximately 220 sources currently subject to the NSPS, subpart K. We have assumed that there will be no new sources subject to the requirements of this regulation.
- ^b This ICR uses the following labor rates: \$114.49 per hour for Executive, Administrative, and Managerial labor; \$98.20 per hour for Technical labor, and \$48.53 per hour for Clerical labor. These rates are from the United States Department of Labor, Bureau of Labor Statistics, September 2009, Table 2. Civilian Workers, by occupational and industry group. The rates are from column 1, "Total compensation". The rates have been increased by 110% to account for the benefit packages available to those employed by private industry.
- ^c The monitoring and recordkeeping of operations include maintain record of the petroleum liquid stored, the period of storage, and the maximum true vapor pressure of that liquid during the respective storage period, unless the affected facility is equipped with a vapor recovery and return or disposal system in accordance with the requirements in 40 CFR 60.112, or stores liquid with a Reid vapor pressure of less than 6.9 kPa (1.0 psia) provided the true vapor pressure does not exceed that value.
- ^d We have assumed that only one percent of the respondents (0.01 of 220) or 2.2 will modify or reconstruct their tanks in such way that it triggers the reporting requirements under NSPS subpart K.

Table 2: Annual Burden and Cost for The Federal Government: NSPS for Standards of Performance for Storage Vessels for Petroleum Liquids for which Construction, Reconstruction or Modification Commenced after June 11, 1973, and prior to May 19, 1978 (40 CFR part 60, subpart K) (Renewal)

Activity	(A) EPA person- hours per occurrence	(B) No. of occurrences per plant per year	(C) EPA person- hours per plant per year (C=AxB)	(D) Plants per year ^a	(E) Technical person- hours per year (E=CxD)	(F) Management person-hours per year (Ex0.05)	(G) Clerical person- hours per year (Ex0.1)	(H) Cost, \$ ^b
Notification of reconstruction/ modification ^c	2	1	2	2.2	4.4	0.22	0.44	\$228.03
Subtotal Burden and Cost					4.4	0.22	0.44	\$228.03
TOTAL ANNUAL BURDEN AND COST (Rounded)					5			\$228

Assumptions:

^a We have assumed that there are approximately 220 sources currently subject to the NSPS, subpart K. We have assumed that there will be no new sources subject to the requirements of this regulation.

^b This cost is based on the following labor rates which incorporates a 1.6 benefits multiplication factor to account for government overhead expenses: Managerial rate of \$62.27 (GS-13, Step 5, \$38.92 x 1.6), Technical rate of \$46.21 (GS-12, Step 1, \$28.88 x 1.6), and Clerical rate of \$25.01 (GS-6, Step 3, \$15.63 x 1.6). These rates are from the Office of Personnel Management (OPM) 2010 General Schedule which excludes locality rates of pay.

^c We have assumed that only one percent of the respondents or 22 will modify or reconstruct their tanks in such way that it triggers the reporting requirements under NSPS subpart K.